



News

Bessie Daschbach and Scott Seaman Discuss Insurance Implications of a Proposed Anti-ESG Bill in Texas

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Hinshaw partners Bessie Daschbach and Scott Seaman discussed in *Law360 Insurance Authority* how recent legislative efforts in Texas that would prevent insurance companies from adopting shareholder proposals with environmental, social, and governance (ESG) initiatives could impact the insurance industry.

Daschbach stated that anti-ESG laws targeting insurers could limit competition, resulting in higher premiums. "While it's being politicized, it just seems unfathomable to me that insurance companies will be able to avoid having to factor these [ESG] considerations into how they're doing business," she said. "My biggest concern would be restrictions on insurance companies that then translate into a burden on consumers — on businesses and consumers who are just trying to insure themselves and the lives that they've built where they live."

Seaman noted that the proposed bill does set limits. He stated that it is only applicable to insurers or holding companies organized under Texas law and to carriers that include ESG proposals in proxy statements. "It is limited to shareholder proposals that would limit insuring of fossil fuel companies, tracking greenhouse gas emissions of policyholders or entities the insurer invests in, and insuring an entity involved in legal activity for the purpose of achieving environmental, social or political ends."

[Read the full article \(subscription required\)](#)

"Texas Anti-ESG Efforts Threaten To Strain Insurance Industry" was published by *Law360 Insurance Authority* on March 21, 2023.

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