

BILL ANALYSIS

Senate Research Center
79R7920 DLF-D

S.B. 991
By: Wentworth
State Affairs
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As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Current law provides that a contingent beneficiary is entitled to receive the proceeds of a life insurance policy if the primary beneficiary of the policy is a principal or accomplice in bringing about the death of the insured.

As proposed, S.B. 991 prohibits a contingent beneficiary from receiving the proceeds of a life insurance policy if the contingent beneficiary is not related by consanguinity to the insured and is related within the third degree by consanguinity to a person who is a principal or an accomplice in bringing about the death of the insured.

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 Section 1103.152(b), Insurance Code, to provide that a contingent beneficiary is not entitled to receive the proceeds of a life insurance policy or contract if the contingent beneficiary is not related by consanguinity to the insured and is related within the third degree by consanguinity, as determined under Chapter 573 (Degrees of Relationship; Nepotism Prohibitions), Government Code, to a person who is a principal or an accomplice in willfully bringing about the death of the insured.

SECTION 2. Effective date: upon passage or September 1, 2005.