

1 A bill to be entitled
 2 An act relating to prohibited free insurance practices;
 3 amending s. 626.9541, F.S.; providing an additional
 4 exclusion from a prohibition against free insurance for
 5 certain communications equipment; providing a definition;
 6 providing an effective date.

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

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 10 Section 1. Paragraph (n) of subsection (1) of section
 11 626.9541, Florida Statutes, is amended to read:

12 626.9541 Unfair methods of competition and unfair or
 13 deceptive acts or practices defined.--

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

17 (n) Free insurance prohibited.--

18 1. Advertising, offering, or providing free insurance as
 19 an inducement to the purchase or sale of real or personal
 20 property or of services directly or indirectly connected with
 21 such real or personal property.

22 2. For the purposes of this paragraph, "free" insurance
 23 is:

24 a. Insurance for which no identifiable and additional
 25 charge is made to the purchaser of such real property, personal
 26 property, or services.

27 b. Insurance for which an identifiable or additional
 28 charge is made in an amount less than the cost of such insurance

29 as to the seller or other person, other than the insurer,
 30 providing the same.

31 3. Subparagraphs 1. and 2. do not apply to:

32 a. Insurance of, loss of, or damage to the real or
 33 personal property involved in any such sale or services, under a
 34 policy covering the interests therein of the seller or vendor.

35 b. Blanket disability insurance as defined in s. 627.659.

36 c. Credit life insurance or credit disability insurance.

37 d. Any individual, isolated, nonrecurring unadvertised
 38 transaction not in the regular course of business.

39 e. Title insurance.

40 f. Any purchase agreement involving the purchase of a
 41 cemetery lot or lots in which, under stated conditions, any
 42 balance due is forgiven upon the death of the purchaser.

43 g. Life insurance, trip cancellation insurance, or lost
 44 baggage insurance offered by a travel agency as part of a travel
 45 package offered by and booked through the agency.

46 h. Insurance covering communications equipment if the
 47 person paying for the insurance:

48 (I) (A) Has an ongoing contractual interest or other
 49 economic interest in the communications equipment; or

50 (B) Requires the communications equipment to deliver its
 51 services; and

52 (II) Discloses the cost of the insurance at the time the
 53 communications equipment is sold.

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 55 For purposes of this sub-subparagraph, the term "communications
 56 equipment" means handsets, pagers, or personal digital

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57 assistants used to originate or receive communications signals
58 or service.

59 4. Using the word "free" or words which imply the
60 provision of insurance without a cost to describe life or
61 disability insurance, in connection with the advertising or
62 offering for sale of any kind of goods, merchandise, or
63 services.

64 Section 2. This act shall take effect upon becoming a law.