

By Senators Gutman and McKay

26-1431-98

1                                   A bill to be entitled  
2           An act relating to insurance; amending s.  
3           626.112, F.S.; prohibiting a person from  
4           transacting health insurance unless licensed  
5           and appointed; amending s. 626.321, F.S.;  
6           providing that a full-time salaried employee of  
7           a common carrier or of a transportation ticket  
8           agency that rents or leases motor vehicles who  
9           holds a limited insurance license may write  
10          motor vehicle liability insurance providing  
11          coverage greater than the standard liability  
12          limits provided by a lessor in its lease to a  
13          person renting or leasing a motor vehicle from  
14          the licensee's employer; amending s. 627.410,  
15          F.S.; providing that the forms of certain  
16          health insurance policies or applications need  
17          not be approved by the Department of Insurance;  
18          providing an effective date.

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20 Be It Enacted by the Legislature of the State of Florida:

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22           Section 1. Present subsections (3), (4), (5), (6),  
23           (7), and (8) of section 626.112, Florida Statutes, are  
24           redesignated as subsections (4), (5), (6), (7), (8), and (9)  
25           respectively and a new subsection (3) is added to that section  
26           to read:

27           626.112 License and appointment required; agents,  
28           customer representatives, solicitors, adjusters, insurance  
29           agencies, service representatives, managing general agents,  
30           claims investigators.--

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1           (3) A person may not transact health insurance  
2 pursuant to s. 627.410(2) unless he or she is licensed and  
3 appointed.

4           Section 2. Paragraph (d) of subsection (1) of section  
5 626.321, Florida Statutes, is amended to read:

6           626.321 Limited licenses.--

7           (1) The department shall issue to a qualified  
8 individual, or a qualified individual or entity under  
9 paragraphs (d) and (e), a license as agent authorized to  
10 transact a limited class of business in any of the following  
11 categories:

12           (d) Baggage and motor vehicle excess liability  
13 insurance.--

14           1. License covering only insurance of personal effects  
15 except as provided in subparagraph 2. The license may be  
16 issued only:

17           a. To a full-time salaried employee of a common  
18 carrier or a full-time salaried employee or owner of a  
19 transportation ticket agency, which person is engaged in the  
20 sale or handling of transportation of baggage and personal  
21 effects of travelers, and may authorize the sale of such  
22 insurance only in connection with such transportation; or

23           b. To the full-time salaried employee of a licensed  
24 general lines agent, a full-time salaried employee of a  
25 business which offers motor vehicles for rent or lease, or to  
26 a business office of a business which offers motor vehicles  
27 for rent or lease if insurance sales activities authorized by  
28 the license are limited to full-time salaried employees.

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30 The purchaser of baggage insurance shall be provided written  
31 information disclosing that the insured's homeowner's policy

1 may provide coverage for loss of personal effects and that the  
2 purchase of such insurance is not required in connection with  
3 the purchase of tickets or in connection with the lease or  
4 rental of a motor vehicle.

5           2. A business office licensed pursuant to subparagraph  
6 1., or a person licensed pursuant to subparagraph 1. who is a  
7 full-time salaried employee of a business which offers motor  
8 vehicles for rent or lease, may include lessees under a master  
9 contract providing coverage to the lessor or may transact  
10 ~~excess~~ motor vehicle liability insurance providing coverage  
11 greater than in excess of the standard liability limits  
12 provided by the lessor in its lease to a person renting or  
13 leasing a motor vehicle from the licensee's employer for  
14 liability arising in connection with the negligent operation  
15 of the leased or rented motor vehicle, provided that the lease  
16 or rental agreement is for not more than 30 days; that the  
17 lessee is not provided coverage for more than 30 consecutive  
18 days per lease period, and, if the lease is extended beyond 30  
19 days, the coverage may be extended one time only for a period  
20 not to exceed an additional 30 days; that the lessee is given  
21 written notice that his or her personal insurance policy  
22 providing coverage on an owned motor vehicle may provide  
23 additional ~~excess~~ coverage; and that the purchase of the  
24 insurance is not required in connection with the lease or  
25 rental of a motor vehicle. The ~~excess~~ liability insurance may  
26 be provided to the lessee as an additional insured on a policy  
27 issued to the licensee's employer.

28           3. A business office licensed pursuant to subparagraph  
29 1., or a person licensed pursuant to subparagraph 1. who is a  
30 full-time salaried employee of a business which offers motor  
31 vehicles for rent or lease, may, as an agent of an insurer,

1 transact insurance that provides coverage for the liability of  
2 the lessee to the lessor for damage to the leased or rented  
3 motor vehicle if:

4 a. The lease or rental agreement is for not more than  
5 30 days; or the lessee is not provided coverage for more than  
6 30 consecutive days per lease period, but, if the lease is  
7 extended beyond 30 days, the coverage may be extended one time  
8 only for a period not to exceed an additional 30 days;

9 b. The lessee is given written notice that his  
10 personal insurance policy that provides coverage on an owned  
11 motor vehicle may provide such coverage with or without a  
12 deductible; and

13 c. The purchase of the insurance is not required in  
14 connection with the lease or rental of a motor vehicle.

15 Section 3. Present subsections (2) through (8) of  
16 section 627.410, Florida Statutes, are redesignated as  
17 subsections (3) through (9), respectively, and a new  
18 subsection (2) is added to that section to read:

19 627.410 Filing, approval of forms.--

20 (2) This section does not apply to health insurance  
21 policies or applications delivered or issued for delivery in  
22 this state to residents of foreign countries by insurers  
23 authorized to transact insurance in this state.

24 Section 4. This act shall take effect upon becoming a  
25 law.

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SENATE SUMMARY

Prohibits a person from transacting health insurance unless licensed and appointed. Authorizes a full-time salaried employee of a common carrier or of a transportation ticket agency that rents or leases motor vehicles who holds a limited insurance license to write motor vehicle liability coverage greater than the standard liability limits provided by a lessor in its lease to a person renting or leasing a motor vehicle from the licensee's employer. Provides that the filing and approval of forms prescribed in s. 627.410, F.S., does not apply to health insurance policies or applications delivered or issued for delivery in this state to residents of foreign countries by insurers authorized to transact insurance in this state.