

NEWS

from
**Paul
Tsongas**

U.S. SENATOR FROM MASSACHUSETTS

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Contact: John Quinn, Consumer Affairs
Subcommittee 224-1564 or
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PRIVACY BILL SUBJECT OF CONSUMER AFFAIRS SUBCOMMITTEE HEARING

Senator Paul Tsongas (D-Mass.), Chairman of the Subcommittee on Consumer Affairs of the Senate Banking, Housing and Urban Affairs Committee will hold hearings on S. 1928, the Fair Financial Information Practices Act, on Monday, March 10 and Tuesday, March 11 in Room 5302 Dirksen Senate Office Building.

S. 1928 would require that insurance companies:

- provide access to applicants and insured to see and copy whatever information the insurance companies may have secured through their investigations or otherwise.
- provide applicants with notice disclosing the types of information the company will seek to gather on the applicant (medical records, moral character, credit record, interviews with neighbors, etc.) and also a disclosure of who may be expected to receive this information from the insurer.
- provide applicants with the specific reasons why they were denied insurance coverage (or rated).
- provide a procedure whereby citizens may seek the correction or amendment of erroneous or incomplete information in their files.

Tsongas stated, "If inaccurate information is obtained by the insurer in its investigations, the information may lead to the rejection of insurance applications, rate increases for existing coverage or cancellation of insurance. There is a constant flow of this information among insurance companies. Inaccurate information developed by one firm and disseminated throughout the industry by computers may continue to injure an individual without their even being aware of the inaccurate information."

The following individuals will testify on S. 1928:

Monday, March 10, 1980 at 1:00 p.m. in Rm. 5302 Dirksen

The Honorable Barry Goldwater, Jr., U.S. House of Representative (R-Calif.)

Mr. Ronald L. Plessner, Attorney, Blum and Nash, Washington, D.C.

Mr. James R. Martin, Chr. of the Board, Massachusetts Mutual Life Insurance Co.

Mr. Thomas McDermott, V.P. Metropolitan Life Insurance Co., New York

Mr. David H. Harris, Ex. V.P., Equitable Life Assurance Society, New York

Mr. Robert Ellis, Editor, Privacy Journal, Washington D.C.