

ENROLLED

CS/CS/HB 885, Engrossed 1

2010 Legislature

1 A bill to be entitled
 2 An act relating to life insurance; amending s. 626.2815,
 3 F.S.; exempting certain life insurance agents from certain
 4 continuing education requirements under certain
 5 circumstances; providing an attestation requirement;
 6 creating s. 627.4605, F.S.; specifying nonapplication of a
 7 required notice to a current insurer of a policy
 8 replacement under certain circumstances; amending s.
 9 627.464, F.S.; providing a limitation on the resale of
 10 certain annuities to third parties; amending s. 627.552,
 11 F.S.; prohibiting the creating or permitting of certain
 12 classes of employees for group health insurance policy
 13 purposes; preserving an employer's authority to require
 14 certain plan participation as a condition of employment;
 15 amending s. 627.5575, F.S.; revising the limitation on the
 16 amount of insurance for spouses of dependent children of
 17 employees of members under a group life insurance policy;
 18 providing an effective date.

19
 20 Be It Enacted by the Legislature of the State of Florida:

21
 22 Section 1. Paragraph (k) of subsection (3) of section
 23 626.2815, Florida Statutes, is amended to read:

24 626.2815 Continuing education required; application;
 25 exceptions; requirements; penalties.—

26 (3)

27 (k)1. Any person who holds a license to solicit or sell
 28 life insurance in this state must complete a minimum of 3 hours

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29 | in continuing education, approved by the department, on the
 30 | subject of suitability in annuity and life insurance
 31 | transactions. A licensee may use the hours obtained under this
 32 | subparagraph ~~paragraph~~ to satisfy the requirement for continuing
 33 | education in ethics under paragraph (a).

34 | 2. An agent who has not sold individual life insurance
 35 | policies or annuity contracts during the continuing education
 36 | compliance cycle in question and does not have any active
 37 | individual life insurance policies or annuity contracts is
 38 | exempt from the requirements of subparagraph 1. In order to
 39 | apply the exemption, the department may require the filing of a
 40 | certification attesting that the agent has not sold individual
 41 | life insurance policies or annuity contracts during the
 42 | continuing education compliance cycle in question and does not
 43 | have any active individual life insurance policies or annuity
 44 | contracts.

45 | Section 2. Section 627.4605, Florida Statutes, is created
 46 | to read:

47 | 627.4605 Replacement notice.-A notice to a current insurer
 48 | of a replacement of a current life insurance policy is not
 49 | required in a transaction involving:

50 | (1) An application to the current insurer that issued the
 51 | current policy or contract when a contractual change or
 52 | conversion privilege is being exercised;

53 | (2) A current policy or contract is being replaced by the
 54 | same insurer pursuant to a program filed with and approved by
 55 | the office; or

56 | (3) A term conversion privilege is being exercised among

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57 corporate affiliates.

58 Section 3. Subsection (2) of section 627.464, Florida
 59 Statutes, is renumbered as subsection (3), and a new subsection
 60 (2) is added to that section to read:

61 627.464 Annuity contracts, pure endowment contracts;
 62 standard provisions.—

63 (2) An annuity purchased, dedicated, or otherwise allocated
 64 as part of a settlement to satisfy the requirements of 42 U.S.C. s.
 65 1395y(b) (2) may not be sold to, or commuted by or for, a third
 66 party unconnected to the settlement.

67 Section 4. Paragraph (a) of subsection (1) of section
 68 627.552, Florida Statutes, is amended to read:

69 627.552 Employee groups.—Subject to all of the
 70 requirements of this section, the lives of a group of individual
 71 employees of an employer may be insured, for the benefit of
 72 persons other than the employer, under a policy issued to the
 73 employer or to the trustees of a fund established by an
 74 employer, which employer or board of trustees is deemed to be
 75 the policyholder.

76 (1) (a) The employees eligible for insurance under the
 77 policy shall be all of the employees of the employer, or all of
 78 any class or classes of employees determined by conditions
 79 pertaining to their employment; however, a class of employees
 80 may not be created or permitted that consists solely of
 81 employees covered under the employer's group health plan. This
 82 section does not prohibit an employer from requiring
 83 participation in its group health plan as a condition of
 84 employment.

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86 This section does not affect the provisions of ss. 112.08-
87 112.14.

88 Section 5. Subsection (3) of section 627.5575, Florida
89 Statutes, is amended to read:

90 627.5575 Group life insurance for dependents.—Except for a
91 policy issued under s. 627.553, a group life insurance policy
92 may be extended to insure the employees or members against loss
93 due to the deaths of their spouses and dependent children or any
94 class or classes thereof, subject to the following:

95 (3) The amounts of insurance for any covered spouse or
96 dependent child under the policy may not exceed ~~50 percent of~~
97 the amount of insurance for which the employee or member is
98 insured.

99 Section 6. This act shall take effect upon becoming a law.