

6623

Sponsor(s): Senator Prentice

Brief Description: Regulating insurable interests and employer-owned life insurance.

SB 6623.E - DIGEST

(AS OF SENATE 2ND READING 2/12/04)

Declares that "employer-owned life insurance policy" as used in this act means an insurance policy purchased by an employer on the life of an employee, for the benefit of a person other than the employee or the employee's personal representative.

Provides that an employer-owned life insurance policy may not be made or take effect unless at the time the contract is made the individual insured consents to the contract in writing.

Provides that an employer may not retaliate in any manner against an employee for providing written notice that he or she does not want to be insured under an employer-owned life insurance policy.

Requires that, no later than thirty days after the date on which an employer purchases an employer-owned life insurance policy on an employee, the employer must provide to each employee for whom the employer carries a policy a written notice that contains the following information: (1) A statement that the employer carries an employer-owned life insurance policy on the life of the employee;

- (2) The identity of the insurance carrier of the policy;
- (3) The benefit amount of the policy; and
- (4) The identity of the beneficiary of the policy.

Declares that, with respect to employer-owned life insurance policies, this act shall apply only to policies issued and delivered after the effective date of this act.