



615690

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/02/2014	.	
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The Committee on Rules (Smith) recommended the following:

Senate Amendment (with title amendment)

Before line 13
insert:

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

626.9541 Unfair methods of competition and unfair or deceptive acts or practices defined.—

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



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12 (q) *Certain insurance transactions through credit card*
13 *facilities prohibited.*—

14 1. Except as provided in subparagraph 3., no person shall
15 knowingly solicit or negotiate ~~any~~ insurance; seek or accept
16 applications for insurance; issue or deliver any policy;
17 receive, collect, or transmit premiums, to or for an ~~any~~
18 insurer; or otherwise transact insurance in this state, or
19 relative to a subject of insurance resident, located, or to be
20 performed in this state, through the arrangement or facilities
21 of a credit card facility or organization, for the purpose of
22 insuring credit card holders or prospective credit card holders.
23 The term "credit card holder" as used in this paragraph means a
24 ~~any~~ person who may pay the charge for purchases or other
25 transactions through the credit card facility or organization,
26 whose credit with such facility or organization is evidenced by
27 a credit card identifying such person as being one whose charges
28 the credit card facility or organization will pay, and who is
29 identified as such upon the credit card ~~either~~ by name, account
30 number, symbol, insignia, or ~~any~~ other method or device of
31 identification. This subparagraph does not apply as to health
32 insurance or to credit life, credit disability, or credit
33 property insurance.

34 2. If ~~Whenever~~ any person does or performs in this state
35 any of the acts in violation of subparagraph 1. for or on behalf
36 of an ~~any~~ insurer or credit card facility, such insurer or
37 credit card facility shall be deemed ~~held~~ to be doing business
38 in this state and, if an insurer, shall be subject to the same
39 state, county, and municipal taxes as insurers that have been
40 legally qualified and admitted to do business in this state by



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41 agents or otherwise are subject, the same to be assessed and
42 collected against such insurers; and such person so doing or
43 performing any of such acts is ~~shall be~~ personally liable for
44 all such taxes.

45 3. A licensed agent or insurer may solicit or negotiate ~~any~~
46 insurance; seek or accept applications for insurance; issue or
47 deliver any policy; receive, collect, or transmit premiums, to
48 or for an ~~any~~ insurer; or otherwise transact insurance in this
49 state, or relative to a subject of insurance resident, located,
50 or to be performed in this state, through the arrangement or
51 facilities of a credit card facility or organization, for the
52 purpose of insuring credit card holders or prospective credit
53 card holders if:

54 a. The insurance or policy which is the subject of the
55 transaction is noncancelable by any person other than the named
56 insured, the policyholder, or the insurer;

57 b. Any refund of unearned premium is made ~~directly~~ to the
58 credit card holder by mail or electronic transfer; and

59 c. The credit card transaction is authorized by the
60 signature of the credit card holder or other person authorized
61 to sign on the credit card account.

62
63 The conditions enumerated in sub-subparagraphs a.-c. do not
64 apply to health insurance or to credit life, credit disability,
65 or credit property insurance; and sub-subparagraph c. does not
66 apply to property and casualty insurance if ~~so long as~~ the
67 transaction is authorized by the insured.

68 4. No person may use or disclose information resulting from
69 the use of a credit card in conjunction with the purchase of



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70 insurance ~~if, when~~ such information is to the advantage of the
71 ~~such~~ credit card facility or an insurance agent, or is to the
72 detriment of the insured or any other insurance agent; except
73 that this provision does not prohibit a credit card facility
74 from using or disclosing such information in a ~~any~~ judicial
75 proceeding or consistent with applicable law on credit
76 reporting.

77 5. ~~No~~ Such insurance may not ~~shall~~ be sold through a credit
78 card facility in conjunction with membership in any automobile
79 club. The term "automobile club" means a legal entity that
80 ~~which~~, in consideration of dues, assessments, or periodic
81 payments of money, promises its members or subscribers to assist
82 them in matters relating to the ownership, operation, use, or
83 maintenance of a motor vehicle; however, the term ~~definition of~~
84 ~~automobile clubs~~ does not include persons, associations, or
85 corporations that ~~which~~ are organized and operated solely for
86 the purpose of conducting, sponsoring, or sanctioning motor
87 vehicle races, exhibitions, or contests upon racetracks, or upon
88 race courses established and marked as such for the duration of
89 such particular event. The words "motor vehicle" used herein
90 shall be the same as defined in chapter 320.

91 Section 2. Subsections (1), (2), and (3) of section
92 627.7283, Florida Statutes, are amended to read:

93 627.7283 Cancellation; return of premium.—

94 (1) If the insured cancels a policy of motor vehicle
95 insurance, the insurer must mail or electronically transfer the
96 unearned portion of any premium paid within 30 days after the
97 effective date of the policy cancellation or receipt of notice
98 or request for cancellation, whichever is later. This



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99 requirement applies to a cancellation initiated by an insured
100 for any reason.

101 (2) If an insurer cancels a policy of motor vehicle
102 insurance, the insurer must mail or electronically transfer the
103 unearned premium portion of any premium within 15 days after the
104 effective date of the policy cancellation.

105 (3) If the unearned premium is not mailed or electronically
106 transferred within the applicable period, the insurer must pay
107 to the insured 8 percent interest on the amount due. If the
108 unearned premium is not mailed or electronically transferred
109 within 45 days after the applicable period, the insured may
110 bring an action against the insurer pursuant to s. 624.155.

111
112 ===== T I T L E A M E N D M E N T =====

113 And the title is amended as follows:

114 Delete line 2

115 and insert:

116 An act relating to insurance; amending s. 626.9541,
117 F.S.; revising provisions for unfair methods of
118 competition and unfair or deceptive acts relating to
119 conducting certain insurance transactions through
120 credit card facilities; amending s. 627.7283, F.S.;
121 allowing the electronic transfer of unearned premiums
122 under specified circumstances;