



REVIEW OF THE INSURANCE CONTRACTS AMENDMENT BILL 2011

The House Economics Committee will inquire into and report on the Insurance Contracts Amendment Bill 2011. The Bill is available from the committee's website.

On 5 April 2011 the Government released a consultation paper '*Reforming flood insurance: Clearing the waters*' in order to engage the community in suggesting improvements to the regulatory framework and other aspects of Australia's insurance market.

The Explanatory Memorandum noted that 'the paper contained two key proposals designed to improve clarity for consumers in relation to insurance policies and, in particular, the cover provided for various types of flood, namely, a standard definition of flood and the Key Facts Sheet (KFS) to outline the key information in relation to home building and home contents policies.'

The Insurance Contracts Amendment Bill 2011 implements these proposals.

The Bill will take effect from Royal Assent. However, the regulations in relation to the measures in this Bill (the standard definition of flood and the KFS) will commence two years after the day the regulations are made in respect of each of the measures.

Interested persons and organisations are invited to make **submissions to the inquiry by Friday, 13 January 2012.**

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