

By the Committees on Appropriations; Governmental Oversight and Accountability; and Banking and Insurance; and Senator Hukill

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1 A bill to be entitled
2 An act relating to the Interstate Insurance Product
3 Regulation Compact; providing legislative findings and
4 intent; providing purposes; providing definitions;
5 providing for the establishment of an Interstate
6 Insurance Product Regulation Commission; providing
7 responsibilities of the commission; specifying the
8 commission as an instrumentality of the compacting
9 states; providing for venue; specifying the commission
10 as a separate, not-for-profit entity; providing powers
11 of the commission; providing for organization of the
12 commission; providing for membership, voting, and
13 bylaws; designating the Commissioner of Insurance
14 Regulation as the representative of the state on the
15 commission; allowing the commissioner to designate a
16 person to represent the state on the commission, as is
17 necessary, to fulfill the duties of being a member of
18 the commission; providing for a management committee,
19 officers, and personnel of the commission; providing
20 authority of the management committee; providing for
21 legislative and advisory committees; providing for
22 qualified immunity, defense, and indemnification of
23 members, officers, employees, and representatives of
24 the commission; providing for meetings and acts of the
25 commission; providing rules and operating procedures;
26 providing rulemaking functions of the commission;
27 providing for opting out of uniform standards;
28 providing procedures and requirements; providing for
29 commission records and enforcement; authorizing the

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30 commission to adopt rules; providing for disclosure of
31 certain information; specifying that certain records,
32 data, or information of the commission, wherever
33 received, by and in possession of the Office of
34 Insurance Regulation is subject to ch. 119, F.S.;
35 requiring the commission to monitor for compliance;
36 providing for dispute resolution; providing for
37 product filing and approval; requiring the commission
38 to establish filing and review processes and
39 procedures; providing for review of commission
40 decisions regarding filings; providing for finance of
41 commission activities; providing for payment of
42 expenses; authorizing the commission to collect filing
43 fees for certain purposes; providing for approval of a
44 commission budget; exempting the commission from all
45 taxation, except as otherwise provided; prohibiting
46 the commission from pledging the credit of any
47 compacting states without authority; requiring the
48 commission to keep complete accurate accounts, provide
49 for audits, and make annual reports to the Governors
50 and Legislatures of compacting states; providing for
51 amendment of the compact; providing for withdrawal
52 from the compact, default by compacting states, and
53 dissolution of the compact; providing severability and
54 construction; providing for binding effect of this
55 compact and other laws; prospectively opting out of
56 all uniform standards adopted by the commission
57 involving long-term care insurance products; adopting
58 all other existing uniform standards that have been

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59 adopted by the commission; providing a procedure for
60 opting out of and adopting new uniform standards or
61 amendments to existing standards; providing for the
62 preemption of certain state laws; requiring the office
63 to notify the Legislature of any new uniform standards
64 or amendments to existing standards; providing that
65 the commission is subject to certain state tax
66 requirements; providing for public access to records;
67 authorizing the Financial Services Commission to adopt
68 rules to implement this act; providing that if any
69 part of this act is invalidated the entire act is
70 invalid; providing an effective date.

71
72 Be It Enacted by the Legislature of the State of Florida:

73
74 Section 1. Legislative findings; intent.—

75 (1) The Legislature finds that the financial services
76 marketplace has changed significantly in recent years and that
77 asset-based insurance products, which include life insurance,
78 annuities, disability income insurance, and long-term care
79 insurance, now compete directly with other retirement and estate
80 planning instruments that are sold by banks and securities
81 firms.

82 (2) The Legislature further finds that the increased
83 mobility of the population and the risks borne by these asset-
84 based products are not local in nature.

85 (3) The Legislature further finds that the Interstate
86 Insurance Product Regulation Compact Model adopted by the
87 National Association of Insurance Commissioners and endorsed by

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88 the National Conference of Insurance Legislators and the
89 National Conference of State Legislatures is designed to address
90 these market changes by providing a uniform set of product
91 standards and a single source for filing of new products.

92 (4) The Legislature further finds that the product
93 standards that have been developed provide a high level of
94 consumer protection. Further, it is noted that the Interstate
95 Insurance Product Regulation Compact Model includes a mechanism
96 for opting out of any product standard that the state determines
97 would not reasonably protect its citizens. With respect to long-
98 term care insurance, the Legislature understands that the
99 compact does not intend to develop a uniform standard for rate
100 increase filings, thereby leaving the authority over long-term
101 care rate increases with the state. The state relies on that
102 understanding in adopting this legislation. The state, pursuant
103 to the terms and conditions of this act, seeks to join with
104 other states and establish the Interstate Insurance Product
105 Regulation Compact, and thus become a member of the Interstate
106 Insurance Product Regulation Commission. The Commissioner of
107 Insurance Regulation is hereby designated to serve as the
108 representative of this state on the commission. The commissioner
109 may designate a person to represent this state on the
110 commission, as is necessary, in order to fulfill the duties of
111 being a member of the commission.

112 Section 2. Interstate Insurance Product Regulation
113 Compact.—The Interstate Insurance Product Regulation Compact is
114 hereby enacted into law and entered into by this state with all
115 states legally joining therein in the form substantially as
116 follows:

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Interstate Insurance Product Regulation Compact

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120

Preamble

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This compact is intended to help states join together to

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establish an interstate compact to regulate designated insurance

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products. Pursuant to the terms and conditions of this compact,

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this state seeks to join with other states and establish the

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Interstate Insurance Product Regulation Compact and thus become

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a member of the Interstate Insurance Product Regulation

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Commission.

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Article I

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PURPOSES.—The purposes of this compact are, through means

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of joint and cooperative action among the compacting states, to:

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(1) Promote and protect the interest of consumers of

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individual and group annuity, life insurance, disability income,

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and long-term care insurance products.

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(2) Develop uniform standards for insurance products

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covered under the compact.

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(3) Establish a central clearinghouse to receive and

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provide prompt review of insurance products covered under the

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compact and, in certain cases, advertisements related thereto,

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submitted by insurers authorized to do business in one or more

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compacting states.

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(4) Give appropriate regulatory approval to those product

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filings and advertisements satisfying the applicable uniform

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146 standard.

147 (5) Improve coordination of regulatory resources and
148 expertise between state insurance departments regarding the
149 setting of uniform standards and review of insurance products
150 covered under the compact.

151 (6) Create the Interstate Insurance Product Regulation
152 Commission.

153 (7) Perform these and such other related functions as may
154 be consistent with the state regulation of the business of
155 insurance.

156
157 Article II
158

159 DEFINITIONS.—For purposes of this compact, the term:

160 (1) "Advertisement" means any material designed to create
161 public interest in a product, or induce the public to purchase,
162 increase, modify, reinstate, borrow on, surrender, replace, or
163 retain a policy, as more specifically defined in the rules and
164 operating procedures of the commission adopted as of March 1,
165 2013, and subsequent amendments thereto if the methodology
166 remains substantially consistent.

167 (2) "Bylaws" means those bylaws adopted by the commission
168 as of March 1, 2013, for its governance or for directing or
169 controlling the commission's actions or conduct.

170 (3) "Compacting state" means any state which has enacted
171 this compact legislation and has not withdrawn pursuant to
172 subsection (1) of Article XIV of this compact or been terminated
173 pursuant to subsection (2) of Article XIV of this compact.

174 (4) "Commission" means the "Interstate Insurance Product

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175 Regulation Commission" established by this compact.

176 (5) "Commissioner" means the chief insurance regulatory
177 official of a state, including, but not limited to, the
178 commissioner, superintendent, director, or administrator. For
179 purposes of this compact, the Commissioner of Insurance
180 Regulation is the chief insurance regulatory official of this
181 state.

182 (6) "Domiciliary state" means the state in which an insurer
183 is incorporated or organized or, in the case of an alien
184 insurer, its state of entry.

185 (7) "Insurer" means any entity licensed by a state to issue
186 contracts of insurance for any of the lines of insurance covered
187 by this compact.

188 (8) "Member" means the person chosen by a compacting state
189 as its representative to the commission, or his or her designee.

190 (9) "Noncompacting state" means any state which is not at
191 the time a compacting state.

192 (10) "Office" means the Office of Insurance Regulation of
193 the Financial Services Commission.

194 (11) "Operating procedures" means procedures adopted by the
195 commission as of March 1, 2013, and subsequent amendments
196 thereto if the methodology remains substantially consistent,
197 implementing a rule, uniform standard, or provision of this
198 compact.

199 (12) "Product" means the form of a policy or contract,
200 including any application, endorsement, or related form which is
201 attached to and made a part of the policy or contract, and any
202 evidence of coverage or certificate, for an individual or group
203 annuity, life insurance, disability income, or long-term care

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204 insurance product that an insurer is authorized to issue.

205 (13) "Rule" means a statement of general or particular
206 applicability and future effect adopted by the commission as of
207 March 1, 2013, and subsequent amendments thereto if the
208 methodology remains substantially consistent, including a
209 uniform standard developed pursuant to Article VII of this
210 compact, designed to implement, interpret, or prescribe law or
211 policy or describe the organization, procedure, or practice
212 requirements of the commission, which shall have the force and
213 effect of law in the compacting states.

214 (14) "State" means any state, district, or territory of the
215 United States.

216 (15) "Third-party filer" means an entity that submits a
217 product filing to the commission on behalf of an insurer.

218 (16) "Uniform standard" means a standard adopted by the
219 commission as of March 1, 2013, and subsequent amendments
220 thereto if the methodology remains substantially consistent, for
221 a product line pursuant to Article VII of this compact and shall
222 include all of the product requirements in aggregate; provided,
223 each uniform standard shall be construed, whether express or
224 implied, to prohibit the use of any inconsistent, misleading, or
225 ambiguous provisions in a product and the form of the product
226 made available to the public shall not be unfair, inequitable,
227 or against public policy as determined by the commission.

228
229 Article III

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231 COMMISSION; ESTABLISHMENT; VENUE.—

232 (1) The compacting states hereby create and establish a

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233 joint public agency known as the Interstate Insurance Product
234 Regulation Commission. Pursuant to Article IV of this compact,
235 the commission has the power to develop uniform standards for
236 product lines, receive and provide prompt review of products
237 filed with the commission, and give approval to those product
238 filings satisfying applicable uniform standards; provided, it is
239 not intended for the commission to be the exclusive entity for
240 receipt and review of insurance product filings. Nothing in this
241 article shall prohibit any insurer from filing its product in
242 any state in which the insurer is licensed to conduct the
243 business of insurance and any such filing shall be subject to
244 the laws of the state where filed.

245 (2) The commission is a body corporate and politic and an
246 instrumentality of the compacting states.

247 (3) The commission is solely responsible for its
248 liabilities, except as otherwise specifically provided in this
249 compact.

250 (4) Venue is proper and judicial proceedings by or against
251 the commission shall be brought solely and exclusively in a
252 court of competent jurisdiction where the principal office of
253 the commission is located.

254 (5) The commission is a not-for-profit entity, separate and
255 distinct from the individual compacting states.

257 Article IV

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259 POWERS.—The commission shall have the following powers to:

260 (1) Adopt rules, pursuant to Article VII, which shall have
261 the force and effect of law and shall be binding in the

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262 compacting states to the extent and in the manner provided in
263 this compact.

264 (2) Exercise its rulemaking authority and establish
265 reasonable uniform standards for products covered under the
266 compact, and advertisement related thereto, which shall have the
267 force and effect of law and shall be binding in the compacting
268 states, but only for those products filed with the commission;
269 provided a compacting state shall have the right to opt out of
270 such uniform standard pursuant to Article VII to the extent and
271 in the manner provided in this compact and any uniform standard
272 established by the commission for long-term care insurance
273 products may provide the same or greater protections for
274 consumers as, but shall provide at least, those protections set
275 forth in the National Association of Insurance Commissioners'
276 Long-Term Care Insurance Model Act and Long-Term Care Insurance
277 Model Regulation, respectively, adopted as of 2001. The
278 commission shall consider whether any subsequent amendments to
279 the National Association of Insurance Commissioners' Long-Term
280 Care Insurance Model Act or Long-Term Care Insurance Model
281 Regulation adopted by the National Association of Insurance
282 Commissioners require amending of the uniform standards
283 established by the commission for long-term care insurance
284 products.

285 (3) Receive and review in an expeditious manner products
286 filed with the commission and rate filings for disability income
287 and long-term care insurance products and give approval of those
288 products and rate filings that satisfy the applicable uniform
289 standard, and such approval shall have the force and effect of
290 law and be binding on the compacting states to the extent and in

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291 the manner provided in the compact.

292 (4) Receive and review in an expeditious manner
293 advertisement relating to long-term care insurance products for
294 which uniform standards have been adopted by the commission, and
295 give approval to all advertisement that satisfies the applicable
296 uniform standard. For any product covered under this compact,
297 other than long-term care insurance products, the commission
298 shall have the authority to require an insurer to submit all or
299 any part of its advertisement with respect to that product for
300 review or approval prior to use, if the commission determines
301 that the nature of the product is such that an advertisement of
302 the product could have the capacity or tendency to mislead the
303 public. The actions of the commission as provided in this
304 subsection shall have the force and effect of law and shall be
305 binding in the compacting states to the extent and in the manner
306 provided in the compact.

307 (5) Exercise its rulemaking authority and designate
308 products and advertisement that may be subject to a self-
309 certification process without the need for prior approval by the
310 commission.

311 (6) Adopt operating procedures, pursuant to Article VII,
312 which shall be binding in the compacting states to the extent
313 and in the manner provided in this compact.

314 (7) Bring and prosecute legal proceedings or actions in its
315 name as the commission; provided the standing of any state
316 insurance department to sue or be sued under applicable law
317 shall not be affected.

318 (8) Issue subpoenas requiring the attendance and testimony
319 of witnesses and the production of evidence.

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- 320 (9) Establish and maintain offices.
- 321 (10) Purchase and maintain insurance and bonds.
- 322 (11) Borrow, accept, or contract for services of personnel,
323 including, but not limited to, employees of a compacting state.
324 Any action under this subsection concerning employees of this
325 state may only be taken upon the express written consent of the
326 state.
- 327 (12) Hire employees, professionals, or specialists; elect
328 or appoint officers and fix their compensation, define their
329 duties, give them appropriate authority to carry out the
330 purposes of the compact, and determine their qualifications; and
331 establish the commission's personnel policies and programs
332 relating to, among other things, conflicts of interest, rates of
333 compensation, and qualifications of personnel.
- 334 (13) Accept any and all appropriate donations and grants of
335 money, equipment, supplies, materials, and services and to
336 receive, use, and dispose of the same; provided at all times the
337 commission shall avoid any appearance of impropriety.
- 338 (14) Lease, purchase, and accept appropriate gifts or
339 donations of, or otherwise to own, hold, improve, or use, any
340 property, real, personal, or mixed; provided at all times the
341 commission shall avoid any appearance of impropriety.
- 342 (15) Sell, convey, mortgage, pledge, lease, exchange,
343 abandon, or otherwise dispose of any property, real, personal,
344 or mixed.
- 345 (16) Remit filing fees to compacting states as may be set
346 forth in the bylaws, rules, or operating procedures.
- 347 (17) Enforce compliance by compacting states with rules,
348 uniform standards, operating procedures, and bylaws.

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349 (18) Provide for dispute resolution among compacting
350 states.

351 (19) Advise compacting states on issues relating to
352 insurers domiciled or doing business in noncompacting
353 jurisdictions, consistent with the purposes of this compact.

354 (20) Provide advice and training to those personnel in
355 state insurance departments responsible for product review and
356 to be a resource for state insurance departments.

357 (21) Establish a budget and make expenditures.

358 (22) Borrow money, provided that this power does not, in
359 any manner, obligate the financial resources of the State of
360 Florida.

361 (23) Appoint committees, including advisory committees,
362 comprising members, state insurance regulators, state
363 legislators or their representatives, insurance industry and
364 consumer representatives, and such other interested persons as
365 may be designated in the bylaws.

366 (24) Provide and receive information from and to cooperate
367 with law enforcement agencies.

368 (25) Adopt and use a corporate seal.

369 (26) Perform such other functions as may be necessary or
370 appropriate to achieve the purposes of this compact consistent
371 with the state regulation of the business of insurance.

372

373 Article V

374

375 ORGANIZATION.—

376 (1) Membership; voting; bylaws.—

377 (a)1. Each compacting state shall have and be limited to

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378 one member. Each member shall be qualified to serve in that
379 capacity pursuant to applicable law of the compacting state. Any
380 member may be removed or suspended from office as provided by
381 the law of the state from which he or she is appointed. Any
382 vacancy occurring in the commission shall be filled in
383 accordance with the laws of the compacting state in which the
384 vacancy exists. Nothing in this article shall be construed to
385 affect the manner in which a compacting state determines the
386 election or appointment and qualification of its own
387 commissioner. However, the commissioner may designate a person
388 to represent this state on the commission, as is necessary, in
389 order to fulfill the duties of being a member of the commission.

390 2. The Commissioner of Insurance Regulation is hereby
391 designated to serve as the representative of this state on the
392 commission. However, the commissioner may designate a person to
393 represent this state on the commission, as is necessary, in
394 order to fulfill the duties of being a member of the commission.

395 (b) Each member shall be entitled to one vote and shall
396 have an opportunity to participate in the governance of the
397 commission in accordance with the bylaws. Notwithstanding any
398 other provision of this article, no action of the commission
399 with respect to the adoption of a uniform standard shall be
400 effective unless two-thirds of the members vote in favor of such
401 action.

402 (c) The commission shall, by a majority of the members,
403 prescribe bylaws to govern its conduct as may be necessary or
404 appropriate to carry out the purposes and exercise the powers of
405 the compact, including, but not limited to:

406 1. Establishing the fiscal year of the commission.

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407 2. Providing reasonable procedures for appointing and
408 electing members, as well as holding meetings, of the management
409 committee.

410 3. Providing reasonable standards and procedures:

411 a. For the establishment and meetings of other committees.

412 b. Governing any general or specific delegation of any
413 authority or function of the commission.

414 4. Providing reasonable procedures for calling and
415 conducting meetings of the commission that consist of a majority
416 of commission members, ensuring reasonable advance notice of
417 each such meeting, and providing for the right of citizens to
418 attend each such meeting with enumerated exceptions designed to
419 protect the public's interest, the privacy of individuals, and
420 insurers' proprietary information, including, but not limited
421 to, trade secrets. The commission may meet in camera only after
422 a majority of the entire membership votes to close a meeting in
423 total or in part. The commissioner of this state, or the
424 commissioner's designee, may attend, or otherwise participate
425 in, a meeting or executive session that is closed in total or
426 part to the extent such attendance or participation is
427 consistent with Florida law. As soon as practicable, the
428 commission must make public a copy of the vote to close the
429 meeting revealing the vote of each member with no proxy votes
430 allowed, and votes taken during such meeting. All notices of
431 commission meetings, including instructions for public
432 participation, provided to the office, the commissioner, or the
433 commissioner's designee shall be published in the Florida
434 Administrative Register.

435 5. Establishing the titles, duties, and authority and

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436 reasonable procedures for the election of the officers of the
437 commission.

438 6. Providing reasonable standards and procedures for the
439 establishment of the personnel policies and programs of the
440 commission. Notwithstanding any civil service or other similar
441 laws of any compacting state, the bylaws shall exclusively
442 govern the personnel policies and programs of the commission.

443 7. Adopting a code of ethics to address permissible and
444 prohibited activities of commission members and employees. This
445 code does not supersede or otherwise limit the obligations and
446 duties of this state's commissioner or the commissioner's
447 designee under ethics laws or rules of the State of Florida. To
448 the extent there is any inconsistency between the standards
449 imposed by this code and the standards imposed under this
450 state's ethics laws or rules, the commissioner or the
451 commissioner's designee must adhere to the stricter standard of
452 conduct.

453 8. Providing a mechanism for winding up the operations of
454 the commission and the equitable disposition of any surplus
455 funds that may exist after the termination of the compact after
456 the payment or reserving of all debts and obligations of the
457 commission.

458 (d) The commission shall publish its bylaws in a convenient
459 form and file a copy of such bylaws and a copy of any amendment
460 to such bylaws, with the appropriate agency or officer in each
461 of the compacting states.

462 (2) Management committee, officers, and personnel.-

463 (a) A management committee comprising no more than 14
464 members shall be established as follows:

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465 1. One member from each of the six compacting states with
466 the largest premium volume for individual and group annuities,
467 life, disability income, and long-term care insurance products,
468 determined from the records of the National Association of
469 Insurance Commissioners for the prior year.

470 2. Four members from those compacting states with at least
471 2 percent of the market based on the premium volume described
472 above, other than the six compacting states with the largest
473 premium volume, selected on a rotating basis as provided in the
474 bylaws.

475 3. Four members from those compacting states with less than
476 2 percent of the market, based on the premium volume described
477 above, with one selected from each of the four zone regions of
478 the National Association of Insurance Commissioners as provided
479 in the bylaws.

480 (b) The management committee shall have such authority and
481 duties as may be set forth in the bylaws, including, but not
482 limited to:

483 1. Managing the affairs of the commission in a manner
484 consistent with the bylaws and purposes of the commission.

485 2. Establishing and overseeing an organizational structure
486 within, and appropriate procedures for, the commission to
487 provide for the creation of uniform standards and other rules,
488 receipt and review of product filings, administrative and
489 technical support functions, review of decisions regarding the
490 disapproval of a product filing, and the review of elections
491 made by a compacting state to opt out of a uniform standard;
492 provided a uniform standard shall not be submitted to the
493 compacting states for adoption unless approved by two-thirds of

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494 the members of the management committee.

495 3. Overseeing the offices of the commission.

496 4. Planning, implementing, and coordinating communications
497 and activities with other state, federal, and local government
498 organizations in order to advance the goals of the commission.

499 (c) The commission shall elect annually officers from the
500 management committee, with each having such authority and duties
501 as may be specified in the bylaws.

502 (d) The management committee may, subject to the approval
503 of the commission, appoint or retain an executive director for
504 such period, upon such terms and conditions, and for such
505 compensation as the commission may deem appropriate. The
506 executive director shall serve as secretary to the commission
507 but shall not be a member of the commission. The executive
508 director shall hire and supervise such other staff as may be
509 authorized by the commission.

510 (3) Legislative and advisory committees.-

511 (a) A legislative committee comprised of state legislators
512 or their designees shall be established to monitor the
513 operations of and make recommendations to the commission,
514 including the management committee; provided the manner of
515 selection and term of any legislative committee member shall be
516 as set forth in the bylaws. Prior to the adoption by the
517 commission of any uniform standard, revision to the bylaws,
518 annual budget, or other significant matter as may be provided in
519 the bylaws, the management committee shall consult with and
520 report to the legislative committee.

521 (b) The commission shall establish two advisory committees,
522 one comprising consumer representatives independent of the

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523 insurance industry and the other comprising insurance industry
524 representatives.

525 (c) The commission may establish additional advisory
526 committees as the bylaws may provide for the carrying out of
527 commission functions.

528 (4) Corporate records of the commission.—The commission
529 shall maintain its corporate books and records in accordance
530 with the bylaws.

531 (5) Qualified immunity, defense and indemnification.—

532 (a) The members, officers, executive director, employees,
533 and representatives of the commission shall be immune from suit
534 and liability, either personally or in their official capacity,
535 for any claim for damage to or loss of property or personal
536 injury or other civil liability caused by or arising out of any
537 actual or alleged act, error, or omission that occurred, or that
538 the person against whom the claim is made had a reasonable basis
539 for believing occurred within the scope of commission
540 employment, duties, or responsibilities; provided nothing in
541 this paragraph shall be construed to protect any such person
542 from suit or liability for any damage, loss, injury, or
543 liability caused by the intentional or willful and wanton
544 misconduct of that person.

545 (b) The liability of the members, officers, executive
546 director, employees, and representatives of the commission
547 acting within the scope of such persons' employment or duties,
548 for acts, errors, or omissions occurring within this state, may
549 not exceed the limits of liability set forth under the
550 constitution and laws of this state for state officials,
551 employees, and agents. The commission is an instrumentality of

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552 the state for the purposes of any such action. This subsection
553 does not protect such persons from suit or liability for damage,
554 loss, injury, or liability caused by a criminal act or the
555 intentional or willful and wanton misconduct of such person.

556 (c) The commission shall defend any member, officer,
557 executive director, employee, or representative of the
558 commission in any civil action seeking to impose liability
559 arising out of any actual or alleged act, error, or omission
560 that occurred within the scope of commission employment, duties,
561 or responsibilities, or where the person against whom the claim
562 is made has a reasonable basis for believing occurred within the
563 scope of commission employment, duties, or responsibilities if
564 the actual or alleged act, error, or omission did not result
565 from that person's intentional or willful and wanton misconduct.
566 This article does not prohibit that person from retaining his or
567 her own counsel.

568 (d) The commission shall indemnify and hold harmless any
569 member, officer, executive director, employee, or representative
570 of the commission for the amount of any settlement or judgment
571 obtained against that person arising out of any actual or
572 alleged act, error, or omission that occurred within the scope
573 of commission employment, duties, or responsibilities, or that
574 such person had a reasonable basis for believing occurred within
575 the scope of commission employment, duties, or responsibilities;
576 provided the actual or alleged act, error, or omission did not
577 result from the intentional or willful and wanton misconduct of
578 that person.

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580 Article VI

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MEETINGS; ACTS.—

(1) The commission shall meet and take such actions as are consistent with the provisions of this compact and the bylaws.

(2) Each member of the commission shall have the right and power to cast a vote to which that compacting state is entitled and to participate in the business and affairs of the commission. A member shall vote in person or by such other means as provided in the bylaws. The bylaws may provide for members' participation in meetings by telephone or other means of communication.

(3) The commission shall meet at least once during each calendar year. Additional meetings shall be held as set forth in the bylaws.

Article VII

RULES AND OPERATING PROCEDURES; RULEMAKING FUNCTIONS OF THE COMMISSION; OPTING OUT OF UNIFORM STANDARDS.—

(1) Rulemaking authority.—The commission shall adopt reasonable rules, including uniform standards, and operating procedures in order to effectively and efficiently achieve the purposes of this compact. Notwithstanding such requirement, if the commission exercises its rulemaking authority in a manner that is beyond the scope of the purposes of this compact or the powers granted under this compact, such action by the commission shall be invalid and have no force and effect.

(2) Rulemaking procedure.—Rules and operating procedures shall be made pursuant to a rulemaking process that conforms to

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610 the Model State Administrative Procedure Act of 1981, as
611 amended, as may be appropriate to the operations of the
612 commission. Before the commission adopts a uniform standard, the
613 commission shall give written notice to the relevant state
614 legislative committees in each compacting state responsible for
615 insurance issues of its intention to adopt the uniform standard.
616 The commission in adopting a uniform standard shall consider
617 fully all submitted materials and issue a concise explanation of
618 its decision.

619 (3) Effective date and opt out of a uniform standard.—A
620 uniform standard shall become effective 90 days after its
621 adoption by the commission or such later date as the commission
622 may determine; provided a compacting state may opt out of a
623 uniform standard as provided in this act. The term "opt out"
624 means any action by a compacting state to decline to adopt or
625 participate in an adopted uniform standard. All other rules and
626 operating procedures, and amendments thereto, shall become
627 effective as of the date specified in each rule, operating
628 procedure, or amendment.

629 (4) Opt out procedure.—

630 (a) A compacting state may opt out of a uniform standard by
631 legislation or regulation adopted by the compacting state under
632 such state's Administrative Procedure Act. If a compacting state
633 elects to opt out of a uniform standard by regulation, such
634 state must:

635 1. Give written notice to the commission no later than 10
636 business days after the uniform standard is adopted, or at the
637 time the state becomes a compacting state.

638 2. Find that the uniform standard does not provide

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639 reasonable protections to the citizens of the state, given the
640 conditions in the state.

641 (b) The commissioner of a compacting state other than this
642 state shall make specific findings of fact and conclusions of
643 law, based on a preponderance of the evidence, detailing the
644 conditions in the state which warrant a departure from the
645 uniform standard and determining that the uniform standard would
646 not reasonably protect the citizens of the state. The
647 commissioner must consider and balance the following factors and
648 find that the conditions in the state and needs of the citizens
649 of the state outweigh:

650 1. The intent of the Legislature to participate in, and the
651 benefits of, an interstate agreement to establish national
652 uniform consumer protections for the products subject to this
653 compact.

654 2. The presumption that a uniform standard adopted by the
655 commission provides reasonable protections to consumers of the
656 relevant product.

657
658 Notwithstanding this subsection, a compacting state may, at the
659 time of its enactment of this compact, prospectively opt out of
660 all uniform standards involving long-term care insurance
661 products by expressly providing for such opt out in the enacted
662 compact, and such an opt out shall not be treated as a material
663 variance in the offer or acceptance of any state to participate
664 in this compact. Such an opt out shall be effective at the time
665 of enactment of this compact by the compacting state and shall
666 apply to all existing uniform standards involving long-term care
667 insurance products and those subsequently adopted.

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668 (5) Effect of opting out.—If a compacting state elects to
669 opt out of a uniform standard, the uniform standard shall remain
670 applicable in the compacting state electing to opt out until
671 such time as the opt out legislation is enacted into law or the
672 regulation opting out becomes effective. Once the opt out of a
673 uniform standard by a compacting state becomes effective as
674 provided under the laws of that state, the uniform standard
675 shall have no further force and effect in that state unless and
676 until the legislation or regulation implementing the opt out is
677 repealed or otherwise becomes ineffective under the laws of the
678 state. If a compacting state opts out of a uniform standard
679 after the uniform standard has been made effective in that
680 state, the opt out shall have the same prospective effect as
681 provided under Article XIV for withdrawals.

682 (6) Stay of uniform standard.—If a compacting state has
683 formally initiated the process of opting out of a uniform
684 standard by regulation, and while the regulatory opt out is
685 pending, the compacting state may petition the commission, at
686 least 15 days before the effective date of the uniform standard,
687 to stay the effectiveness of the uniform standard in that state.
688 The commission may grant a stay if the commission determines the
689 regulatory opt out is being pursued in a reasonable manner and
690 there is a likelihood of success. If a stay is granted or
691 extended by the commission, the stay or extension thereof may
692 postpone the effective date by up to 90 days, unless
693 affirmatively extended by the commission; provided a stay may
694 not be permitted to remain in effect for more than 1 year unless
695 the compacting state can show extraordinary circumstances which
696 warrant a continuance of the stay, including, but not limited

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697 to, the existence of a legal challenge which prevents the
698 compacting state from opting out. A stay may be terminated by
699 the commission upon notice that the rulemaking process has been
700 terminated.

701 (7) Judicial review.—Within 30 days after a rule or
702 operating procedure is adopted, any person may file a petition
703 for judicial review of the rule or operating procedure; provided
704 the filing of such a petition shall not stay or otherwise
705 prevent the rule or operating procedure from becoming effective
706 unless the court finds that the petitioner has a substantial
707 likelihood of success. The court shall give deference to the
708 actions of the commission consistent with applicable law and
709 shall not find the rule or operating procedure to be unlawful if
710 the rule or operating procedure represents a reasonable exercise
711 of the commission's authority.

712 Article VIII

713 COMMISSION RECORDS AND ENFORCEMENT.—

714
715
716 (1) The commission shall adopt rules establishing
717 conditions and procedures for public inspection and copying of
718 its information and official records, except such information
719 and records involving the privacy of individuals and insurers'
720 trade secrets. The commission may adopt additional rules under
721 which the commission may make available to federal and state
722 agencies, including law enforcement agencies, records and
723 information otherwise exempt from disclosure and may enter into
724 agreements with such agencies to receive or exchange information
725 or records subject to nondisclosure and confidentiality

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726 provisions.

727 (2) Except as to privileged records, data, and information,
728 the laws of any compacting state pertaining to confidentiality
729 or nondisclosure shall not relieve any compacting state
730 commissioner of the duty to disclose any relevant records, data,
731 or information to the commission; provided disclosure to the
732 commission shall not be deemed to waive or otherwise affect any
733 confidentiality requirement; and further provided, except as
734 otherwise expressly provided in this compact, the commission
735 shall not be subject to the compacting state's laws pertaining
736 to confidentiality and nondisclosure with respect to records,
737 data, and information in its possession. Confidential
738 information of the commission shall remain confidential after
739 such information is provided to any commissioner; however, all
740 requests from the public to inspect or copy records, data, or
741 information of the commission, wherever received, by and in the
742 possession of the office, commissioner, or the commissioner's
743 designee shall be subject to chapter 119, Florida Statutes.

744 (3) The commission shall monitor compacting states for
745 compliance with duly adopted bylaws, rules, uniform standards,
746 and operating procedures. The commission shall notify any
747 noncomplying compacting state in writing of its noncompliance
748 with commission bylaws, rules, or operating procedures. If a
749 noncomplying compacting state fails to remedy its noncompliance
750 within the time specified in the notice of noncompliance, the
751 compacting state shall be deemed to be in default as set forth
752 in Article XIV of this compact.

753 (4) The commissioner of any state in which an insurer is
754 authorized to do business or is conducting the business of

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755 insurance shall continue to exercise his or her authority to
756 oversee the market regulation of the activities of the insurer
757 in accordance with the provisions of the state's law. The
758 commissioner's enforcement of compliance with the compact is
759 governed by the following provisions:

760 (a) With respect to the commissioner's market regulation of
761 a product or advertisement that is approved or certified to the
762 commission, the content of the product or advertisement shall
763 not constitute a violation of the provisions, standards, or
764 requirements of the compact except upon a final order of the
765 commission, issued at the request of a commissioner after prior
766 notice to the insurer and an opportunity for hearing before the
767 commission.

768 (b) Before a commissioner may bring an action for violation
769 of any provision, standard, or requirement of the compact
770 relating to the content of an advertisement not approved or
771 certified to the commission, the commission, or an authorized
772 commission officer or employee, must authorize the action.
773 However, authorization pursuant to this paragraph does not
774 require notice to the insurer, opportunity for hearing, or
775 disclosure of requests for authorization or records of the
776 commission's action on such requests.

777 Article IX

780 DISPUTE RESOLUTION.—The commission shall attempt, upon the
781 request of a member, to resolve any disputes or other issues
782 that are subject to this compact and which may arise between two
783 or more compacting states, or between compacting states and

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784 noncompacting states, and the commission shall adopt an
785 operating procedure providing for resolution of such disputes.

787 Article X

789 PRODUCT FILING AND APPROVAL.—

790 (1) Insurers and third-party filers seeking to have a
791 product approved by the commission shall file the product with
792 and pay applicable filing fees to the commission. Nothing in
793 this compact shall be construed to restrict or otherwise prevent
794 an insurer from filing its product with the insurance department
795 in any state in which the insurer is licensed to conduct the
796 business of insurance and such filing shall be subject to the
797 laws of the states where filed.

798 (2) The commission shall establish appropriate filing and
799 review processes and procedures pursuant to commission rules and
800 operating procedures. Notwithstanding any provision of this
801 article, the commission shall adopt rules to establish
802 conditions and procedures under which the commission will
803 provide public access to product filing information. In
804 establishing such rules, the commission shall consider the
805 interests of the public in having access to such information, as
806 well as protection of personal medical and financial information
807 and trade secrets, that may be contained in a product filing or
808 supporting information.

809 (3) Any product approved by the commission may be sold or
810 otherwise issued in those compacting states for which the
811 insurer is legally authorized to do business.

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Article XIREVIEW OF COMMISSION DECISIONS REGARDING FILINGS.—

(1) Within 30 days after the commission has given notice of a disapproved product or advertisement filed with the commission, the insurer or third-party filer whose filing was disapproved may appeal the determination to a review panel appointed by the commission. The commission shall adopt rules to establish procedures for appointing such review panels and provide for notice and hearing. An allegation that the commission, in disapproving a product or advertisement filed with the commission, acted arbitrarily, capriciously, or in a manner that is an abuse of discretion or otherwise not in accordance with the law, is subject to judicial review in accordance with subsection (4) of Article III.

(2) The commission shall have authority to monitor, review, and reconsider products and advertisement subsequent to their filing or approval upon a finding that the product does not meet the relevant uniform standard. Where appropriate, the commission may withdraw or modify its approval after proper notice and hearing, subject to the appeal process in subsection (1).

Article XIIFINANCE.—

(1) The commission shall pay or provide for the payment of the reasonable expenses of the commission's establishment and organization. To fund the cost of the commission's initial operations, the commission may accept contributions and other

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842 forms of funding from the National Association of Insurance
843 Commissioners, compacting states, and other sources.
844 Contributions and other forms of funding from other sources
845 shall be of such a nature that the independence of the
846 commission concerning the performance of commission duties shall
847 not be compromised.

848 (2) The commission shall collect a filing fee from each
849 insurer and third-party filer filing a product with the
850 commission to cover the cost of the operations and activities of
851 the commission and its staff in a total amount sufficient to
852 cover the commission's annual budget.

853 (3) The commission's budget for a fiscal year shall not be
854 approved until the budget has been subject to notice and comment
855 as set forth in Article VII.

856 (4) The commission shall be exempt from all taxation in and
857 by the compacting states.

858 (5) The commission shall not pledge the credit of any
859 compacting state, except by and with the appropriate legal
860 authority of that compacting state.

861 (6) The commission shall keep complete and accurate
862 accounts of all its internal receipts, including grants and
863 donations, and disbursements of all funds under its control. The
864 internal financial accounts of the commission shall be subject
865 to the accounting procedures established under its bylaws. The
866 financial accounts and reports including the system of internal
867 controls and procedures of the commission shall be audited
868 annually by an independent certified public accountant. Upon the
869 determination of the commission, but no less frequently than
870 every 3 years, the review of the independent auditor shall

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871 include a management and performance audit of the commission.
872 The commission shall make an annual report to the Governor and
873 the presiding officers of the Legislature of the compacting
874 states, which shall include a report of the independent audit.
875 The commission's internal accounts shall not be confidential and
876 such materials may be shared with the commissioner of any
877 compacting state upon request; provided any work papers related
878 to any internal or independent audit and any information
879 regarding the privacy of individuals and insurers' proprietary
880 information, including trade secrets, shall remain confidential.

881 (7) No compacting state shall have any claim to or
882 ownership of any property held by or vested in the commission or
883 to any commission funds held pursuant to the provisions of this
884 compact.

885
886 Article XIII

887
888 COMPACTING STATES, EFFECTIVE DATE, AMENDMENT.—

889 (1) Any state is eligible to become a compacting state.

890 (2) The compact shall become effective and binding upon
891 legislative enactment of the compact into law by two compacting
892 states; provided the commission shall become effective for
893 purposes of adopting uniform standards for, reviewing, and
894 giving approval or disapproval of, products filed with the
895 commission that satisfy applicable uniform standards only after
896 26 states are compacting states or, alternatively, by states
897 representing greater than 40 percent of the premium volume for
898 life insurance, annuity, disability income, and long-term care
899 insurance products, based on records of the National Association

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900 of Insurance Commissioners for the prior year. Thereafter, the
901 compact shall become effective and binding as to any other
902 compacting state upon enactment of the compact into law by that
903 state.

904 (3) Amendments to the compact may be proposed by the
905 commission for enactment by the compacting states. No amendment
906 shall become effective and binding upon the commission and the
907 compacting states unless and until all compacting states enact
908 the amendment into law.

909
910 Article XIV

911
912 WITHDRAWAL; DEFAULT; DISSOLUTION.—

913 (1) Withdrawal.—

914 (a) Once effective, the compact shall continue in force and
915 remain binding upon each and every compacting state; provided a
916 compacting state may withdraw from the compact by enacting a law
917 specifically repealing the law which enacted the compact into
918 law.

919 (b) The effective date of withdrawal is the effective date
920 of the repealing law. However, the withdrawal shall not apply to
921 any product filings approved or self-certified, or any
922 advertisement of such products, on the date the repealing law
923 becomes effective, except by mutual agreement of the commission
924 and the withdrawing state unless the approval is rescinded by
925 the withdrawing state as provided in paragraph (e).

926 (c) The commissioner of the withdrawing state shall
927 immediately notify the management committee in writing upon the
928 introduction of legislation repealing this compact in the

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929 withdrawing state.

930 (d) The commission shall notify the other compacting states
931 of the introduction of such legislation within 10 days after the
932 commission's receipt of notice of such legislation.

933 (e) The withdrawing state is responsible for all
934 obligations, duties, and liabilities incurred through the
935 effective date of withdrawal, including any obligations, the
936 performance of which extend beyond the effective date of
937 withdrawal, except to the extent those obligations may have been
938 released or relinquished by mutual agreement of the commission
939 and the withdrawing state. The commission's approval of products
940 and advertisement prior to the effective date of withdrawal
941 shall continue to be effective and be given full force and
942 effect in the withdrawing state unless formally rescinded by the
943 withdrawing state in the same manner as provided by the laws of
944 the withdrawing state for the prospective disapproval of
945 products or advertisement previously approved under state law.

946 (f) Reinstatement following withdrawal of any compacting
947 state shall occur upon the effective date of the withdrawing
948 state reenacting the compact.

949 (2) Default.—

950 (a) If the commission determines that any compacting state
951 has at any time defaulted in the performance of any of its
952 obligations or responsibilities under this compact, the bylaws,
953 or duly adopted rules or operating procedures, after notice and
954 hearing as set forth in the bylaws, all rights, privileges, and
955 benefits conferred by this compact on the defaulting state shall
956 be suspended from the effective date of default as fixed by the
957 commission. The grounds for default include, but are not limited

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958 to, failure of a compacting state to perform its obligations or
959 responsibilities, and any other grounds designated in commission
960 rules. The commission shall immediately notify the defaulting
961 state in writing of the defaulting state's suspension pending a
962 cure of the default. The commission shall stipulate the
963 conditions and the time period within which the defaulting state
964 must cure its default. If the defaulting state fails to cure the
965 default within the time period specified by the commission, the
966 defaulting state shall be terminated from the compact and all
967 rights, privileges, and benefits conferred by this compact shall
968 be terminated from the effective date of termination.

969 (b) Product approvals by the commission or product self-
970 certifications, or any advertisement in connection with such
971 product that are in force on the effective date of termination
972 shall remain in force in the defaulting state in the same manner
973 as if the defaulting state had withdrawn voluntarily pursuant to
974 subsection (1).

975 (c) Reinstatement following termination of any compacting
976 state requires a reenactment of the compact.

977 (3) Dissolution of compact.-

978 (a) The compact dissolves effective upon the date of the
979 withdrawal or default of the compacting state which reduces
980 membership in the compact to a single compacting state.

981 (b) Upon the dissolution of this compact, the compact
982 becomes null and void and shall be of no further force or effect
983 and the business and affairs of the commission shall be
984 concluded and any surplus funds shall be distributed in
985 accordance with the bylaws.

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987 Article XV

988 SEVERABILITY; CONSTRUCTION.-

989 (1) The provisions of this compact are severable and if any
990 phrase, clause, sentence, or provision is deemed unenforceable,
991 the remaining provisions of the compact shall be enforceable.

992 (2) The provisions of this compact shall be liberally
993 construed to effectuate its purposes.

994 Article XVI

995 BINDING EFFECT OF COMPACT AND OTHER LAWS.-

996 (1) Binding effect of this compact.-

997 (a) All lawful actions of the commission, including all
998 rules and operating procedures adopted by the commission, are
999 binding upon the compacting states.

1000 (b) All agreements between the commission and the
1001 compacting states are binding in accordance with their terms.

1002 (c) Upon the request of a party to a conflict over the
1003 meaning or interpretation of commission actions, and upon a
1004 majority vote of the compacting states, the commission may issue
1005 advisory opinions regarding the meaning or interpretation in
1006 dispute.

1007 (d) If any provision of this compact exceeds the
1008 constitutional limits imposed on the Legislature of any
1009 compacting state, the obligations, duties, powers, or
1010 jurisdiction sought to be conferred by that provision upon the
1011 commission shall be ineffective as to that compacting state and
1012 those obligations, duties, powers, or jurisdiction shall remain
1013 those obligations, duties, powers, or jurisdiction shall remain
1014 those obligations, duties, powers, or jurisdiction shall remain
1015 those obligations, duties, powers, or jurisdiction shall remain

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1016 in the compacting state and shall be exercised by the agency of
1017 such state to which those obligations, duties, powers, or
1018 jurisdiction are delegated by law in effect at the time this
1019 compact becomes effective.

1020 (2) Other laws.—

1021 (a) Nothing in this compact prevents the enforcement of any
1022 other law of a compacting state, except as provided in paragraph
1023 (b).

1024 (b) For any product approved or certified to the
1025 commission, the rules, uniform standards, and any other
1026 requirements of the commission shall constitute the exclusive
1027 provisions applicable to the content, approval, and
1028 certification of such products. For advertisement that is
1029 subject to the commission's authority, any rule, uniform
1030 standard, or other requirement of the commission which governs
1031 the content of the advertisement shall constitute the exclusive
1032 provision that a commissioner may apply to the content of the
1033 advertisement. Notwithstanding this paragraph, no action taken
1034 by the commission shall abrogate or restrict:

1035 1. The access of any person to state courts;

1036 2. Remedies available under state law related to breach of
1037 contract, tort, or other laws not specifically directed to the
1038 content of the product;

1039 3. State law relating to the construction of insurance
1040 contracts; or

1041 4. The authority of the attorney general of the state,
1042 including, but not limited to, maintaining any actions or
1043 proceedings, as authorized by law.

1044 (c) All insurance products filed with individual states

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1045 shall be subject to the laws of those states.

1046 Section 3. Opt out from long-term care products standards.-
1047 Pursuant to Article VII of the Interstate Insurance Product
1048 Regulation Compact, adopted by this act, this state
1049 prospectively opts out of all uniform standards adopted by the
1050 Interstate Insurance Product Regulation Commission involving
1051 long-term care insurance products, and such opt out may not be
1052 treated as a material variance in the offer or acceptance of
1053 this state to participate in the compact.

1054 Section 4. Effective date of compact standards; opt out
1055 procedures; state law exemptions; legislative notice.-

1056 (1) Except as provided in section 3 of this act and this
1057 section, all uniform standards adopted by the Interstate
1058 Insurance Product Regulation Commission as of March 1, 2013, are
1059 adopted by this state.

1060 (2) Notwithstanding subsections (3), (4), (5), and (6) of
1061 Article VII of the Interstate Insurance Product Regulation
1062 Compact as adopted by this act, it is the policy of this state
1063 as a participant in the compact:

1064 (a) To opt out, and for the Office of Insurance Regulation
1065 to opt out, of any new uniform standard, or amendments to
1066 existing uniform standards, adopted by the Interstate Insurance
1067 Product Regulation Commission after March 1, 2013, if such
1068 amendments substantially alter or add to existing uniform
1069 standards adopted by this state pursuant to subsection (1) until
1070 such time as this state enacts legislation to adopt or opt out
1071 of, adopts rules to adopt or opt out of, or executes an order to
1072 adopt or opt out of new uniform standards or amendments to
1073 existing standards adopted by the commission after March 1,

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1074 2013.

1075 (b) That, notwithstanding the adoption of the Interstate
1076 Product Regulation Compact pursuant to this act, participation
1077 in the compact is contingent upon a determination by the
1078 Commissioner of Insurance Regulation that the uniform standards
1079 of the compact provide consumer protections equivalent to those
1080 under state law and, if the commissioner determines otherwise,
1081 an order issued by the Office of Insurance Regulation
1082 constitutes the action required by the commission to not join
1083 the compact, or to opt out of, or to stay the effect of, any
1084 uniform standard not otherwise opted out of pursuant to this
1085 act.

1086 (c) That the authority under the compact to opt out of a
1087 uniform standard includes an order issued under chapter 120,
1088 Florida Statutes, the Administrative Procedure Act.

1089 (3) In addition to any other uniform standards the state
1090 may opt out of pursuant to subsection (2), effective October 1,
1091 2014, this subsection constitutes the legislation required to be
1092 enacted pursuant to subsections (4) and (5) of Article VII of
1093 the Interstate Insurance Product Regulation Compact by which
1094 this state opts out of the following uniform standards adopted
1095 by the Interstate Insurance Product Regulation Commission:

1096 a. The 10-day period for the unconditional refund of
1097 premiums, plus any fees or charges under s. 626.99, Florida
1098 Statutes.

1099 b. Underwriting criteria limiting the amount, extent, or
1100 kind of life insurance based on past or future travel in a
1101 manner that is inconsistent with s. 626.9541(1)(dd), Florida
1102 Statutes, as implemented by the Office of Insurance Regulation.

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1103 (4) It is the policy of this state that the exclusivity
1104 provision of paragraph (2)(b) of Article XVI of the Interstate
1105 Insurance Product Regulation Compact applies only to those
1106 uniform standards adopted by the Interstate Insurance Product
1107 Regulation Commission in accordance with the terms of the
1108 compact and does not apply to those standards that this state
1109 has opted out of pursuant to this act or the compact. In
1110 addition, it is the policy of this state that under the
1111 exclusivity provision, standards adopted by this state are not
1112 limited or rendered inapplicable by the absence of a standard
1113 adopted by the commission. Notwithstanding paragraph (2)(b) of
1114 Article XVI of the compact, standards adopted by this state
1115 continue to apply to the content, approval, and certification of
1116 products in this state, including, but not limited to, the
1117 following:

1118 a. Prohibition of a surrender or deferred sales charge of
1119 more than 10 percent pursuant to s. 627.4554, Florida Statutes.

1120 b. Notification to an applicant of the right to designate a
1121 secondary addressee at the time of application under s.
1122 627.4555, Florida Statutes.

1123 c. Notification of secondary addressees at least 21 days
1124 before the impending lapse of a policy under s. 627.4555,
1125 Florida Statutes.

1126 d. Inclusion of a clear statement pursuant to s. 627.803,
1127 Florida Statutes, that the benefits, values, or premiums under a
1128 variable annuity are indeterminate and may vary.

1129 e. Interest on surrender proceeds pursuant to s. 627.482,
1130 Florida Statutes.

1131 (5) After enactment of this section, if the Interstate

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1132 Insurance Product Regulation Commission adopts any new uniform
1133 standard or amendment to the existing uniform standard as
1134 specified in subsection (2), the Office of Insurance Regulation
1135 shall immediately notify the Legislature of such new standard or
1136 amendment. If the office or the court finds that the procedure
1137 specified in subsection (2) has not been followed, notice shall
1138 be given to the Legislature.

1139 Section 5. Notwithstanding subsection (4) of Article XII of
1140 the Interstate Insurance Product Regulation Compact, the
1141 Interstate Insurance Product Regulation Commission is subject
1142 to:

1143 (1) State unemployment or reemployment taxes imposed
1144 pursuant to chapter 443, Florida Statutes, in compliance with
1145 the Federal Unemployment Tax Act, for any persons employed by
1146 the commission who perform services for it within this state.

1147 (2) Taxation on any commission business or activity
1148 conducted or performed in this state.

1149 Section 6. Access to records.—

1150 (1) Notwithstanding subsections (1) and (2) of Article
1151 VIII, subsection (2) of Article X, and subsection (6) of Article
1152 XII of the Interstate Insurance Product Regulation Compact, a
1153 request by a resident of this state for public inspection and
1154 copying of information, data, or official records that includes:

1155 (a) An insurer's trade secrets shall be referred to the
1156 Commissioner of Insurance Regulation who shall respond to the
1157 request, with the cooperation and assistance of the Financial
1158 Services Commission, in accordance with s. 624.4213, Florida
1159 Statutes; or

1160 (b) Matters of privacy of individuals shall be referred to

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1161 the Commissioner of Insurance Regulation who shall respond to
1162 the request, with the cooperation and assistance of the
1163 Financial Services Commission, in accordance with s. 119.07(1),
1164 Florida Statutes.

1165 (2) This act does not abrogate the right of a person to
1166 access information consistent with the State Constitution and
1167 laws of this state.

1168 Section 7. The Financial Services Commission may adopt
1169 rules to administer this act.

1170 Section 8. If any part of section 3 or section 4 of this
1171 act is invalidated by the courts, such ruling renders the entire
1172 act invalid.

1173 Section 9. This act shall take effect July 1, 2014.