

1 A bill to be entitled
 2 An act relating to travel-limited life insurance coverage;
 3 providing a short title; amending s. 626.9541, F.S.;
 4 specifying prohibited activities by insurers for life
 5 insurance coverage relating to lawful travel experiences
 6 or plans; authorizing the Financial Services Commission to
 7 adopt rules and provide certain limited exceptions based
 8 on emergency conditions and public policy; requiring
 9 market conduct examinations of life insurers to include a
 10 review of certain applications; providing for trebling
 11 certain administrative fines for certain violations;
 12 requiring the Office of Insurance Regulation to report
 13 annually to the Legislature; providing report
 14 requirements; providing an effective date.

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

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 18 Section 1. This act may be cited as the "Freedom to Travel
 19 Act."

20 Section 2. Paragraph (dd) is added to subsection (1) of
 21 section 626.9541, Florida Statutes, to read:

22 626.9541 Unfair methods of competition and unfair or
 23 deceptive acts or practices defined.--

24 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE
 25 ACTS.--The following are defined as unfair methods of
 26 competition and unfair or deceptive acts or practices:

27 (dd) Life insurance limitations based on past foreign
28 travel experiences or future foreign travel plans.--

29 1. An insurer may not refuse life insurance to, refuse to
30 continue the life insurance of, or limit the amount, extent, or
31 kind of life insurance coverage available to an individual based
32 solely on the individual's past lawful foreign travel
33 experiences.

34 2. An insurer may not refuse life insurance to, refuse to
35 continue the life insurance of, or limit the amount, extent, or
36 kind of life insurance coverage available to an individual based
37 solely on the individual's future lawful travel plans unless the
38 insurer can demonstrate and the Office of Insurance Regulation
39 determines that:

40 a. Individuals who travel are a separate actuarially
41 supportable class whose risk of loss is different from those
42 individuals who do not travel; and

43 b. Such risk classification is based upon sound actuarial
44 principles and actual or reasonably anticipated experience that
45 correlates to the risk of travel to a specific destination.

46 3. The commission may adopt rules pursuant to ss.
47 120.536(1) and 120.54 necessary to implement this paragraph and
48 may provide for limited exceptions that are based upon national
49 or international emergency conditions that affect the public
50 health, safety, and welfare and that are consistent with public
51 policy.

52 4. Each market conduct examination of a life insurer
53 conducted pursuant to s. 624.3161 shall include a review of

54 every application under which such insurer refused to issue life
55 insurance, refused to continue life insurance, or limited the
56 amount, extent, or kind of life insurance issued, based upon
57 future lawful travel plans.

58 5. The administrative fines provided in s. 624.4211(2) and
59 (3) shall be trebled for violations of this paragraph.

60 6. The Office of Insurance Regulation shall report to the
61 President of the Senate and the Speaker of the House of
62 Representatives by March 1, 2007, and on the same date annually
63 thereafter, on the implementation of this paragraph. The report
64 shall include, but not be limited to, the number of applications
65 under which life insurance was denied, continuance was refused,
66 or coverage was limited based on future travel plans, the number
67 of insurers taking such action, and the reason for taking each
68 such action.

69 Section 3. This act shall take effect July 1, 2006.