

Amendment No. 1 (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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ORIGINAL STAMP BELOW

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Representative(s) Bitner offered the following:

Amendment (with title amendment)

Remove from the bill: everything after the enacting clause
and insert in lieu thereof:

Section 1. Subsection (5) is added to section 624.426, Florida Statutes, to read:

624.426 Exceptions to resident agent and countersignature law.--Section 624.425 does not apply to:
(5) Policies of insurance issued by insurers whose agents represent, as to property, casualty, and surety insurance, only one company or group of companies under common ownership and for which a Florida resident agent is the agent of record and the application has been lawfully submitted to the insurer.

Section 2. Paragraph (q) of subsection(1) of section 626.9541, Florida Statutes, is amended to read:

626.9541 Unfair methods of competition and unfair or deceptive acts or practices defined.--

(1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR

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1 DECEPTIVE ACTS.--The following are defined as unfair methods
2 of competition and unfair or deceptive acts or practices:

3 (q) Certain insurance transactions through credit card
4 facilities prohibited.--

5 1. Except as provided in subparagraph 3., no person
6 shall knowingly solicit or negotiate any insurance; seek or
7 accept applications for insurance; issue or deliver any
8 policy; receive, collect, or transmit premiums, to or for any
9 insurer; or otherwise transact insurance in this state, or
10 relative to a subject of insurance resident, located, or to be
11 performed in this state, through the arrangement or facilities
12 of a credit card facility or organization, for the purpose of
13 insuring credit card holders or prospective credit card
14 holders. The term "credit card holder" as used in this
15 paragraph means any person who may pay the charge for
16 purchases or other transactions through the credit card
17 facility or organization, whose credit with such facility or
18 organization is evidenced by a credit card identifying such
19 person as being one whose charges the credit card facility or
20 organization will pay, and who is identified as such upon the
21 credit card either by name, account number, symbol, insignia,
22 or any other method or device of identification. This
23 subparagraph does not apply as to health insurance or to
24 credit life, credit disability, or credit property insurance.

25 2. Whenever any person does or performs in this state
26 any of the acts in violation of subparagraph 1. for or on
27 behalf of any insurer or credit card facility, such insurer or
28 credit card facility shall be held to be doing business in
29 this state and, if an insurer, shall be subject to the same
30 state, county, and municipal taxes as insurers that have been
31 legally qualified and admitted to do business in this state by

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1 agents or otherwise are subject, the same to be assessed and
2 collected against such insurers; and such person so doing or
3 performing any of such acts shall be personally liable for all
4 such taxes.

5 3. A licensed agent or insurer may solicit or
6 negotiate any insurance; seek or accept applications for
7 insurance; issue or deliver any policy; receive, collect, or
8 transmit premiums, to or for any insurer; or otherwise
9 transact insurance in this state, or relative to a subject of
10 insurance resident, located, or to be performed in this state,
11 through the arrangement or facilities of a credit card
12 facility or organization, for the purpose of insuring credit
13 card holders or prospective credit card holders if:

14 a. The insurance or policy which is the subject of the
15 transaction is noncancelable by any person other than the
16 named insured, the policyholder, or the insurer;

17 b. Any refund of unearned premium is made directly to
18 the credit card holder; and

19 c. The credit card transaction is authorized by the
20 signature of the credit card holder or other person authorized
21 to sign on the credit card account.

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23 The conditions enumerated in sub-subparagraphs a. through c.
24 do not apply to health insurance or to credit life, credit
25 disability, or credit property insurance; and sub-subparagraph
26 c. does not apply to property and casualty insurance so long
27 as the transaction is authorized by the insured.

28 4. No person may use or disclose information resulting
29 from the use of a credit card in conjunction with the purchase
30 of insurance, when such information is to the advantage of
31 such credit card facility or an insurance agent, or is to the

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1 detriment of the insured or any other insurance agent; except
2 that this provision does not prohibit a credit card facility
3 from using or disclosing such information in any judicial
4 proceeding or consistent with applicable law on credit
5 reporting.

6 5. No such insurance shall be sold through a credit
7 card facility in conjunction with membership in any automobile
8 club. The term "automobile club" means a legal entity which,
9 in consideration of dues, assessments, or periodic payments of
10 money, promises its members or subscribers to assist them in
11 matters relating to the ownership, operation, use, or
12 maintenance of a motor vehicle; however, the definition of
13 automobile clubs does not include persons, associations, or
14 corporations which are organized and operated solely for the
15 purpose of conducting, sponsoring, or sanctioning motor
16 vehicle races, exhibitions, or contests upon race tracks, or
17 upon race courses established and marked as such for the
18 duration of such particular event. The words "motor vehicle"
19 used herein shall be the same as defined in chapter 320.

20 Section 3. Subsection (8) is added to section
21 627.7295, Florida Statutes, to read:

22 627.7295 Motor vehicle insurance contracts.--

23 (8) Subsection (7) of this section does not apply if
24 an insured or family member has previously purchased and has
25 in effect a policy of private passenger motor vehicle
26 insurance and is purchasing additional coverage or adding
27 coverage for an additional vehicle, with such coverage being
28 written by the same insurer or a member of the same insurer
29 group.

30 Section 4. This act shall take effect upon becoming a
31 law.

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1 ===== T I T L E A M E N D M E N T =====

2 And the title is amended as follows:

3 On page 1, lines 2-5

4 remove from the title of the bill: all of said lines

5

6 and insert in lieu thereof:

7 An act relating to insurance policy sales and
8 delivery procedures; amending s. 627.426, F.S.;
9 relating to countersignature of certain
10 insurance policies; creating an exception to
11 the countersignature law; amending s. 626.9541,
12 F.S.; relating to sales of insurance by credit
13 card; amending s. 627.7295, F.S.; relating to
14 insurance policy down payments; providing an
15 effective date.

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