



Senate

General Assembly

File No. 264

February Session, 2006

Substitute Senate Bill No. 259

Senate, March 31, 2006

The Committee on Insurance and Real Estate reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT PROHIBITING DISCRIMINATION IN LIFE INSURANCE
BASED ON LAWFUL TRAVEL DESTINATIONS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) No life insurance company
2 doing business in this state may deny or refuse to accept an application
3 for life insurance, refuse to renew, cancel, restrict or otherwise
4 terminate a policy of life insurance, or make any distinction or
5 discrimination between persons as to the premiums or rates charged
6 for policies of life insurance, on the basis of any past or future lawful
7 travel destination of the applicant or insured, except that such
8 company may deny such application or charge a different premium or
9 rate for coverage under such policy based on a specific lawful travel
10 destination where the denial or rate differential is based on sound
11 actuarial principles or is related to actual or reasonably anticipated
12 experience.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

INS *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill limits a life insurer's ability to underwrite a policy based on a person's past or future travel to a lawful destination. There is no fiscal impact.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis
sSB 259***AN ACT PROHIBITING DISCRIMINATION IN LIFE INSURANCE
BASED ON LAWFUL TRAVEL DESTINATIONS.*****SUMMARY:**

This bill limits a life insurer's ability to underwrite a policy based on a person's past or future travel to a lawful destination. Under the bill, an insurer cannot, on the basis of an applicant's or insured's past or future lawful travel, (1) deny or refuse to accept a life insurance application; (2) charge different premiums or rates for a life insurance policy; or (3) cancel, restrict, terminate, or not renew a policy. The bill allows an insurer to deny an application or charge different premiums or rates based on a person's specific lawful travel destination if the action is (1) based on sound actuarial principles or (2) related to actual or reasonably anticipated experience (*e.g.*, the insurer can demonstrate that travel to the specific location poses an increased risk of death).

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 13 Nay 6 (03/14/2006)