



News

Bessie Daschbach Discusses New Anti-ESG Law in Texas and its Impact on Insurers

July 6, 2023

Hinshaw partner Bessie Daschbach was quoted in *Law360 Insurance Authority* this week on the subject of a new Texas law that bans most in-state insurance companies from setting or changing rates based on environmental, social, or governance (ESG) factors.

Daschbach said insurers may struggle to verify that their existing practices do not run afoul of the law since many factors commonly characterized as ESG, like climate change risks, are part of ordinary stress testing.

There's a lot of language in the bill that I think is going to create questions for insurers and their lawyers to answer; are the practices undertaken within or without the bounds of this legislation? It raises a lot more questions than it answers.

She added that when insurers cannot accurately calculate their risks in a market, they confront decisions about whether they can be in a market or not.

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

"Texas ESG Ban Strains Insurance Industry, Climate Action" was published by *Law360 Insurance Authority* on June 26, 2023.

Attorneys

Emma Elizabeth "Bessie" Antin
Daschbach

Service Areas

Sustainability & ESG

Offices

New Orleans