OLR Bill Analysis
HB 7262

AN ACT CONCERNING THE USE OF GENETIC INFORMATION AND TESTING BY LIFE INSURANCE COMPANIES.

SUMMARY

This bill prohibits life insurers doing business in Connecticut from requesting or requiring genetic testing or revealing genetic testing results as a precondition to applying for, purchasing, or renewing a life insurance policy or an annuity. It also prohibits such life insurers from offering different premiums, rates, dividends, or benefits based on genetic information (i.e., information about a person’s genes, gene products, or inherited characteristics).

The bill makes a violation of its provisions a Connecticut Unfair Insurance Practices Act (CUIPA) violation (see BACKGROUND).

EFFECTIVE DATE: October 1, 2019

PROHIBITED ACTIONS

The bill prohibits a life insurer doing business in the state from the following:

1. requesting or requiring, directly or indirectly, a person or a family member to undergo genetic testing or reveal genetic testing results as a precondition to (a) applying for life insurance or an annuity or (b) delivering, issuing, or renewing a life insurance policy or annuity contract in the state and

2. denying or not accepting an application; refusing to renew a policy or contract; canceling, rescinding, restricting, or otherwise terminating a policy or contract; or discriminating between people as to premiums, rates, dividends, or benefits on the basis of genetic information.
BACKGROUND

Connecticut Unfair Insurance Practices Act

CUIPA prohibits engaging in unfair or deceptive acts or practices in the business of insurance. It authorizes the insurance commissioner to conduct investigations and hearings, issue cease and desist orders, impose fines, revoke or suspend licenses, and order restitution for per se violations (i.e., violations specifically listed in statute). The law also allows the commissioner to ask the attorney general to seek injunctive relief in Superior Court if he believes someone is engaging in other unfair or deceptive acts not specifically defined in statute.

Fines may be up to (1) $5,000 per violation to a $50,000 maximum or (2) $25,000 per violation to a $250,000 maximum in any six-month period if the violation was knowingly committed. The law also imposes a fine of up to $50,000, in addition to or in lieu of a license suspension or revocation, for violating a cease and desist order.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable
Yea 13  Nay  7  (03/14/2019)