



Senate

General Assembly

File No. 193

January Session, 2013

Senate Bill No. 953

Senate, March 27, 2013

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 bill ought to pass.

AN ACT CONCERNING DISCLOSURES FOR UNIVERSAL LIFE INSURANCE POLICIES.

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

1 Section 1. Section 38a-430 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2013*):

3 (a) No life insurance or annuity policy or contract shall be delivered
4 or issued for delivery to any person in this state, nor shall any
5 application, rider or endorsement be used in connection therewith,
6 until a copy of the form thereof shall have been filed with and
7 approved by the commissioner. The commissioner shall adopt
8 regulations, in accordance with the provisions of chapter 54,
9 establishing a procedure for review of such policies. The commissioner
10 shall issue an order disapproving the use of any such form at any time
11 if it does not comply with the requirements of law, or if it contains a
12 provision or provisions that are unfair or deceptive or that encourage
13 misrepresentation of the policy. The commissioner shall specify the
14 reason for the commissioner's disapproval. The provisions of section

15 38a-19 shall apply to any such order issued by the commissioner.

16 (b) No universal life insurance policy shall be delivered or issued for
17 delivery to any person in this state unless it bears on its cover, in not
18 less than twelve-point boldface type in capital letters, the following:

19 NOTICE

20 THE PREMIUMS THAT YOU PAY FOR THIS POLICY MAY
21 INCREASE IN THE FUTURE. IT IS IMPORTANT THAT YOU READ
22 AND UNDERSTAND THIS POLICY.

23 [(b)] (c) Nothing in this chapter shall preclude the issuance of a life
24 insurance contract including, but not limited to, a long-term care
25 policy as provided in section 38a-458, that includes an optional health
26 insurance rider, provided the optional health insurance rider is filed
27 with and approved by the Insurance Commissioner pursuant to
28 section 38a-481. Any company offering such policies for sale in this
29 state shall be licensed to sell health insurance in this state pursuant to
30 the provisions of section 38a-41.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2013	38a-430

INS *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

This bill specifies certain notification requirements for life insurance policies. As it concerns private insurance transactions, there is no fiscal impact.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**SB 953*****AN ACT CONCERNING DISCLOSURES FOR UNIVERSAL LIFE INSURANCE POLICIES.*****SUMMARY:**

This bill requires universal life insurance policies delivered or issued in Connecticut to include the following notice on the cover in 12-point type, boldface, and capitals:

NOTICE: THE PREMIUMS THAT YOU PAY FOR THIS POLICY MAY INCREASE IN THE FUTURE. IT IS IMPORTANT THAT YOU READ AND UNDERSTAND THIS POLICY.

By law, life insurance policies cannot be delivered or issued until they are filed with and approved by the insurance commissioner.

EFFECTIVE DATE: October 1, 2013

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 18 Nay 0 (03/14/2013)