

BILL ANALYSIS

Senate Research Center

H.B. 845
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Business & Commerce
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Engrossed

DIGEST AND PURPOSE

Prior to and during the Holocaust, insurance companies sold policies to individuals who subsequently became victims of the Holocaust. H.B. 845 allows an action to be brought against an insurer to recover on a claim arising out of an insurance policy issued to a Holocaust victim and provides penalties for insurers that deny a claim because of the age of the claim.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 21E, Insurance Code, by adding Article 21.74 as follows:

Art. 21.74. ENFORCEMENT OF INSURANCE POLICIES AFFECTING CERTAIN HOLOCAUST VICTIMS

Sec. 1. DEFINITIONS. Defines “holocaust victim,” “insurer,” and “insurance policy.”

Sec. 2. SUSPENSION OF LIMITATIONS PERIOD. (a) Authorizes a Holocaust victim, or the heir, assignee, beneficiary, or successor of a Holocaust victim, who resides in this state and has a claim arising out of an insurance policy purchased or in effect in Europe before 1946 that was delivered, issued for delivery, or renewed by an insurer to bring an action against an insurer to recover on that claim in a court of competent jurisdiction in this state, notwithstanding any other law.

(b) Prohibits an action brought under Subsection (a) of this section from being dismissed for failure to comply with any applicable limitations period if the action is brought before December 31, 2012.

Sec. 3. ENFORCEMENT. (a) Provides that a failure by an insurer to comply with a claim brought under this article by denying the claim on the grounds that the claim is not timely or by asserting a statute of limitations defense in an action brought under Section 2(a) of this article constitutes a violation of this article.

(b) Authorizes the Commissioner of Insurance (commissioner), if the commissioner considers it to be necessary, to initiate an examination under Article 1.15 of this code.

(c) Authorizes the commissioner, if the commissioner believes that a violation of this article by an insurer has occurred or is occurring, to impose sanctions under Chapter 82 of this code, issue a cease and desist order under Chapter 83 of this code, assess an administrative penalty under Chapter 84 of this code or refer the matter to the attorney general for appropriate enforcement.

SECTION 2. Effective date: upon passage or September 1, 2001.