

By Representative Lawson

1 A bill to be entitled
2 An act relating to insurance; creating s.
3 627.5015, F.S.; prohibiting delivery or
4 issuance of industrial life insurance policies
5 after a certain date; providing application;
6 requiring disclosure of certain information to
7 policyholders or premium payors; amending s.
8 627.5045, F.S.; deleting an application
9 exception from certain secondary notice
10 requirements; providing an effective date.

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

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14 Section 1. Section 627.5015, Florida Statutes, is
15 created to read:

16 627.5015 Industrial life insurance prohibited;
17 application; disclosure.--

18 (1) A policy of industrial life insurance may not be
19 delivered or issued in this state on or after October 1, 2000.

20 (2) Each policy of industrial life insurance in effect
21 before October 1, 2000, is subject to all applicable
22 provisions of the Florida Insurance Code and rules adopted
23 under the code.

24 (3) Each insurer that collects premiums in this state
25 for a policy of industrial life insurance must annually
26 disclose to the policyholder or premium payor the total amount
27 of premiums paid, the cash value, and the amount of the death
28 benefits payable under the policy.

29 Section 2. Section 627.5045, Florida Statutes, is
30 amended to read:

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1 627.5045 Secondary notice.--~~Except as provided in this~~
2 ~~section,~~A contract for an industrial life insurance policy
3 issued or issued for delivery in this state on or after
4 October 1, 1997, for which premiums are paid monthly, covering
5 a natural person 64 years of age or older or owned by a
6 natural person 64 years of age or older, which has been in
7 force for at least 1 year, may not be lapsed for nonpayment of
8 premium unless, after expiration of the grace period, and at
9 least 21 days before the effective date of such lapse, the
10 insurer has mailed a notification of the impending lapse in
11 coverage to the policyowner and to a specified secondary
12 addressee if such addressee has been designated in writing by
13 name and address by the policyowner. An insurer issuing an
14 industrial life insurance contract on or after October 1,
15 1997, shall notify the applicant of the right to designate a
16 secondary addressee at the time of application for the policy
17 on a form provided by the insurer and at any time the policy
18 is in force by submitting a written notice to the insurer
19 containing the name and address of the secondary addressee.
20 ~~This section does not apply to any life insurance contract~~
21 ~~under which premiums are payable monthly or more frequently~~
22 ~~and are regularly collected by a licensed agent.~~

23 Section 3. This act shall take effect October 1, 2000.

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26 SENATE SUMMARY

27 Prohibits the sale of industrial life insurance. Requires
28 certain notice before canceling existing policies.

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