

SENATE BILL REPORT

EHB 1561

As Reported By Senate Committee On:
Financial Institutions, Housing & Consumer Protection, March 29, 2005

Title: An act relating to prohibiting discrimination in life insurance based on lawful travel destinations.

Brief Description: Prohibiting discrimination in life insurance based on lawful travel destinations.

Sponsors: Representatives Appleton, Roach, Santos, Kirby, Schual-Berke, Condotta, Williams and Chase.

Brief History: Passed House: 3/09/05, 96-0.

Committee Activity: Financial Institutions, Housing & Consumer Protection: 3/29/05 [DPA].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & CONSUMER PROTECTION

Majority Report: Do pass as amended.

Signed by Senators Fairley, Chair; Berkey, Vice Chair; Brandland, Delvin, Franklin, Keiser, Prentice, Schmidt and Spanel.

Staff: Joanne Conrad (786-7472)

Background: Some consumers report being denied life insurance, or being requested to pay a higher price for life insurance, based upon their travel history, or future travel plans involving certain allegedly high risk destinations.

Summary of Amended Bill: A person cannot be denied life insurance, or have a policy nonrenewed, cancelled, or restricted, or be charged a different rate for the same coverage, based upon the consumer's past or future lawful travel destinations.

However, life insurers are permitted to deny or limit coverage, or charge a different rate, for consumers traveling to specific lawful destinations, when there is a substantiated, bona fide statistical difference in risk exposure.

Amended Bill Compared to Original Bill: The statutory requirements for the process of determining actuarial risk assessment are simplified.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The striking amendment to the bill will accomplish the purpose of the legislation, in an actuarially reasonable manner.

Testimony Against: None.

Who Testified: PRO: Rob Jacobs, ADL & Jewish Federation of Greater Seattle; Mel Sorensen, American Council of Life Insurers.