

111TH CONGRESS
1ST SESSION

H. R. 251

To prevent the nondisclosure of employer-owned life insurance coverage of employees as an unfair trade practice under the Federal Trade Commission Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 7, 2009

Mr. GENE GREEN of Texas introduced the following bill; which was referred to the Committee on Education and Labor, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To prevent the nondisclosure of employer-owned life insurance coverage of employees as an unfair trade practice under the Federal Trade Commission Act, and for other purposes.

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 “Life Insurance Em-
5 ployee Notification Act”.

1 **SEC. 2. DISCLOSURE OF EMPLOYER-OWNED LIFE INSUR-**
2 **ANCE COVERAGE OF EMPLOYEES.**

3 (a) WRITTEN NOTICE REQUIRED.—Except as pro-
4 vided in subsection (b), not later than 30 days after the
5 date on which an employer purchases an employer-owned
6 insurance policy on the life of an employee (or a spouse
7 or dependent of the employee), the employer shall provide
8 to each employee for whom the employer carries such a
9 policy a written notice that contains the following informa-
10 tion:

11 (1) A statement that the employer carries an
12 employer-owned insurance policy on the life of the
13 employee.

14 (2) The identity of the insurance carrier of the
15 policy.

16 (3) The benefit amount of the policy.

17 (4) The name of the beneficiary of the policy.

18 (b) TRANSITION.—

19 (1) NOTICE TO FORMER COVERED EMPLOY-
20 EES.—For former employees covered by an insur-
21 ance policy described in subsection (a), for any
22 length of time, from January 1, 1985, until the date
23 of enactment of this Act, the employer shall provide
24 the notice required under that subsection not later
25 than 1 year after such date of enactment.

1 (2) NOTICE OF EXISTING COVERED EMPLOY-
2 EES.—For employees covered by an insurance policy
3 described in subsection (a) as of the date of enact-
4 ment of this Act, the employer shall provide the no-
5 tice required under that subsection not later than 90
6 days after such date of enactment.

7 (c) ENFORCEMENT.—A violation of this section con-
8 stitutes an unfair method of competition and an unfair
9 or deceptive act or practice under section 5(a)(1) of the
10 Federal Trade Commission Act (15 U.S.C. 45(a)(1)). The
11 Federal Trade Commission shall enforce this Act in the
12 same manner, by the same means, and with the same ju-
13 risdiction as though all applicable terms and provisions of
14 the Federal Trade Commission Act were incorporated into
15 and made a part of this Act.

16 (d) EMPLOYER-OWNED INSURANCE POLICY DE-
17 FINED.—The term “employer-owned insurance policy”
18 means an insurance policy purchased by the employer for
19 the benefit of a person other than the individual who is
20 the subject of the policy (or other than a person des-
21 ignated by such individual).

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