

period for life and annuity policies. If you want to cancel in your 10 days, you can do it at no cost. This is a cooling off period that is common in other kinds of consumer protection. It shortens the time in which the companies can raise certain defenses from three to two years, and now it will be required a 30-day notice of nonrenewal for an accident and health insurance, to provide whether they are insured. It provides for consultants licenses to have minimum requirements. It also requires that accident and health policies have descriptive titles on the face of their policy and that we make sure that these policies are fairly described on their face, changes the free look period for long-term care policies from 10 to 30 days. It also changes the Long-Term Care Act, changing the preexisting exclusion period from one year to six months. This, in other words, shortens the amount of time that an insured can remove somebody for a preexisting exclusion from a year to six months. Those are a few of the consumer elements in the bill. Would I characterize this bill as a giant step forward for consumers? No, I wouldn't. It wasn't designed to be a consumer protection bill. It was designed to take a statute that has remained on the books since 1913 and all of the subsequent years' amendments and examine them as one fabric to see if there were redundancies, to see if there were obsolescences, to see if there were requirements that were no longer sensible because of the passage of time and we found them. We found that the insurance lines were not well defined and needed to be defined better. We found that capitalization and surplus rates were low and had...the needs of a company had grown since those times. We found that our agents fees and our agents licenses presented a workload problem that could more easily be analyzed over two years. We found that there were requirements to do things, to have the shareholders of an insurance company do something twice rather than to have them do something once, and we remove those requirements. Those changes are summarized in the amendments and in the summary that I passed out to you. The basic thrust of the bill is not to protect the consumer a great deal more than what they are now protected. It is to turn this ever changing set of statutes with all of the barnacles on the hull of this 1913 ship, if you will, into one fabric, into one more sensible readable contemporaneous insurance law with underlying policies and themes. So there is certainly something in it for the companies. They get the removal of some of the obsolete requirements. For example, we passed a Deceptive Trade Practices Act in 1973, but all of the old deceptive trade language that had sprung up one at a time based on practices