

By the Committee on Banking and Insurance; and Senator Richter

597-02616-16

20161386c1

1 A bill to be entitled

2 An act relating to life insurers; amending s. 626.785,
3 F.S.; revising amounts of coverage of certain life
4 insurance policies that may be sold by specified
5 persons; revising the version of the Annual Consumer
6 Price Index used as a basis for calculating certain
7 annual percentage increases in specified policies;
8 providing an effective date.
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10 Be It Enacted by the Legislature of the State of Florida:
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12 Section 1. Paragraph (d) of subsection (1) and subsection
13 (3) of section 626.785, Florida Statutes, are amended to read:
14 626.785 Qualifications for license.—

15 (1) The department shall not grant or issue a license as
16 life agent to any individual found by it to be untrustworthy or
17 incompetent, or who does not meet the following qualifications:

18 (d) Must not be a funeral director or direct disposer, or
19 an employee or representative thereof, or have an office in, or
20 in connection with, a funeral establishment, except that a
21 funeral establishment may contract with a life insurance agent
22 to sell a preneed contract as defined in s. 497.005.

23 Notwithstanding other provisions of this chapter, such insurance
24 agent may sell limited policies of insurance covering the
25 expense of final disposition or burial of an insured in the
26 amount of \$21,000 ~~\$12,500~~, plus an annual percentage increase
27 based on the Annual Consumer Price Index compiled by the United
28 States Department of Labor, beginning with the Annual Consumer
29 Price Index announced by the United States Department of Labor
30 for the year 2016 ~~2003~~.

31 (3) Notwithstanding any other provisions of this chapter, a
32 funeral director, a direct disposer, or an employee of a funeral

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33 establishment that holds a certificate of authority pursuant to
34 s. 497.452 may obtain an agent's license to sell only policies
35 of life insurance covering the expense of a prearrangement for
36 funeral services or merchandise so as to provide funds at the
37 time the services and merchandise are needed. The face amount of
38 insurance covered by any such policy shall not exceed \$21,000
39 ~~\$12,500~~, plus an annual percentage increase based on the Annual
40 Consumer Price Index compiled by the United States Department of
41 Labor, beginning with the Annual Consumer Price Index announced
42 by the United States Department of Labor for 2016 ~~2003~~.

43 Section 2. This act shall take effect upon becoming a law.