

BILL ANALYSIS

Senate Research Center

H.B. 186
By: Burnam (Shapleigh)
Business & Commerce
4/29/2001
Engrossed

DIGEST AND PURPOSE

Under current law, fire marshals, fire chiefs, and police officers are authorized to request insurance companies to release certain information regarding a fire loss of \$1,000 or more as a means to investigate possible insurance fraud. H.B. 186 expands the insurance fraud investigative powers of police officers, fire chiefs, and fire marshals to include the investigation of possible insurance fraud in cases of burglary, robbery, and death claims.

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 21.49C as follows:

Art. 21.49C. REPORT OF CLAIMS INFORMATION ABOUT BURGLARY, ROBBERY, OR DEATH. (a) Provides that subject to Subsection (b), the state fire marshal, the fire marshal of a political subdivision in this state, the chief of a fire department in this state, a chief of police of a municipality in this state, or a sheriff in this state may, in the course of a criminal investigation, request in writing that an insurance company investigating a claimed burglary or robbery loss or a death claim seeking life insurance proceeds release information in the company's possession that relates to that claimed loss. Requires the company to release the information to any official authorized to request the information under this article if the company has reason to believe that the insurance claim is false or fraudulent.

(b) Prohibits an official who requests information under this article from requesting anything other than certain items.

(c) Provides that this article does not authorize a public official or agency to adopt or require any form of periodic report by an insurance company.

(d) Provides that in the absence of fraud or malice, an insurance company or a person who releases information on behalf of an insurance company is not liable for damages in a civil action or subject to criminal prosecution for an oral or written statement made, or any other action taken, that relates to the information required to be released under this article.

(e) Requires the officials and department personnel receiving information under this article to maintain the information in confidence until the release of the information is required during a criminal or civil proceeding.

(f) Prohibits an insurance company or the company's representative from intentionally refusing to release to an official described by Subsection (a) of this article the

information required to be released to that official under this article.

SECTION 2. Effective date: September 1, 2001. Makes application of this Act prospective.