

1 A bill to be entitled
2 An act relating to insurance; amending s. 215.555,
3 F.S.; revising the definition of the term "covered
4 policy" to include a coverage amount requested by
5 lenders under specified residential insurance policies
6 in certain circumstances; amending s. 316.646, F.S.;
7 requiring law enforcement officers to access certain
8 information during traffic stops or crash
9 investigations for certain purposes; amending s.
10 320.02, F.S.; authorizing insurance online
11 verification for motor vehicle registration; creating
12 s. 324.252, F.S.; requiring the Department of Highway
13 Safety and Motor Vehicles to establish an online
14 verification system for motor vehicle insurance;
15 providing system requirements; providing powers and
16 duties of the department; providing requirements for
17 insurers and law enforcement officers; providing
18 immunity from liability; prohibiting the use of an
19 online verification request or response for a civil
20 action; providing applicability; providing rulemaking
21 authority; creating s. 324.255, F.S.; creating the
22 Motor Vehicle Insurance Online Verification Task
23 Force; providing duties of the task force; providing
24 membership; providing meeting requirements; requiring
25 the department to provide support; providing report

26 requirements; providing the date by which the task
27 force must complete its work and submit its final
28 report; providing for expiration of the task force;
29 amending s. 494.0026, F.S.; requiring mortgagees and
30 assignees to deposit certain insurance proceeds in
31 specified accounts under certain circumstances;
32 providing notification requirements; providing
33 requirements for the distribution of certain accrued
34 interests; amending s. 626.321, F.S.; providing that
35 certain travel insurance licenses are subject to
36 review by the Department of Financial Services, rather
37 than the Office of Insurance Regulation; revising the
38 list of individuals and entities who may apply for
39 such licenses; revising the requirements for such
40 licenses; prohibiting persons from engaging in certain
41 acts unless licensed or registered; providing
42 authorizations and duties of limited lines travel
43 insurance producers and travel retailers; requiring
44 travel retailer registers; providing applicability of
45 penalties; providing fingerprinting and licensing fee
46 requirements; providing instruction or training
47 requirements under certain circumstances; authorizing
48 travel retailers to receive compensation under certain
49 circumstances; providing that limited lines travel
50 insurance producers are responsible for their travel

51 retailers' acts; authorizing persons licensed in major
52 lines of authority as insurance producers to sell,
53 solicit, and negotiate travel insurance; amending s.
54 626.931, F.S.; deleting provisions requiring certain
55 surplus lines agents to file affidavits with the
56 Florida Surplus Lines Service Office; amending s.
57 626.932, F.S.; revising the timeline for the surplus
58 lines agents' tax remittance; amending s. 626.935,
59 F.S.; conforming provisions to changes made by the
60 act; amending s. 627.7295, F.S.; revising the
61 timeframe for insurers' cancellation of motor vehicle
62 insurance policies or contracts for nonpayment;
63 amending s. 627.914, F.S.; requiring certain workers'
64 compensation insurers and self-insurance funds to
65 continue to report certain information; authorizing
66 such reporting to be outsourced under certain
67 circumstances; requiring the office to approve a
68 modified reporting plan; authorizing the office to use
69 certain information for a specified purpose; amending
70 ss. 634.171, 634.317, and 634.419, F.S.; authorizing
71 licensed personal lines or general lines agent to
72 advertise, solicit, negotiate, or sell motor vehicle
73 service agreements, home warranties, and service
74 warranties, respectively, without a sales
75 representative license; providing a directive to the

76 | Division of Law Revision; creating s. 647.01, F.S.;
77 | providing purpose; providing applicability; creating
78 | s. 647.02, F.S.; providing definitions; creating s.
79 | 647.03, F.S.; providing definitions; providing
80 | requirements for certain travel insurance premiums for
81 | tax purposes; providing duties of travel insurers;
82 | creating s. 647.04, F.S.; authorizing travel
83 | protection plans to be offered under certain
84 | circumstances; creating s. 647.05, F.S.; providing
85 | requirements for documents provided to consumers
86 | before the purchase of travel insurance; providing
87 | requirements for disclosures of preexisting condition
88 | exclusions in travel insurance policies and
89 | certificates; providing requirements for fulfillment
90 | materials and specified information; providing
91 | circumstances under which travel protection plan
92 | payments may be cancelled for a full refund; providing
93 | practices that are not unfair trade practices or
94 | violations of law; prohibiting certain practices;
95 | providing that persons offering travel insurance to
96 | residents of this state are subject to the Unfair
97 | Insurance Trade Practices Act; providing that
98 | specified provisions supersede such act; providing
99 | practices that are unfair insurance trade practices;
100 | creating s. 647.06, F.S.; prohibiting certain persons

101 from representing themselves as travel administrators;
102 exempting travel administrators and their employees
103 from certain licensing requirements; providing
104 insurers' responsibilities relating to travel
105 administrators; creating s. 647.07, F.S.; providing
106 classification and filing of travel insurance for
107 purposes of rates and forms; providing eligibility and
108 underwriting standards for travel insurance; creating
109 s. 647.08, F.S.; requiring the Department of Financial
110 Services to adopt rules; creating s. 655.969, F.S.;
111 requiring financial institutions and subsidiaries to
112 endorse specified negotiable instruments under certain
113 circumstances; providing exceptions; requiring
114 financial institutions and subsidiaries to deposit
115 specified insurance proceeds into specified accounts
116 under certain circumstances; providing notification
117 requirements; providing requirements for the
118 distribution of accrued interests; providing
119 dispositions of insurance proceeds relating to
120 additional living expenses and contents; providing
121 construction; providing an effective date.

122
123 Be It Enacted by the Legislature of the State of Florida:

124
125 Section 1. Paragraph (c) of subsection (2) of section

126 | 215.555, Florida Statutes, is amended to read:
 127 | 215.555 Florida Hurricane Catastrophe Fund.—
 128 | (2) DEFINITIONS.—As used in this section:
 129 | (c) "Covered policy" means any insurance policy covering
 130 | residential property in this state, including, but not limited
 131 | to, any homeowner, mobile home owner, farm owner, condominium
 132 | association, condominium unit owner, tenant, or apartment
 133 | building policy, or any other policy covering a residential
 134 | structure or its contents issued by any authorized insurer,
 135 | including a commercial self-insurance fund holding a certificate
 136 | of authority issued by the Office of Insurance Regulation under
 137 | s. 624.462, the Citizens Property Insurance Corporation, and any
 138 | joint underwriting association or similar entity created under
 139 | law. The term "covered policy" includes any collateral
 140 | protection insurance policy covering personal residences which
 141 | protects both the borrower's and the lender's financial
 142 | interests, in an amount at least equal to the coverage for the
 143 | dwelling in place under the lapsed homeowner's policy, or in an
 144 | amount at least equal to the coverage amount requested by the
 145 | lender if the homeowner has been notified in writing of the
 146 | coverage amount and the homeowner has not requested that the
 147 | insurer issue the policy in a different amount, if such policy
 148 | can be accurately reported as required in subsection (5).
 149 | Additionally, covered policies include policies covering the
 150 | peril of wind removed from the Florida Residential Property and

151 Casualty Joint Underwriting Association or from the Citizens
152 Property Insurance Corporation, created under s. 627.351(6), or
153 from the Florida Windstorm Underwriting Association, created
154 under s. 627.351(2), by an authorized insurer under the terms
155 and conditions of an executed assumption agreement between the
156 authorized insurer and such association or Citizens Property
157 Insurance Corporation. Each assumption agreement between the
158 association and such authorized insurer or Citizens Property
159 Insurance Corporation must be approved by the Office of
160 Insurance Regulation before the effective date of the
161 assumption, and the Office of Insurance Regulation must provide
162 written notification to the board within 15 working days after
163 such approval. "Covered policy" does not include any policy that
164 excludes wind coverage or hurricane coverage or any reinsurance
165 agreement and does not include any policy otherwise meeting this
166 definition which is issued by a surplus lines insurer or a
167 reinsurer. All commercial residential excess policies and all
168 deductible buy-back policies that, based on sound actuarial
169 principles, require individual ratemaking shall be excluded by
170 rule if the actuarial soundness of the fund is not jeopardized.
171 For this purpose, the term "excess policy" means a policy that
172 provides insurance protection for large commercial property
173 risks and that provides a layer of coverage above a primary
174 layer insured by another insurer.

175 Section 2. Subsection (5) of section 316.646, Florida

176 Statutes, is renumbered as subsection (6), and a new subsection
177 (5) is added to that section, to read:

178 316.646 Security required; proof of security and display
179 thereof.—

180 (5) Upon implementation of the motor vehicle insurance
181 online verification system established in s. 324.252, a law
182 enforcement officer, during a traffic stop or crash
183 investigation, shall access information from the online
184 verification system to establish compliance with this chapter
185 and chapter 324 and to verify the current validity of the policy
186 described on any insurance identification card produced by the
187 operator of a motor vehicle.

188 Section 3. Paragraph (f) is added to subsection (5) of
189 section 320.02, Florida Statutes, to read:

190 320.02 Registration required; application for
191 registration; forms.—

192 (5)

193 (f) Upon implementation of the motor vehicle insurance
194 online verification system established in s. 324.252, the online
195 verification may be used in lieu of the verification procedures
196 in this subsection.

197 Section 4. Section 324.252, Florida Statutes, is created
198 to read:

199 324.252 Insurance online verification system.—The
200 department shall establish an online verification system for

201 motor vehicle insurance. The goal of the system is to identify
202 uninsured motorists and aid the department in the enforcement of
203 the financial responsibility law.

204 (1) The online verification system must:

205 (a) Be accessible through the Internet by authorized
206 personnel of the department, the courts, law enforcement
207 personnel, any other entities authorized by the department, and
208 insurers authorized by the Office of Insurance Regulation to
209 offer motor vehicle insurance.

210 (b) Send requests to insurers for verification of evidence
211 of insurance for motor vehicles registered in this state via
212 online services established by the insurers in compliance with
213 the specifications and standards of the Insurance Industry
214 Committee on Motor Vehicle Administration (IICMVA), with
215 enhancements, additions, and modifications as required by the
216 department. However, the enhancements, additions, and
217 modifications may not conflict with, nullify, or add
218 requirements that are inconsistent with the specifications or
219 standards of the IICMVA.

220 (c) Be operational by July 1, 2023. The Motor Vehicle
221 Insurance Online Verification Task Force established in s.
222 324.255 must conduct a pilot program for at least 9 months to
223 test the system before statewide use. The system may not be used
224 in any enforcement action until successful completion of the
225 pilot program.

226 (d) Be available 24 hours a day, except as provided in
227 paragraph (2) (a), to verify the insurance status of any vehicle
228 registered in this state through the insurer's National
229 Association of Insurance Commissioners (NAIC) company code, in
230 combination with other identifiers such as vehicle
231 identification number, policy number, or other characteristics
232 or markers as specified by the Motor Vehicle Insurance Online
233 Verification Task Force.

234 (e) Include appropriate provisions, consistent with
235 industry standards as specified by the Motor Vehicle Insurance
236 Online Verification Task Force, to secure the system's data
237 against unauthorized access.

238 (f) Include a disaster recovery plan to ensure service
239 continuity in the event of a disaster.

240 (g) Include information that enables the department to
241 make inquiries of evidence of insurance by using multiple data
242 elements for greater matching accuracy, specifically the
243 insurer's NAIC company code, in combination with other
244 identifiers such as vehicle identification number, policy
245 number, or other characteristics or markers as specified by the
246 Motor Vehicle Insurance Online Verification Task Force.

247 (h) Include a self-reporting mechanism for insurers with
248 fewer than 2,000 vehicles insured within this state or for
249 individual entities that are self-insured.

250 (2) The department has the following powers and duties:

251 (a) Upon an insurer's advance notice to the department,
252 the department shall allow online services established by the
253 insurer to have reasonable downtime for system maintenance and
254 other work, as needed. An insurer is not subject to
255 administrative penalties or disciplinary actions when its online
256 services are not available under such circumstances or when an
257 outage is unplanned by the insurer and is reasonably outside its
258 control.

259 (b) Upon recommendation of the Motor Vehicle Insurance
260 Online Verification Task Force, the department may contract with
261 a private vendor that has personnel with extensive operational
262 and management experience in the development, deployment, and
263 operation of insurance online verification systems.

264 (c) The department and its private vendor, if any, shall
265 each maintain a contact person for the insurers during the
266 establishment, implementation, and operation of the system.

267 (d) The department shall maintain a historical record of
268 the system data for 6 months after the date of any verification
269 request and response.

270 (3) An insurance company authorized to issue insurance
271 policies for motor vehicles registered in this state:

272 (a) Shall comply with the verification requirements of
273 motor vehicle insurance for every motor vehicle insured by that
274 company in this state as required by department rule.

275 (b) Shall maintain policyholder records in order to

276 confirm insurance coverage for 6 months after the date of any
277 verification request and response.

278 (c) Shall cooperate with the department in establishing,
279 implementing, and maintaining the system.

280 (d) Is immune from civil liability for good faith efforts
281 to comply with this section. An online verification request or
282 response may not be used as the basis of a civil action against
283 an insurer.

284 (4) A law enforcement officer, during a traffic stop or
285 crash investigation, shall query information from the online
286 verification system to establish compliance with this chapter
287 and to verify the current validity of the policy described on
288 any insurance identification card produced by the operator of a
289 motor vehicle.

290 (5) This section does not apply to vehicles insured under
291 commercial motor vehicle coverage. As used in this subsection,
292 the term "commercial motor vehicle coverage" means any coverage
293 provided to an insured under a commercial coverage form and
294 rated from a commercial manual approved by the Office of
295 Insurance Regulation. However, insurers of such vehicles may
296 participate in the online verification system on a voluntary
297 basis.

298 (6) The department may adopt rules to administer this
299 section.

300 Section 5. Section 324.255, Florida Statutes, is created

301 to read:

302 324.255 Motor Vehicle Insurance Online Verification Task
303 Force.—There is created the Motor Vehicle Insurance Online
304 Verification Task Force within the department.

305 (1) The task force shall:

306 (a) Facilitate the implementation of the motor vehicle
307 insurance online verification system established in s. 324.252,
308 including recommending data and cybersecurity processes and
309 protocols.

310 (b) Assist in the development of a detailed guide for
311 insurers by providing data fields and other information
312 necessary for compliance with the online verification system.

313 (c) Coordinate a pilot program and conduct the program for
314 at least 9 months to test the online verification system and
315 identify necessary changes to be implemented before statewide
316 use.

317 (d) Issue recommendations based on periodic reviews of the
318 online verification system.

319 (2) The task force shall consist of nine voting members
320 and one nonvoting member.

321 (a) The nine voting members shall be appointed by July 31,
322 2020, in the following manner:

323 1. Three representatives of the department, representing
324 the Florida Highway Patrol, the Division of Motorist Services,
325 and the Information Systems Administration, appointed by the

326 executive director of the department.

327 2. One representative of the Office of Insurance
328 Regulation, appointed by the Commissioner of Insurance.

329 3. Three representatives of the motor vehicle insurance
330 industry, appointed by the Chief Financial Officer as follows:

331 a. One member must represent the motor vehicle insurer
332 with the largest national market share as of December 31, 2019.

333 b. One member must represent the motor vehicle insurer
334 with the largest Florida market share as of December 31, 2019.

335 c. One member must be selected from a list of
336 representatives recommended by the Insurance Industry Committee
337 on Motor Vehicle Administration.

338 4. One representative of the Department of Financial
339 Services, appointed by the Chief Financial Officer.

340 5. One representative of the Agency for State Technology,
341 appointed by the executive director of the agency.

342 (b) The executive director of the department, who shall be
343 a nonvoting member, shall serve as chair of the task force.

344 (3) By September 30, 2020, the task force shall meet to
345 establish procedures for the conduct of its business, and the
346 voting members shall elect a vice chair at that meeting. The
347 task force shall meet at the call of the chair, who shall
348 prepare the agenda for each meeting with the consent of the task
349 force. A majority of the voting members of the task force
350 constitutes a quorum, and a quorum is necessary for the purpose

351 of voting on any action or recommendation of the task force. All
352 meetings shall be held in Tallahassee.

353 (4) The department shall provide the task force members
354 with administrative and technical support. Task force members
355 shall serve without compensation and are not entitled to
356 reimbursement for per diem or travel expenses.

357 (5) The task force shall issue a report to the department,
358 the President of the Senate, and the Speaker of the House of
359 Representatives no later than 6 months after the pilot program
360 concludes. The report must evaluate the online verification
361 system's effectiveness in identifying uninsured motorists. The
362 task force may also make recommendations for system enhancements
363 in the report or at any time before the task force's completion
364 of its work.

365 (6) By July 1, 2023, the task force shall complete its
366 work and submit its final report evaluating the online
367 verification system's effectiveness and making recommendations
368 for system enhancements to the department, the President of the
369 Senate, and the Speaker of the House of Representatives. Upon
370 submission of the report, the task force shall expire.

371 Section 6. Subsection (2) of section 494.0026, Florida
372 Statutes, is amended to read:

373 494.0026 Disposition of insurance proceeds.—The following
374 provisions apply to mortgage loans held by a mortgagee or
375 assignee that is subject to part II or part III of this chapter.

376 (2) (a) 1. Insurance proceeds received by a mortgagee or
377 assignee that relate to compensation for damage to property or
378 contents insurance coverage in which the mortgagee or assignee
379 has a security interest must be promptly deposited into a
380 segregated account of a federally insured financial institution.

381 2. Pending completion of all or part of damage repairs,
382 insurance proceeds received by a mortgagee or assignee under
383 subparagraph 1. must be deposited into a segregated, interest-
384 bearing account of a federally insured financial institution for
385 the benefit of the insured. The account must bear interest no
386 less than the insured could expect to obtain from a savings or
387 money market account. The interest must begin to accrue on the
388 date the mortgagee or assignee endorses the check, draft, or
389 other negotiable instrument for proceeds.

390 (b) A mortgagee or assignee holding insurance proceeds
391 under paragraph (a) must notify the insured of each requirement
392 that the insured must fulfill for the mortgagee or assignee to
393 release the proceeds. Notice required under this paragraph must
394 be in writing and delivered by mail or electronic transmission
395 within 10 business day after the date the mortgagee or assignee
396 endorses the check, draft, or other negotiable instrument for
397 proceeds.

398 (c) A mortgagee or assignee holding insurance proceeds
399 under paragraph (a) must distribute all accrued interest in the
400 account to the insured no later than upon the final disbursement

401 of proceeds.

402

403 This section may not be construed to prevent an insurance
 404 company from paying the insured directly for additional living
 405 expenses or paying the insured directly for contents insurance
 406 coverage if the mortgagee or assignee does not have a security
 407 interest in the contents.

408 Section 7. Paragraph (c) of subsection (1) of section
 409 626.321, Florida Statutes, is amended to read:

410 626.321 Limited licenses and registration.-

411 (1) The department shall issue to a qualified applicant a
 412 license as agent authorized to transact a limited class of
 413 business in any of the following categories of limited lines
 414 insurance:

415 (c) Travel insurance.-License covering only policies and
 416 certificates of travel insurance which are subject to review by
 417 the department ~~office~~. Policies and certificates of travel
 418 insurance may provide coverage for travel insurance, as defined
 419 ~~in s. 647.02 risks incidental to travel, planned travel, or~~
 420 ~~accommodations while traveling, including, but not limited to,~~
 421 ~~accidental death and dismemberment of a traveler; trip or event~~
 422 ~~cancellation, interruption, or delay; loss of or damage to~~
 423 ~~personal effects or travel documents; damages to travel~~
 424 ~~accommodations; baggage delay; emergency medical travel or~~
 425 ~~evacuation of a traveler; or medical, surgical, and hospital~~

426 ~~expenses related to an illness or emergency of a traveler. Such~~
427 ~~policy or certificate may be issued for terms longer than 90~~
428 ~~days, but, other than a policy or certificate providing coverage~~
429 ~~for air ambulatory services only, each policy or certificate~~
430 ~~must be limited to coverage for travel or use of accommodations~~
431 ~~of no longer than 90 days. The license may be issued only to an~~
432 individual or business entity that has filed with the department
433 an application for a license in a form and manner prescribed by
434 the department.÷

435 1. A limited lines travel insurance producer, as defined
436 s. 647.02, shall be licensed to sell, solicit, or negotiate
437 travel insurance through a licensed insurer.

438 2. A person may not act as a limited lines travel
439 insurance producer or travel retailer unless properly licensed
440 or registered, respectively. As used in this paragraph, the term
441 "travel retailer" means a business entity that:

442 a. Makes, arranges, or offers planned travel.

443 b. May, under subparagraph 3., offer and disseminate
444 travel insurance as a service to its customers on behalf of and
445 under the direction of a limited lines travel insurance
446 producer.

447 3. A travel retailer may offer and disseminate travel
448 insurance under a limited lines travel insurance producer
449 business entity license only if all of the following
450 requirements are met:

451 a. The limited lines travel insurance producer or travel
452 retailer provides to purchasers of travel insurance:

453 (I) A description of the material terms or the actual
454 material terms of the insurance coverage.

455 (II) A description of the process for filing a claim.

456 (III) A description of the review or cancellation process
457 for the travel insurance policy.

458 (IV) The identity and contact information of the insurer
459 and limited lines travel insurance producer.

460 b. At the time of licensure, the limited lines travel
461 insurance producer establishes and maintains a register, on a
462 form prescribed by the department, of each travel retailer that
463 offers travel insurance on behalf of the limited lines travel
464 insurance producer. The limited lines travel insurance producer
465 must maintain and update the register, which must include the
466 travel retailer's federal tax identification number and the
467 name, address, and contact information of the travel retailer
468 and an officer or person who directs or controls the travel
469 retailer's operations. The limited lines travel insurance
470 producer shall submit the register to the department upon
471 reasonable request. The limited lines travel insurance producer
472 shall also certify that the travel retailer register complies
473 with 18 U.S.C s. 1033. The grounds for the suspension and
474 revocation and the penalties applicable to resident insurance
475 producers under this section apply to the limited lines travel

476 insurance producers and travel retailers.

477 c. The limited lines travel insurance producer has
478 designated one of its employees as the designated responsible
479 producer. The designated responsible producer, who must be a
480 licensed insurance producer, is responsible for the compliance
481 with the travel insurance laws and regulations applicable to the
482 limited lines travel insurance producer and its registrants. The
483 designated responsible producer and the president, secretary,
484 treasurer, and any other officer or person who direct or control
485 the limited lines travel insurance producer's insurance
486 operations must comply with the fingerprinting requirements
487 applicable to insurance producers in the resident state of the
488 limited lines travel insurance producer.

489 d. The limited lines travel insurance producer has paid
490 all applicable licensing fees as set forth in applicable general
491 law.

492 e. The limited lines travel insurance producer requires
493 each employee and each authorized representative of the travel
494 retailer whose duties include offering and disseminating travel
495 insurance to receive a program of instruction or training, which
496 is subject, at the discretion of the department, to review and
497 approval. The training material must, at a minimum, contain
498 adequate instructions on the types of insurance offered, ethical
499 sales practices, and required disclosures to prospective
500 purchasers.

501
502 As used in this paragraph, the term "offer and disseminate"
503 means to provide general information, including a description of
504 the coverage and price, as well as processing the application
505 and collecting premiums.

506 4. A travel retailer offering or disseminating travel
507 insurance shall make available to prospective purchasers
508 brochures or other written materials that have been approved by
509 the travel insurer. Such materials must include information
510 that, at a minimum:

511 a. Provides the identity and contact information of the
512 insurer and the limited lines travel insurance producer.

513 b. Explains that the purchase of travel insurance is not
514 required in order to purchase any other product or service from
515 the travel retailer.

516 c. Explains that a travel retailer is authorized to
517 provide only general information about the insurance offered by
518 the travel retailer, including a description of the coverage and
519 price, but is not qualified or authorized to answer technical
520 questions about the terms and conditions of the insurance
521 offered by the travel retailer or to evaluate the adequacy of
522 the customer's existing insurance coverage.

523 5. A travel retailer employee or authorized representative
524 who is not licensed as an insurance producer may not:

525 a. Evaluate or interpret the technical terms, benefits,

526 | and conditions of the offered travel insurance coverage;
 527 | b. Evaluate or provide advice concerning a prospective
 528 | purchaser's existing insurance coverage; or
 529 | c. Hold himself or herself or the travel retailer out as a
 530 | licensed insurer, licensed producer, or insurance expert.
 531 |
 532 | Notwithstanding any other provision of law, a travel retailer
 533 | whose insurance-related activities, and those of its employees
 534 | and authorized representatives, are limited to offering and
 535 | disseminating travel insurance on behalf of and under the
 536 | direction of a limited lines travel insurance producer meeting
 537 | the conditions in this section may receive related compensation
 538 | upon registration by the limited lines travel insurance producer
 539 | as described in paragraph (2) (b) .
 540 | 6. As the insurer's designee, the limited lines travel
 541 | insurance producer is responsible for the acts of the travel
 542 | retailer and shall use reasonable means to ensure compliance by
 543 | the travel retailer with this section.
 544 | 7. Any person licensed in a major line of authority as an
 545 | insurance producer, including a property and casualty insurance
 546 | producer who is not appointed by an insurer, may sell, solicit,
 547 | and negotiate travel insurance.
 548 | ~~1. To a full-time salaried employee of a common carrier or~~
 549 | ~~a full-time salaried employee or owner of a transportation~~
 550 | ~~ticket agency and may authorize the sale of such ticket policies~~

551 ~~only in connection with the sale of transportation tickets, or~~
552 ~~to the full-time salaried employee of such an agent. Such policy~~
553 ~~may not be for more than 48 hours or more than the duration of a~~
554 ~~specified one-way trip or round trip.~~

555 ~~2. To an entity or individual that is:~~

556 ~~a. The developer of a timeshare plan that is the subject~~
557 ~~of an approved public offering statement under chapter 721;~~

558 ~~b. An exchange company operating an exchange program~~
559 ~~approved under chapter 721;~~

560 ~~c. A managing entity operating a timeshare plan approved~~
561 ~~under chapter 721;~~

562 ~~d. A seller of travel as defined in chapter 559; or~~

563 ~~e. A subsidiary or affiliate of any of the entities~~
564 ~~described in sub-subparagraphs a.-d.~~

565 ~~3. To a full-time salaried employee of a licensed general~~
566 ~~lines agent or a business entity that offers travel planning~~
567 ~~services if insurance sales activities authorized by the license~~
568 ~~are in connection with, and incidental to, travel.~~

569 ~~a. A license issued to a business entity that offers~~
570 ~~travel planning services must encompass each office, branch~~
571 ~~office, or place of business making use of the entity's business~~
572 ~~name in order to offer, solicit, and sell insurance pursuant to~~
573 ~~this paragraph.~~

574 ~~b. The application for licensure must list the name,~~
575 ~~address, and phone number for each office, branch office, or~~

576 ~~place of business that is to be covered by the license. The~~
577 ~~licensee shall notify the department of the name, address, and~~
578 ~~phone number of any new location that is to be covered by the~~
579 ~~license before the new office, branch office, or place of~~
580 ~~business engages in the sale of insurance pursuant to this~~
581 ~~paragraph. The licensee shall notify the department within 30~~
582 ~~days after the closing or terminating of an office, branch~~
583 ~~office, or place of business. Upon receipt of the notice, the~~
584 ~~department shall delete the office, branch office, or place of~~
585 ~~business from the license.~~

586 ~~e. A licensed and appointed entity is directly responsible~~
587 ~~and accountable for all acts of the licensee's employees and~~
588 ~~parties with whom the licensee has entered into a contractual~~
589 ~~agreement to offer travel insurance.~~

590
591 ~~A licensee shall require each individual who offers policies or~~
592 ~~certificates under subparagraph 2. or subparagraph 3. to receive~~
593 ~~initial training from a general lines agent or an insurer~~
594 ~~authorized under chapter 624 to transact insurance within this~~
595 ~~state. For an entity applying for a license as a travel~~
596 ~~insurance agent, the fingerprinting requirement of this section~~
597 ~~applies only to the president, secretary, and treasurer and to~~
598 ~~any other officer or person who directs or controls the travel~~
599 ~~insurance operations of the entity.~~

600 ~~Section 8. Section 626.931, Florida Statutes, is amended~~

601 to read:

602 626.931 ~~Agent affidavit and Insurer reporting~~
603 requirements.-

604 ~~(1) Each surplus lines agent that has transacted business~~
605 ~~during a calendar quarter shall on or before the 45th day~~
606 ~~following the calendar quarter file with the Florida Surplus~~
607 ~~Lines Service Office an affidavit, on forms as prescribed and~~
608 ~~furnished by the Florida Surplus Lines Service Office, stating~~
609 ~~that all surplus lines insurance transacted by him or her during~~
610 ~~such calendar quarter has been submitted to the Florida Surplus~~
611 ~~Lines Service Office as required.~~

612 ~~(2) The affidavit of the surplus lines agent shall include~~
613 ~~efforts made to place coverages with authorized insurers and the~~
614 ~~results thereof.~~

615 (1)~~(3)~~ Each foreign insurer accepting premiums shall, on
616 or before the end of the month following each calendar quarter,
617 file with the Florida Surplus Lines Service Office a verified
618 report of all surplus lines insurance transacted by such insurer
619 for insurance risks located in this state during such calendar
620 quarter.

621 (2)~~(4)~~ Each alien insurer accepting premiums shall, on or
622 before June 30 of each year, file with the Florida Surplus Lines
623 Service Office a verified report of all surplus lines insurance
624 transacted by such insurer for insurance risks located in this
625 state during the preceding calendar year.

626 (3)~~(5)~~ The department may waive the filing requirements
 627 described in subsections (1) ~~(3)~~ and (2) ~~(4)~~.

628 (4)~~(6)~~ Each insurer's report and supporting information
 629 shall be in a computer-readable format as determined by the
 630 Florida Surplus Lines Service Office or shall be submitted on
 631 forms prescribed by the Florida Surplus Lines Service Office and
 632 shall show for each applicable agent:

633 (a) A listing of all policies, certificates, cover notes,
 634 or other forms of confirmation of insurance coverage or any
 635 substitutions thereof or endorsements thereto and the
 636 identifying number; and

637 (b) Any additional information required by the department
 638 or Florida Surplus Lines Service Office.

639 Section 9. Paragraph (a) of subsection (2) of section
 640 626.932, Florida Statutes, is amended to read:

641 626.932 Surplus lines tax.—

642 (2) (a) The surplus lines agent shall make payable to the
 643 department the tax related to each calendar quarter's business
 644 as reported to the Florida Surplus Lines Service Office, and
 645 remit the tax to the Florida Surplus Lines Service Office at the
 646 same time as the fee payment required ~~provided for the filing of~~
 647 ~~the quarterly affidavit,~~ under s. 626.9325 ~~s. 626.931~~. The
 648 Florida Surplus Lines Service Office shall forward to the
 649 department the taxes and any interest collected pursuant to
 650 paragraph (b), within 10 days of receipt.

651 Section 10. Paragraph (d) of subsection (1) of section
 652 626.935, Florida Statutes, is amended to read:

653 626.935 Suspension, revocation, or refusal of surplus
 654 lines agent's license.—

655 (1) The department shall deny an application for, suspend,
 656 revoke, or refuse to renew the appointment of a surplus lines
 657 agent and all other licenses and appointments held by the
 658 licensee under this code, on any of the following grounds:

659 ~~(d) Failure to make and file his or her affidavit or~~
 660 ~~reports when due as required by s. 626.931.~~

661 Section 11. Subsection (4) of section 627.7295, Florida
 662 Statutes, is amended to read:

663 627.7295 Motor vehicle insurance contracts.—

664 (4) The insurer may cancel the policy in accordance with
 665 this code except that, notwithstanding s. 627.728, an insurer
 666 may not cancel a new policy or binder during the first 30 ~~60~~
 667 days immediately following the effective date of the policy or
 668 binder for nonpayment of premium unless the reason for the
 669 cancellation is the issuance of a check for the premium that is
 670 dishonored for any reason or any other type of premium payment
 671 that was subsequently determined to be rejected or invalid.

672 Section 12. Subsection (4) of section 627.914, Florida
 673 Statutes, is renumbered as subsection (5), subsections (2) and
 674 (3) of that section are amended, and a new subsection (4) is
 675 added to that section, to read:

676 627.914 Reports of information by workers' compensation
677 insurers required.—

678 (2) (a) Each insurer and self-insurance fund authorized to
679 write a policy of workers' compensation insurance shall report
680 ~~transmit~~ the following information annually on both Florida
681 experience and nationwide experience separately:

- 682 1.(a) Payrolls by classification.
683 2.(b) Manual premiums by classification.
684 3.(c) Standard premiums by classification.
685 4.(d) Losses by classification and injury type.
686 5.(e) Expenses.

687
688 An insurer or self-insurance fund that is placed in receivership
689 pursuant to part I of chapter 631 must continue to report the
690 information required under this paragraph. At the discretion of
691 the receiver, the insurer or self-insurance fund may outsource
692 the reporting of such information to a third-party reporting
693 vendor. The office shall approve a modified reporting plan that
694 is limited in terms of data elements.

695 (b) A report of the ~~this~~ information required under
696 paragraph (a) shall be filed no later than July 1 of each year.
697 All reports shall be filed in accordance with standard reporting
698 procedures for insurers, which procedures have received approval
699 by the office, and shall contain data for the most recent policy
700 period available. A statistical or rating organization may be

701 used by insurers and self-insurance funds to report the data
702 required by this section. The statistical or rating organization
703 shall report each data element in the aggregate only for
704 insurers and self-insurance funds required to report under this
705 section who elect to have the organization report on their
706 behalf. Such insurers and self-insurance funds shall be named in
707 the report.

708 (3) Individual self-insurers as defined in s. 440.02 shall
709 report only Florida data as prescribed in subparagraphs
710 (2) (a) 1.-5. ~~paragraphs (2) (a) (e)~~ to the office.

711 (a) The office shall publish the dates and forms necessary
712 to enable individual self-insurers to comply with this section.

713 (b) A statistical or rating organization may be used by
714 individual self-insurers for the purposes of reporting the data
715 required by this section and calculating experience ratings.

716 (4) The office may use the information it receives under
717 this section in its adoption of rates and experience ratings
718 modifications.

719 Section 13. Section 634.171, Florida Statutes, is amended
720 to read:

721 634.171 Salesperson to be licensed and appointed.—
722 Salespersons for motor vehicle service agreement companies and
723 insurers shall be licensed, appointed, renewed, continued,
724 reinstated, or terminated as prescribed in chapter 626 for
725 insurance representatives in general. However, they shall be

726 exempt from all other provisions of chapter 626 including
727 fingerprinting, photo identification, education, and examination
728 provisions. License, appointment, and other fees shall be those
729 prescribed in s. 624.501. A licensed and appointed salesperson
730 shall be directly responsible and accountable for all acts of
731 her or his employees and other representatives. Each service
732 agreement company or insurer shall, on forms prescribed by the
733 department, within 30 days after termination of the appointment,
734 notify the department of such termination. An ~~No~~ employee or
735 salesperson of a motor vehicle service agreement company or
736 insurer may not directly or indirectly solicit or negotiate
737 insurance contracts, or hold herself or himself out in any
738 manner to be an insurance agent, unless so qualified, licensed,
739 and appointed therefor under the Florida Insurance Code. A
740 licensed personal lines or general lines agent is not required
741 to be licensed as a salesperson under this section to advertise,
742 solicit, negotiate, or sell motor vehicle service agreements. A
743 motor vehicle service agreement company is not required to be
744 licensed as a salesperson to solicit, sell, issue, or otherwise
745 transact the motor vehicle service agreements issued by the
746 motor vehicle service agreement company.

747 Section 14. Section 634.317, Florida Statutes, is amended
748 to read:

749 634.317 License and appointment required.—A ~~No~~ person may
750 not solicit, negotiate, or effectuate home warranty contracts

751 for remuneration in this state unless such person is licensed
752 and appointed as a sales representative. A licensed and
753 appointed sales representative shall be directly responsible and
754 accountable for all acts of the licensee's employees. A licensed
755 personal lines or general lines agent is not required to be
756 licensed as a sales representative under this section to
757 advertise, solicit, negotiate, or sell home warranties.

758 Section 15. Section 634.419, Florida Statutes, is amended
759 to read:

760 634.419 License and appointment required.—A ~~No~~ person or
761 entity may not ~~shall~~ solicit, negotiate, advertise, or
762 effectuate service warranty contracts in this state unless such
763 person or entity is licensed and appointed as a sales
764 representative. Sales representatives shall be responsible for
765 the actions of persons under their supervision. However, a
766 service warranty association licensed as such under this part
767 shall not be required to be licensed and appointed as a sales
768 representative to solicit, negotiate, advertise, or effectuate
769 its products. A licensed personal lines or general lines agent
770 is not required to be licensed as a sale representative under
771 this section to advertise, solicit, negotiate, or sell service
772 warranties.

773 Section 16. The Division of Law Revision is directed to
774 create chapter 647, Florida Statutes, consisting of ss. 647.01-
775 647.08, Florida Statutes, to be entitled "Travel Insurance."

776 Section 17. Section 647.01, Florida Statutes, is created
 777 to read:

778 647.01 Purpose and scope.—

779 (1) The purpose of this chapter is to promote the public
 780 welfare by creating a comprehensive legal framework within which
 781 travel insurance may be sold in this state.

782 (2) This chapter applies to:

783 (a) Travel insurance that covers any resident of this
 784 state and that is sold, solicited, negotiated, or offered in
 785 this state.

786 (b) Policies and certificates that are delivered or issued
 787 for delivery in this state.

788
 789 This chapter does not apply to cancellation fee waivers or
 790 travel assistance services, except as expressly provided in this
 791 chapter.

792 (3) All other applicable provisions of the insurance laws
 793 of this state continue to apply to travel insurance, except that
 794 the specific provisions of this chapter shall supersede any
 795 general provisions of law that would otherwise be applicable to
 796 travel insurance.

797 Section 18. Section 647.02, Florida Statutes, is created
 798 to read:

799 647.02 Definitions.—As used in this chapter, the term:

800 (1) "Aggregator site" means a website that provides access

801 to information regarding insurance products from more than one
802 insurer, including product and insurer information, for use in
803 comparison shopping.

804 (2) "Blanket travel insurance" means a policy of travel
805 insurance issued to an eligible group providing coverage to all
806 members of the eligible group without a separate charge to
807 individual members of the eligible group.

808 (3) "Cancellation fee waiver" means a contractual
809 agreement between a supplier of travel services and its customer
810 to waive some or all of the nonrefundable cancellation fee
811 provisions of the supplier's underlying travel contract with or
812 without regard to the reason for the cancellation or form of
813 reimbursement. A cancellation fee waiver is not insurance.

814 (4) "Department" means the Department of Financial
815 Services.

816 (5) "Eligible group," solely for the purposes of travel
817 insurance, means two or more persons who are engaged in a common
818 enterprise or who have an economic, educational, or social
819 affinity or relationship, including, but not limited to, any of
820 the following:

821 (a) An entity engaged in the business of providing travel
822 or travel services, including, but not limited to:

823 1. A tour operator, lodging provider, vacation property
824 owner, hotel, resort, travel club, travel agency, property
825 manager, and cultural exchange program.

826 2. An operator, owner, or lessor of a means of
827 transportation of passengers, including, but not limited to, a
828 common carrier, airline, cruise line, railroad, steamship
829 company, and public bus carrier.

830

831 With regard to any particular travel or type of travel or
832 travelers, all members or customers of the group must have a
833 common exposure to risk attendant to such travel.

834 (b) A university, college, school, or other institution of
835 learning, covering students, teachers, employees, or volunteers.

836 (c) An employer covering any group of employees,
837 volunteers, contractors, board of directors, dependents, or
838 guests.

839 (d) A sports team or camp, or a sponsor thereof, covering
840 participants, members, campers, employees, officials,
841 supervisors, or volunteers.

842 (e) A religious, charitable, recreational, educational, or
843 civic organization, or a branch thereof, covering any group of
844 members, participants, or volunteers.

845 (f) A financial institution or financial institution
846 vendor, or a parent holding company, trustee, or agent of or
847 designated by one or more financial institutions or financial
848 institution vendors, including account holders, credit card
849 holders, debtors, guarantors, or purchasers.

850 (g) An incorporated or unincorporated association,

851 including a labor union, having a common interest and
852 constitution and bylaws, which is organized and maintained in
853 good faith for purposes other than obtaining insurance coverage
854 for its members or participants.

855 (h) A trust or the trustees of a fund that covers its
856 members, employees, or customers and is established, created, or
857 maintained for the benefit of its members, employees, or
858 customers, subject to:

859 1. The department's authorizing the use of a trust.

860 2. The premium tax provisions in s. 647.03 applicable to
861 incorporated or unincorporated associations that have a common
862 interest and constitution and bylaws and that are organized and
863 maintained in good faith for purposes other than obtaining
864 insurance coverage for their members, employees, or customers.

865 (i) An entertainment production company covering any group
866 of participants, volunteers, audience members, contestants, or
867 workers.

868 (j) A volunteer fire department, ambulance, rescue,
869 police, court, first-aid, civil defense, or other such volunteer
870 group.

871 (k) A preschool, daycare institution for children or
872 adults, or senior citizen club.

873 (l) An automobile or truck rental or leasing company
874 covering a group of individuals who may become renters, lessees,
875 or passengers as defined by their travel status on the rented or

876 leased vehicles. The common carrier, the operator, owner, or
877 lessor of a means of transportation, or the motor vehicle or
878 truck rental or leasing company is the policyholder under a
879 policy to which this section applies.

880 (m) Any other group for which the department has made the
881 following determinations:

882 1. The group members are engaged in a common enterprise or
883 have an economic, educational, or social affinity or
884 relationship.

885 2. Issuance of the travel insurance policy is not contrary
886 to the public interest.

887 (6) "Fulfillment materials" means documentation sent to
888 the purchaser of a travel protection plan confirming the
889 purchase and providing the travel protection plan's coverage and
890 assistance details.

891 (7) "Group travel insurance" means travel insurance issued
892 to an eligible group.

893 (8) "Limited lines travel insurance producer" means:

894 (a) A licensed or third-party administrator;

895 (b) A licensed insurance producer, including a limited
896 lines producer; or

897 (c) A travel administrator.

898 (9) "Travel administrator" means a person who directly or
899 indirectly underwrites policies for, collects charges,
900 collateral, or premiums from, or adjusts or settles claims on,

901 residents of this state, in connection with travel insurance,
902 except that a person is not considered a travel administrator if
903 the person is:

904 (a) A person working for a travel administrator to the
905 extent that the person's activities are subject to the
906 supervision and control of the travel administrator;

907 (b) An insurance producer selling insurance or engaged in
908 administrative and claims-related activities within the scope of
909 the producer's license;

910 (c) A travel retailer, as defined s. 626.321(1)(c)2.,
911 offering and disseminating travel insurance and registered under
912 the license of a limited lines travel insurance producer in
913 accordance with s. 626.321(1)(c);

914 (d) A person adjusting or settling claims in the normal
915 course of the person's practice or employment as an attorney at
916 law, without collecting charges or premiums in connection with
917 insurance coverage; or

918 (e) A business entity that is affiliated with a licensed
919 insurer while acting as a travel administrator for the direct
920 and assumed insurance business of the affiliated insurer.

921 (10) "Travel assistance services" means noninsurance
922 services for which the consumer is not indemnified based on a
923 fortuitous event, and the provision of which does not result in
924 transfer or shifting of risk which would constitute the business
925 of insurance. The term includes, but is not limited to, security

926 advisories, destination information, vaccination and
 927 immunization information services, travel reservation services,
 928 entertainment, activity and event planning, translation
 929 assistance, emergency messaging, international legal and medical
 930 referrals, medical case monitoring, coordination of
 931 transportation arrangements, emergency cash transfer assistance,
 932 medical prescription replacement assistance, passport and travel
 933 document replacement assistance, lost luggage assistance,
 934 concierge services, and any other service that is furnished in
 935 connection with planned travel. Travel assistance services are
 936 not insurance and not related to insurance.

937 (11) "Travel insurance" means insurance coverage for
 938 personal risks incidental to planned travel, including:

- 939 (a) Interruption or cancellation of trip or event;
- 940 (b) Loss of baggage or personal effects;
- 941 (c) Damages to accommodations or rental vehicles;
- 942 (d) Sickness, accident, disability, or death occurring
 943 during travel;
- 944 (e) Emergency evacuation;
- 945 (f) Repatriation of remains; or
- 946 (g) Any other contractual obligations to indemnify or pay
 947 a specified amount to the traveler upon determinable
 948 contingencies related to travel as approved by the State
 949 Insurance Commissioner.

950

951 The term does not include major medical plans that provide
952 comprehensive medical protection for travelers with trips
953 lasting longer than 6 months, including major medical plans for
954 those working or residing overseas as expatriates, or any other
955 product that requires a specific insurance producer license.

956 (12) "Travel protection plan" means a plan that provides
957 one or more of the following: travel insurance, travel
958 assistance services, and cancellation fee waivers.

959 Section 19. Section 647.03, Florida Statutes, is created
960 to read:

961 647.03 Premium tax.—

962 (1) As used in this section, the term:

963 (a) "Primary certificateholder" means an individual who
964 purchases travel insurance under a group policy.

965 (b) "Primary policyholder" means an individual who
966 purchases individual travel insurance.

967 (2) A travel insurer shall pay the premium tax, as
968 required under s. 624.509, on travel insurance premiums paid by
969 any of the following:

970 (a) A primary policyholder who is a resident of this
971 state.

972 (b) A primary certificateholder who is a resident of this
973 state.

974 (c) A blanket travel insurance policyholder:

975 1. Who is a resident in this state;

976 2. Who has his or her principal place of business in this
 977 state; or

978 3. Whose affiliate or subsidiary who has purchased blanket
 979 travel insurance for eligible blanket group members has his or
 980 her principal place of business in this state.

981
 982 The premium tax under this subsection is subject to any
 983 apportionment rules that apply to an insurer across multiple
 984 taxing jurisdictions or that authorize an insurer to allocate
 985 premium on an apportioned basis in a reasonable and equitable
 986 manner in those jurisdictions.

987 (3) A travel insurer shall:

988 (a) Document the state of residence or principal place of
 989 business of the policyholder or certificateholder, or an
 990 affiliate or subsidiary thereof, as required under subsection
 991 (2).

992 (b) Report as premium only the amount allocable to travel
 993 insurance and not any amounts received for travel assistance
 994 services or cancellation fee waivers.

995 Section 20. Section 647.04, Florida Statutes, is created
 996 to read:

997 647.04 Travel protection plans.—A travel protection plan
 998 may be offered for one price for the combined features that the
 999 travel protection plan offers in this state if the travel
 1000 protection plan meets all of the following requirements:

1001 (1) The travel protection plan clearly discloses to the
1002 consumer, at or before the time of purchase, that it includes
1003 travel insurance, travel assistance services, and cancellation
1004 fee waivers, as applicable, and provides information and an
1005 opportunity, at or before the time of purchase, for the consumer
1006 to obtain additional information regarding the features and
1007 pricing of each.

1008 (2) The fulfillment materials:

1009 (a) Describe and delineate the travel insurance, travel
1010 assistance services, and cancellation fee waivers in the travel
1011 protection plan.

1012 (b) Include the travel insurance disclosures required in
1013 this chapter, the contact information for persons providing
1014 travel assistance services, and cancellation fee waivers, as
1015 applicable.

1016 Section 21. Section 647.05, Florida Statutes, is created
1017 to read:

1018 647.05 Sales practices.—

1019 (1) (a) All documents provided to a consumer before the
1020 purchase of travel insurance, including, but not limited to,
1021 sales materials, advertising materials, and marketing materials,
1022 must be consistent with the travel insurance policy, including,
1023 but not limited to, forms, endorsements, policies, rate filings,
1024 and certificates of insurance.

1025 (b) For travel insurance policies or certificates that

1026 contain preexisting condition exclusions, information and an
1027 opportunity to learn more about the preexisting condition
1028 exclusions must be provided any time before the purchase.
1029 Information on the exclusions and the opportunity to learn more
1030 about these exclusions must be included in the coverage's
1031 fulfillment materials.

1032 (c) The fulfillment materials and the information
1033 described in s. 626.321(1)(c)3.a. must be provided to a
1034 policyholder or certificateholder as soon as practicable after
1035 the purchase of a travel protection plan. Unless the insured has
1036 started a covered trip or filed a claim under the travel
1037 insurance coverage, the policyholder or certificateholder may
1038 cancel a policy or certificate for a full refund of the travel
1039 protection plan price from the date of purchase of a travel
1040 protection plan until at least:

- 1041 1. Fifteen days after the date of delivery of the travel
1042 protection plan's fulfillment materials by postal mail; or
1043 2. Ten days after the date of delivery of the travel
1044 protection plan's fulfillment materials by means other than
1045 postal mail.

1046
1047 For the purposes of this paragraph, the term "delivery" means
1048 handing fulfillment materials to the policyholder or
1049 certificateholder or sending fulfillment materials by postal
1050 mail or electronic means to the policyholder or

1051 certificateholder.

1052 (d) An insurer shall disclose in the policy documentation
1053 and fulfillment materials whether the travel insurance is
1054 primary or secondary to other applicable coverage.

1055 (e) If travel insurance is marketed directly to a consumer
1056 through an insurer's website or by others through an aggregator
1057 site, it is not an unfair trade practice or other violation of
1058 law if the following requirements are met:

1059 1. The web page provides an accurate summary or short
1060 description of the coverage.

1061 2. The consumer has access to the full provisions of the
1062 policy through electronic means.

1063 (2) A person offering, soliciting, or negotiating travel
1064 insurance or travel protection plans on an individual or group
1065 basis may not do so by using a negative or opt-out option that
1066 would require a consumer to take an affirmative action to
1067 deselect coverage, such as unchecking a box on an electronic
1068 form, when the consumer purchases a trip.

1069 (3) If a consumer's destination jurisdiction requires
1070 insurance coverage, it is not an unfair trade practice to
1071 require that the consumer choose between the following options
1072 as a condition of purchasing a trip or travel package:

1073 (a) Purchasing the coverage required by the destination
1074 jurisdiction through the travel retailer, as defined s.
1075 626.321(1)(c)2., or limited lines travel insurance producer

1076 supplying the trip or travel package; or
 1077 (b) Agreeing to obtain and provide proof of coverage that
 1078 meets the destination jurisdiction's requirements before
 1079 departure.
 1080 (4) (a) A person offering travel insurance to residents of
 1081 this state is subject to part IX of chapter 626, the Unfair
 1082 Insurance Trade Practices Act, except as otherwise provided in
 1083 this chapter. If a conflict arises between this chapter and the
 1084 Unfair Insurance Trade Practices Act regarding the sale and
 1085 marketing of travel insurance and travel protection plans, the
 1086 provisions of this chapter shall control.
 1087 (b) A person commits an unfair insurance trade practice
 1088 under the Unfair Insurance Trade Practices Act if the person:
 1089 1. Offers or sells a travel insurance policy that could
 1090 never result in payment of any claims for any insured under the
 1091 policy; or
 1092 2. Markets blanket travel insurance coverage as free.
 1093 Section 22. Section 647.06, Florida Statutes, is created
 1094 to read:
 1095 647.06 Travel administrators.—
 1096 (1) Notwithstanding any other provision of the Florida
 1097 Insurance Code, a person may not act or represent himself or
 1098 herself as a travel administrator in this state unless the
 1099 person:
 1100 (a) Is a licensed property and casualty insurance producer

1101 in this state for activities authorized under that producer
 1102 license;

1103 (b) Is appointed as a managing general agent in this
 1104 state; or

1105 (c) Holds a valid third-party administrator license in
 1106 this state.

1107 (2) A travel administrator and its employees are exempt
 1108 from the licensing requirements of part VI of chapter 626 for
 1109 the travel insurance it administers.

1110 (3) An insurer is responsible for ensuring that a travel
 1111 administrator administering travel insurance underwritten by the
 1112 insurer:

1113 (a) Acts in accordance with this chapter.

1114 (b) Maintains all books and records that are relevant to
 1115 the insurer and makes these books and records available to the
 1116 department upon request.

1117 Section 23. Section 647.07, Florida Statutes, is created
 1118 to read:

1119 647.07 Travel insurance policy.-

1120 (1) Notwithstanding any other provision of the Florida
 1121 Insurance Code, travel insurance shall be classified and filed
 1122 for purposes of rates and forms under the inland marine line of
 1123 insurance; however, travel insurance that provides coverage for
 1124 sickness, accident, disability, or death occurring during
 1125 travel, either exclusively or in conjunction with related

1126 coverages of emergency evacuation or repatriation of remains, or
1127 incidental limited property and casualty benefits such as
1128 baggage or trip cancellation, may be classified and filed for
1129 purposes of rates and forms under either the accident and health
1130 line of insurance or the inland marine line of insurance.

1131 (2) Travel insurance may be in the form of an individual,
1132 group, or blanket policy.

1133 (3) Eligibility and underwriting standards for travel
1134 insurance may be developed and provided based on travel
1135 protection plans designed for individual or identified marketing
1136 or distribution channels, if those standards also meet the
1137 state's underwriting standards for inland marine insurance.

1138 Section 24. Section 647.08, Florida Statutes, is created
1139 to read:

1140 647.08 Rulemaking authority.—The department shall adopt
1141 rules to administer this chapter.

1142 Section 25. Section 655.969, Florida Statutes, is created
1143 to read:

1144 655.969 Disposition of insurance proceeds.—The following
1145 provisions apply to mortgage loans held by a financial
1146 institution or subsidiary:

1147 (1) The financial institution or subsidiary must promptly
1148 endorse a check, draft, or other negotiable instrument payable
1149 jointly to the financial institution or subsidiary and the
1150 insured by the insurance company. However, the financial

1151 institution or subsidiary is not required to endorse such
1152 instrument if the insured or a payee who is not subject to the
1153 financial institutions codes refuses to endorse the instrument.

1154 (2) (a) 1. Insurance proceeds received by a financial
1155 institution or subsidiary that relate to compensation for damage
1156 to property or contents insurance coverage in which the
1157 financial institution or subsidiary has a security interest must
1158 be promptly deposited into a segregated account of a federally
1159 insured financial institution.

1160 2. Pending completion of all or part of damage repairs,
1161 insurance proceeds received by a financial institution or
1162 subsidiary under subparagraph 1. must be deposited into a
1163 segregated, interest-bearing account of a federally insured
1164 financial institution for the benefit of the insured. The
1165 account must bear interest no less than the insured could expect
1166 to obtain from a savings or money market account. The interest
1167 must begin to accrue on the date the financial institution or
1168 subsidiary endorses the check, draft, or other negotiable
1169 instrument for proceeds.

1170 (b) A financial institution or subsidiary holding
1171 insurance proceeds under paragraph (a) must notify the insured
1172 of each requirement that the insured must fulfill for the
1173 financial institution or subsidiary to release the proceeds.
1174 Notice required under this paragraph must be in writing and
1175 delivered by mail or electronic transmission within 10 business

1176 day after the date the financial institution or subsidiary
1177 endorses the check, draft, or other negotiable instrument for
1178 proceeds.

1179 (c) A financial institution or subsidiary holding
1180 insurance proceeds under paragraph (a) must distribute all
1181 accrued interest in the account to the insured no later than
1182 upon the final disbursement of proceeds.

1183 (3) Insurance proceeds received by a financial institution
1184 or subsidiary that relate to contents insurance coverage in
1185 which the financial institution or subsidiary does not have a
1186 security interest in the contents must be promptly distributed
1187 to the insured.

1188 (4) Insurance proceeds received by a financial institution
1189 or subsidiary that relate to additional living expenses must be
1190 promptly distributed to the insured.

1191 (5) The financial institution or subsidiary is not
1192 required to remit the portion of the proceeds relating to
1193 additional living expenses and contents insurance if the
1194 financial institution or subsidiary cannot determine which part
1195 of the proceeds relates to additional living expenses and
1196 contents insurance.

1197
1198 This section does not prevent an insurance company from paying
1199 the insured directly for additional living expenses or paying
1200 the insured directly for contents insurance coverage if the

HB 895

2020

1201 | financial institution or subsidiary does not have a security
1202 | interest in the contents.

1203 | Section 26. This act shall take effect July 1, 2020.