Florida Senate - 2006

 ${\bf By}$ the Committee on Banking and Insurance; and Senators Aronberg, Alexander, Margolis and Atwater

597-1958-06 1 A bill to be entitled 2 An act relating to travel-limited life 3 insurance coverage; amending s. 626.9541, F.S.; 4 specifying prohibited activities by insurers 5 relating to lawful travel; providing б exceptions; authorizing the adoption of rules 7 by the Financial Services Commission to 8 implement the act and allow for limited 9 exceptions based on emergencies and public 10 policy; providing an effective date. 11 12 Be It Enacted by the Legislature of the State of Florida: 13 Section 1. This act may be cited as "The Freedom To 14 Travel Act." 15 Section 2. Paragraph (dd) is added to subsection (1) 16 17 of section 626.9541, Florida Statutes, to read: 18 626.9541 Unfair methods of competition and unfair or deceptive acts or practices defined. --19 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR 20 21 DECEPTIVE ACTS.--The following are defined as unfair methods 22 of competition and unfair or deceptive acts or practices: 23 (dd) Life insurance limitations based on past foreign travel experiences or future foreign travel plans .--2.4 An insurer may not refuse life insurance to, refuse 25 1 26 to continue life insurance of, or limit the amount, extent, or kind of life insurance coverage available to an individual 27 2.8 based solely on the individual's past lawful foreign travel 29 experiences. 2. An insurer may not refuse life insurance to, refuse 30 to continue life insurance of, or limit the amount, extent, or 31

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1 kind of life insurance coverage available to an individual 2 based solely on the individual's future lawful travel plans unless the insurer can demonstrate and the Office of Insurance 3 4 Regulation determines that insureds who intend to travel are a separate actuarially supportable class whose risk of loss is 5 6 different from those insureds who do not intend to travel. 7 3. The commission may adopt rules necessary to 8 implement this paragraph and may provide for limited exceptions that are based upon national or international 9 10 emergency conditions that affect the public health, safety, and welfare and that are consistent with public policy. 11 12 Section 3. This act shall take effect July 1, 2006. 13 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN 14 COMMITTEE SUBSTITUTE FOR Senate Bill 764 15 16 17 Cites the act as the "The Freedom To Travel Act." 18 Creates a new unfair or deceptive trade practice provision under the Insurance Code (s. 626.9541, F.S.) which would 19 prohibit life insurers from refusing coverage or otherwise discriminating against an individual solely on the basis of 20 the individual's past lawful foreign travel experiences. 21 Prohibits life insurers from refusing coverage or otherwise discriminating against an individual solely on the basis of that individual's "future" lawful foreign travel plans, unless life insurers demonstrate, and the Office of Insurance 2.2 Regulation determines, that insureds who intend to travel are a seperate actuarilly supportable class whose risk of loss is 23 2.4 different from those insureds who do not intend to travel. 25 Authorizes the Financial Services Commission (Governor and Cabinet) to develop rules to implement these provisions and provides authority to the Commission to allow for limited 26 exceptions based on national or international emergency conditions affecting public health, safety, and welfare that 27 are consistent with public policy. 28 29 30 31 2

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