

109TH CONGRESS
2^D SESSION

S. 3239

To require full disclosure of insurance coverage and noncoverage by insurance companies and provide for Federal Trade Commission enforcement.

IN THE SENATE OF THE UNITED STATES

MAY 25, 2006

Mr. DAYTON (for himself and Mr. LOTT) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To require full disclosure of insurance coverage and noncoverage by insurance companies and provide for Federal Trade Commission enforcement.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Uniform Insurance
5 Non-Coverage Disclosure Act”.

6 **SEC. 2. UNLAWFUL ACT.**

7 Each individual policy written by a State-registered
8 insurance company shall include on the front or first page
9 of the policy a “Noncoverage Disclosure” box restating in

1 plain English, in bold font twice the size of the text in
2 the body of the policy, all conditions, exclusions, and other
3 limitations pertaining to coverage under that policy, re-
4 gardless of the underlying insurance product in question.

5 **SEC. 3. ENFORCEMENT.**

6 (a) IN GENERAL.—Any violation of this Act shall be
7 treated as a violation of a regulation under section
8 18(a)(1)(B) of the Federal Trade Commission Act (15
9 U.S.C. 57a(a)(1)(B)) regarding unfair or deceptive acts
10 or practices.

11 (b) REGULATIONS.—The Federal Trade Commission
12 (referred to in this Act as the “Commission”) shall pro-
13 mulgate regulations to carry out this Act.

14 **SEC. 4. POWERS OF COMMISSION.**

15 (a) IN GENERAL.—The Commission, acting through
16 the Division of Financial Practices in the Bureau of Con-
17 sumer Protection, shall prevent any person from violating
18 this Act, and any regulation promulgated thereunder, in
19 the same manner, by the same means, and with the same
20 jurisdiction, powers and duties as though all applicable
21 terms and provisions of the Federal Trade Commission
22 Act (15 U.S.C. 41 et seq.) were incorporated into and
23 made a part of this Act.

24 (b) PENALTIES.—Any person who violates regula-
25 tions promulgated under this Act shall be subject to the

1 penalties and entitled to the privileges and immunities
2 provided in the Federal Trade Commission Act as though
3 all applicable terms and provisions of the Federal Trade
4 Commission Act were incorporated into and made part of
5 this Act.

6 (c) AUTHORITY PRESERVED.—Nothing in this Act
7 shall be construed to limit the authority of the Commission
8 under any other provision of law.

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