

BILL ANALYSIS

C.S.H.B. 1809
By: Hernandez
Insurance
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The bill author has informed the committee that when the husband of a married couple passes away, it is a common occurrence for the rate of insurance paid by the widow to increase, but when it is the wife that dies, the insurance rate paid by the husband does not change. C.S.H.B. 1809 seeks to address this issue by prohibiting certain discrimination by an insurer on the basis of an insured's marital status following the death of the insured's spouse.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1809 amends the Insurance Code to prohibit an insurer from doing the following:

- refusing to continue to insure or provide coverage to an individual or limiting the amount, extent, or kind of coverage available to an individual because the individual is widowed or the individual's marital status otherwise reflects the death of a spouse; or
- charging an individual who is widowed or whose marital status otherwise reflects the death of a spouse a rate that is different from the rate that would be charged if the individual's marital status was married.

This prohibition does not apply to an insurance policy that is delivered, issued for delivery, or renewed before the bill's effective date. An insurance policy that is delivered, issued for delivery, or renewed before the bill's effective date is governed by the law as it existed immediately before that date, and that law is continued in effect for that purpose.

EFFECTIVE DATE

September 1, 2025.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 1809 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Both versions of the bill prohibit an insurer from refusing to continue to insure or provide coverage to an individual or limiting the amount, extent, or kind of coverage available to an

individual because the individual is widowed. However, the substitute also prohibits an insurer from taking such action because the individual's marital status otherwise reflects the death of a spouse, whereas the introduced did not.

Whereas the introduced prohibited an insurer from charging an individual a rate that is different from the rate charged to other individuals for the same coverage on the basis that the individual is widowed, the substitute prohibits an insurer from charging an individual who is widowed or whose marital status otherwise reflects the death of a spouse a rate that is different from the rate that would be charged if the individual's marital status was married.

The substitute includes a provision absent from the introduced establishing that an insurance policy that is delivered, issued for delivery, or renewed before the bill's effective date is governed by the law as it existed immediately before that date and continuing that law in effect for that purpose.