

## **BILL ANALYSIS**

S.B. 1238  
By: Kolkhorst  
Insurance  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

According to a 2015 study conducted by the Consumer Federation of America, four of six major insurers were found to have increased the rates they charge widows by an average of 20 percent. Current state law prohibits insurance pricing discrimination based on marital status. However, the statute provides insurers an exception that enables insurers to charge a widow penalty.

S.B. 1238 seeks to protect Texans by preventing insurers from increasing rates on an individual or refusing to continue to insure or provide coverage to an individual on the basis that the individual's spouse has died.

### **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**

S.B. 1238 amends the Insurance Code to prohibit an insurer, notwithstanding certain statutory exceptions, 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 or the individual's marital status otherwise reflects the death of a spouse and from charging such an individual a rate that is different from the rate that would be charged if the individual's marital status was married. The bill's provisions do 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 that 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.