

HB 1643

2004

A bill to be entitled

An act relating to life insurance and annuity contracts;  
 amending s. 624.402, F.S.; providing that a certificate of  
 authority is not required for certain life insurance  
 policies or annuity contracts issued by an insurer  
 domiciled outside the United States and covering only  
 persons who are not residents of the United States;  
 requiring that the Office of Insurance Regulation  
 determine that the insurer meets certain requirements;  
 requiring the insurer to disclose certain information;  
 providing for the office to determine when the insurer is  
 no longer eligible for the exemption; providing an  
 exemption from certain taxes; providing an effective date.

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

Section 1. Subsection (8) is added to section 624.402,  
 Florida Statutes, to read:

624.402 Exceptions, certificate of authority required.--A  
 certificate of authority shall not be required of an insurer  
 with respect to:

(8)(a) Life insurance policies or annuity contracts issued  
 by an insurer domiciled outside the United States covering only  
 persons who are not residents of the United States at the time  
 of issuance, provided:

1. The office determines that the insurer meets the same  
 requirements as an eligible surplus lines insurer as set forth  
 in s. 626.918(2).

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29       2. The insurer provides to the applicant for the policy or  
 30 contract a copy of financial statements of the insurer as of a  
 31 date not earlier than 120 days prior to the date of provision of  
 32 such financial statements and discloses in writing to the  
 33 applicant, in clear and conspicuous language:

34       a. The date of organization of the insurer.

35       b. The identity of and rating assigned by each recognized  
 36 insurance company rating organization that has rated the insurer  
 37 or, if applicable, that the insurer is unrated.

38       c. That the insurer does not hold a certificate of  
 39 authority issued in Florida and that the Office of Insurance  
 40 Regulation does not exercise regulatory oversight over the  
 41 insurer.

42       d. The identity and address of the regulatory authority  
 43 exercising oversight of the insurer.

44       (b) If at any time the office has reason to believe that  
 45 an insurer issuing policies or contracts pursuant to this  
 46 subsection is insolvent or in unsound financial condition, does  
 47 not make reasonable prompt payment of benefits, or is no longer  
 48 eligible under the conditions specified in this subsection, the  
 49 office shall withdraw the eligibility of the insurer to issue  
 50 policies or contracts pursuant to this subsection without having  
 51 a certificate of authority issued by the office.

52       (c) This subsection does not provide an exception to the  
 53 agent licensure requirements of chapter 626. Any insurer issuing  
 54 policies or contracts pursuant to this subsection shall appoint  
 55 the agents that the insurer uses to sell such policies or  
 56 contracts, as provided in chapter 626.

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57 (d) An insurer issuing policies or contracts pursuant to  
58 this subsection is subject to part IX of chapter 626, Unfair  
59 Insurance Trade Practices, and the office may take such actions  
60 against the insurer for a violation as are provided in that  
61 part.

62 (e) Policies and contracts issued pursuant to this  
63 subsection are not subject to the premium tax specified in s.  
64 624.509.

65 Section 2. This act shall take effect July 1, 2004.