RN1620830 **AP 15**

**INTRODUCED BY SENIOR ASSEMBLY MEMBER TAYLOR**

Legislative Counsel’s Digest

 AP 15: INSURANCE POLICY DISCLOSURE: SENIORS.

UNDER EXISTING LAW, AN INSURANCE POLICY MUST SPECIFY, AMONG OTHER THINGS, THE RISKS INSURED AGAINST AND THE PERIOD DURING WHICH THE INSURANCE IS TO CONTINUE. EXISTING LAW ALSO REQUIRES AN INSURER TO NOTIFY A POLICYHOLDER OF AN INDIVIDUAL LIFE INSURANCE POLICY REGARDING PREMIUM INCREASES AND OTHER CHANGES IN THE INSURANCE POLICY CONTRACT. EXISTING LAW REQUIRES A PERSON WHO SELLS OR OFFERS TO SELL LIFE INSURANCE TO A SENIOR INSURED OR PROSPECTIVE INSURED IN THE SENIOR’S HOME TO DELIVER A NOTICE, INCLUDING SPECIFIED DISCLOSURES, IN A STAND-ALONE DOCUMENT, WITHOUT ATTACHMENTS, IN 16-POINT BOLD TYPEFACE.

THIS MEASURE WOULD MEMORIALIZE THE LEGISLATURE AND THE GOVERNOR TO ENACT LEGISLATION THAT WOULD REQUIRE AN INSURANCE COMPANY TO REQUIRE A SENIOR INSURED TO SIGN A SEPARATE DISCLOSURE PAGE THAT IS A STAND-ALONE DOCUMENT, WITHOUT ATTACHMENTS, PRINTED IN 16-POINT BOLD, CLEARLY LEGIBLE TYPEFACE, STATING WHEN CERTAIN EVENTS WILL OCCUR UNDER THE INSURANCE POLICY CONTRACT, INCLUDING, BUT NOT LIMITED TO, CANCELLATION, INCREASES IN PREMIUMS, OR THE FINAL PAYOUT OF A CASH VALUE LIFE INSURANCE POLICY.

VOTE: MAJORITY.

AP 13: RELATING TO INSURANCE TRANSPARENCY

WHEREAS, FINE PRINT ON INSURANCE CONTRACTS CAN BE VERY DIFFICULT TO READ AND, AS A RESULT, MANY CONSUMERS MUST RELY ON THEIR INSURANCE AGENTS TO EXPLAIN THE TERMS OF THESE INSURANCE POLICY CONTRACTS; AND

WHEREAS, MANY DETAILS OF INSURANCE POLICY CONTRACTS MAY NOT BE FULLY UNDERSTOOD BY CONSUMERS, THEREBY ENABLING INSURANCE COMPANIES TO RETAIN MANY YEARS OF PREMIUMS FROM POORLY INFORMED INSUREDS; NOW, THEREFORE, BE IT

RESOLVED, BY THE SENIOR ASSEMBLY AND THE SENIOR SENATE, JOINTLY, THAT THE SENIOR LEGISLATURE OF THE STATE OF CALIFORNIA AT ITS 2016 REGULAR SESSION, A MAJORITY OF THE MEMBERS VOTING THEREFOR, HEREBY PROPOSES THAT LEGISLATION BE ENACTED REQUIRING AN INSURANCE COMPANY TO HAVE A SENIOR INSURED SIGN A SEPARATE DISCLOSURE PAGE THAT IS A STAND-ALONE DOCUMENT, WITHOUT ATTACHMENTS, PRINTED IN 16-POINT BOLD, CLEARLY LEGIBLE TYPEFACE, STATING WHEN CERTAIN EVENTS WILL OCCUR UNDER THE INSURANCE POLICY CONTRACT, INCLUDING, BUT NOT LIMITED TO, CANCELLATION, INCREASES IN PREMIUMS, OR THE FINAL PAYOUT OF A CASH VALUE LIFE INSURANCE POLICY; AND BE IT FURTHER

RESOLVED, THAT THE SENIOR LEGISLATURE OF THE STATE OF CALIFORNIA RESPECTFULLY MEMORIALIZES THE LEGISLATURE AND THE GOVERNOR OF THE STATE OF CALIFORNIA TO ENACT APPROPRIATE LEGISLATION THAT WOULD ADDRESS THE CONCERNS SET FORTH IN THIS MEASURE; AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS MEASURE BE TRANSMITTED TO THE PRESIDENT PRO TEMPORE OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, AND THE GOVERNOR OF THE STATE OF CALIFORNIA.