

House Bill No. 299

An act relating to travel-limited life insurance coverage; providing a short title; amending s. 626.9541, F.S.; specifying prohibited activities by insurers for life insurance coverage relating to lawful travel experiences or plans; authorizing the Financial Services Commission to adopt rules and provide certain limited exceptions based on emergency conditions and public policy; requiring market conduct examinations of life insurers to include a review of certain applications; providing for trebling certain administrative fines for certain violations; requiring the Office of Insurance Regulation to report annually to the Legislature; providing report requirements; providing an effective date.

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

Section 1. This act may be cited as the “Freedom to Travel Act.”

Section 2. Paragraph (dd) is added to subsection (1) of section 626.9541, Florida Statutes, 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:

(dd) Life insurance limitations based on past foreign travel experiences or future foreign travel plans.—

1. An insurer may not refuse life insurance to, refuse to continue the life insurance of, or limit the amount, extent, or kind of life insurance coverage available to an individual based solely on the individual’s past lawful foreign travel experiences.

2. An insurer may not refuse life insurance to, refuse to continue the life insurance of, or limit the amount, extent, or kind of life insurance coverage available to an individual based solely on the individual’s future lawful travel plans unless the insurer can demonstrate and the Office of Insurance Regulation determines that:

a. Individuals who travel are a separate actuarially supportable class whose risk of loss is different from those individuals who do not travel; and

b. Such risk classification is based upon sound actuarial principles and actual or reasonably anticipated experience that correlates to the risk of travel to a specific destination.

3. The commission may adopt rules pursuant to ss. 120.536(1) and 120.54 necessary to implement this paragraph and may provide for limited exceptions that are based upon national or international emergency conditions

that affect the public health, safety, and welfare and that are consistent with public policy.

4. Each market conduct examination of a life insurer conducted pursuant to s. 624.3161 shall include a review of every application under which such insurer refused to issue life insurance, refused to continue life insurance, or limited the amount, extent, or kind of life insurance issued, based upon future lawful travel plans.

5. The administrative fines provided in s. 624.4211(2) and (3) shall be trebled for violations of this paragraph.

6. The Office of Insurance Regulation shall report to the President of the Senate and the Speaker of the House of Representatives by March 1, 2007, and on the same date annually thereafter, on the implementation of this paragraph. The report shall include, but not be limited to, the number of applications under which life insurance was denied, continuance was refused, or coverage was limited based on future travel plans, the number of insurers taking such action, and the reason for taking each such action.

Section 3. This act shall take effect July 1, 2006.

Approved by the Governor June 22, 2006.

Filed in Office Secretary of State June 22, 2006.