1971

Session Law 71-45

Florida Senate & House of Representatives

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HISTORY OF LEGISLATION
1971 REGULAR SESSION
FLORIDA LEGISLATURE

RE. CHAPTER 71-45
SB 1006 (Passed)
HB 539 (Similar)

prepared by:
Legislative Information Division
Joint Legislative Management Committee
Capitol Building, Room 826 — 488-4371
58 1006. GENERAL BILL, by COMMERCE (SIMILAR HB 0539)
AMENDS SEC. 627, 0101, TO REMOVE THE EXCLUSION RELATING TO AUTHORITY OF AN AGENT
TO BIND COVERAGE "IN MARINE AND TRANSPORTATION POLICIES.
4/27/71 SENATE INTRODUCED, PLACED ON CALENDAR - SJ 0141
4/28/71 SENATE PASSED; YEAS 036 NAYS 000 - SJ 0196
5/03/71 HOUSE RECEIVED, REFERRED TO INSURANCE - HJ 0334
5/07/71 HOUSE WITHDRAWN FROM INSURANCE; PLACED ON CALENDAR; SUBSTITUTED FOR
HB 05391 PASSED; YEAS 078 NAYS 000 - HJ 0445
5/13/71 SENATE SIGNED BY OFFICERS AND PRESENTED TO GOVERNOR - SJ 0384
5/20/71 APPROVED BY GOVERNOR 05/20/71 - SJ 0486

59 1007. GENERAL BILL, by COMMERCE
AMENDS SEC. 626, 0125(12) TO PROVIDE THAT LICENSED AGENTS MAY PLACE BUSINESS WITH
AN INSURER FOR WHICH HE IS NOT A LICENSED AGENT.
4/27/71 SENATE INTRODUCED, PLACED ON CALENDAR - SJ 0141
4/28/71 SENATE PASSED AS AMENDED; YEAS 030 NAYS 009 - SJ 0199
5/03/71 HOUSE RECEIVED, REFERRED TO INSURANCE - HJ 0348
5/27/71 HOUSE COMMITTEE REPORT FAVORABLE, PLACED ON CALENDAR BY INSURANCE - HJ
0718
6/03/71 HOUSE PASSED; YEAS 097 NAYS 000 - HJ 1098
6/15/71 SENATE SIGNED BY OFFICERS AND PRESENTED TO GOVERNOR
6/27/71 APPROVED BY GOVERNOR 06/27/71

59 1008. GENERAL BILL, by COMMERCE (COMPANION HB 0540)
REPEALS SEC. 626, 0311(16) TO REMOVE EXISTING EXEMPTION FOR LICENSE REQUIREMENTS
FOR WRITING DISABILITY INSURANCE ON CERTAIN PERSONS.
4/27/71 SENATE INTRODUCED, PLACED ON CALENDAR - SJ 0141
4/28/71 SENATE PASSED; YEAS 038 NAYS 003 - SJ 0194
5/14/71 HOUSE WITHDRAWN FROM INSURANCE; PLACED ON CALENDAR; SUBSTITUTED FOR
HB 05401 PASSED; YEAS 022 NAYS 003 - HJ 0335
5/26/71 SENATE SIGNED BY OFFICERS AND PRESENTED TO GOVERNOR - SJ 0474
5/24/71 APPROVED BY GOVERNOR 05/24/71 - SJ 0512

59 1009. GENERAL BILL, by COMMERCE (COMPANION HB 0530)
AMENDS SEC. 526, 0119(3) AND (4) TO PROVIDE THAT AGENTS OR INSURERS
PLACING SUPPLIES OR FEMS TO AN UNLICENSED AGENCY MAY BE HELD CIVILLY LIABLE
TO INSURED WITH CERTAIN EXCEPTIONS.
4/27/71 SENATE INTRODUCED, PLACED ON CALENDAR - SJ 0141
4/28/71 SENATE PASSED; YEAS 038 NAYS 000 - SJ 0194
5/03/71 HOUSE WITHDRAWN FROM INSURANCE; PLACED ON CALENDAR - HJ 0349
5/12/71 HOUSE PASSED; YEAS 064 NAYS 000; REFERRED TO COMMERCE
5/17/71 SENATE SIGNED BY OFFICERS AND PRESENTED TO GOVERNOR - SJ 0398
5/26/71 APPROVED BY GOVERNOR 05/26/71 - SJ 0517

59 1.1. GENERAL BILL, by COMMERCE (COMPANION HB 1520)
AMENDS SEC. 624, 0101 TO PROVIDE THAT THE DEPARTMENT MAY REQUIRE
AN INSURANCE COMPANY TO MAINTAIN A DEBT PAYMENT ALLOWANCE FOR EACH POLICYHOLDER.
4/27/71 SENATE INTRODUCED, PLACED ON CALENDAR - SJ 0141
4/28/71 SENATE PASSED; YEAS 037 NAYS 000 - SJ 0199
5/03/71 HOUSE WITHDRAWN FROM INSURANCE; PLACED ON CALENDAR - HJ 0344
5/17/71 HOUSE PASSED; YEAS 096 NAYS 000 - HJ 0445
5/24/71 APPROVED BY GOVERNOR 05/24/71 - SJ 0517
537 GENERAL BILL, BY GILLESPIE AND OTHERS
AMENDS SEC. 327, 01001, F.S., TO PROVIDE THAT THE SPECIFICALLY NAMED HANDLERS OF
EXPLOSIVES MAINTAINING MORE THAN 1 PERMANENT STORAGE MAGAZINE SHALL POSSESS AN
ADDITIONAL LICENSE.
4/06/71 HOUSE- INTRODUCED, REFERRED TO BUSINESS REGULATION, FINANCE AND
TAXATION - WJ 0043
4/14/71 HOUSE- COMP., REPORT Favorable BY BUSINESS REGULATION; NOW IN FINANCE
AND TAXATION - WJ 0169
6/04/71 HOUSE- DIED IN COMMITTEE

538 GENERAL BILL, BY GILLESPIE AND OTHERS
AMENDS CH. 633, F.S., TO PROVIDE THAT IT SHALL BE UNLAWFUL TO ENGAGE IN THE
BUSINESS OF TESTING, REPAIRING, ETC., FIRE EXTINGUISHERS AND SYSTEMS UNLESS
LICENSE OR PERMIT IS OBTAINED FROM STATE FIRE MARSHAL ETC.
4/06/71 HOUSE- INTRODUCED, REFERRED TO BUSINESS REGULATION - WJ 0043
4/23/71 HOUSE- COMP., REPORT Favorable, PLACED ON CALENDAR BY BUSINESS
REGULATION - WJ 0267
4/30/71 HOUSE- PASSED AS AMENDED; YEAS 035, NAYS 002 - WJ 0335
5/04/71 SENATE- RECEIVED, REFERRED TO COMMERCE - SJ 0231
5/11/71 SENATE- EXTENSION OF TIME GRANTED COMMITTEE COMMERCE - SJ 0321
5/13/71 SENATE- COMP., REPORT Favorable, PLACED ON CALENDAR BY COMMERCE - SJ
0393
5/21/71 SENATE- PASSED; YEAS 040, NAYS 000 - SJ 0458
5/31/71 HOUSE- SIGNED BY OFFICERS AND PRESENTED TO GOVERNOR - WJ 0939
6/13/71 APPROVED BY GOVERNOR 06/15/71

539 GENERAL BILL, BY GILLESPIE AND OTHERS (SIMILAR SB 1006)
AMENDS SEC. 627, 01001, F.S., TO PROVIDE THE EXCLUSION RELATING TO AUTHORITY OF AN
AGENT TO BIND COVERAGE ON WET MARINE AND TRANSPORTATION POLICIES.
4/06/71 HOUSE- INTRODUCED, REFERRED TO INSURANCE - WJ 0044
4/22/71 HOUSE- COMP., REPORT Favorable WITH AMEND., PLACED ON CALENDAR BY
INSURANCE - WJ 0253
5/07/71 HOUSE- AMENDMENT ADOPTED; COMPANION SENATE BILL SUBSTITUTED; LAID ON
TABLE UNDER RULE, COMPANION OR SIMILAR BILL PASSED - WJ 0445

540 GENERAL BILL, BY GILLESPIE AND OTHERS (COMPANION SB 1008)
REPEALS SEC. 626, 01001, F.S., TO REMOVE EXISTING EXEMPTIONS FOR LICENSE REQUIREMENTS
FOR WRITING DISABILITY INSURANCE ON PERSONS OVER 65.
4/06/71 HOUSE- INTRODUCED, REFERRED TO INSURANCE - WJ 0044
5/06/71 HOUSE- COMP., REPORT Favorable, PLACED ON CALENDAR BY INSURANCE - WJ
0436
5/14/71 HOUSE- COMPANION SENATE BILL SUBSTITUTED; LAID ON TABLE UNDER RULE,
COMPANION OR SIMILAR BILL PASSED - WJ 0439

541 GENERAL BILL, BY GILLESPIE AND OTHERS
AMENDS SEC. 235, 01001, F.S., TO PROVIDE THAT STATE FIRE MARSHAL MAY MAKE FIRE SAFETY
INSPECTIONS OF SCHOOL PROPERTY, ETC.
4/06/71 HOUSE- INTRODUCED, REFERRED TO EDUCATION - WJ 0044
4/26/71 HOUSE- COMP., REPORT Favorable, LAID ON TABLE UNDER RULE BY
EDUCATION - WJ 0782

542 GENERAL BILL, BY GILLESPIE
APPELS CERTAIN EXECUTORS OF CH. 624, F.S., TO PROVIDE THAT ALL RETALIATORY TAXES
OF DEPOSITS INTO THE URBAN REVENUE FUND AND ALL STATE LICENSE TAXES ON
FLATS LICENSES RE-OFFICIATED INTO INSURANCE COMMISSIONER'S REGULATORY TRUST
FUND.
CONTINUED ON NEXT PAGE
CHAPTER 71-44

Senate Bill No. 374

AN ACT relating to bank deposits and collections; amending paragraph (g) of subsection (1) of section 674.104, Florida Statutes; defining the word "item" and providing that under certain circumstances a photographic or other similar reproduction of an item may be treated as the original item; and providing an effective date.

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

Section 1. Paragraph (g) of subsection (1) of section 674.104, Florida Statutes, is amended to read:

674.104 Definitions and index of definitions.—
(1) In this chapter unless the context otherwise requires
(g) "item" means any instrument for the payment of money even though it is not negotiable but does not include money, and a photographic or other similar reproduction of an item may be treated in all respects as the original item by any payor bank or non-bank payor of the item, upon being furnished with an affidavit that the original item has been lost or destroyed and being furnished with security satisfactory to such payor.

Section 2. This act shall take effect July 1, 1971.

Approved by the Governor May 20, 1971.

Filed in Office Secretary of State May 21, 1971.

AN ACT relating to insurance; amending section 627.01001, Florida Statutes, to provide that certain provisions of part I of chapter 627, Florida Statutes, shall be applicable to wet marine and transportation insurance as to breach of warranty and binders; amending section 627.01081, Florida Statutes, by adding subsection (4) to provide that no breach of warranty by an insured shall constitute a defense unless such breach of warranty contributed to the loss or damage to the property insured; providing an effective date.

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

Section 1. Subsection (3) of section 627.01001, Florida Statutes, is amended to read:

627.01001 Scope of part II.—No provisions of part II of this chapter shall apply to:

(3) Wet marine and transportation insurance, except sections 627.01081 (representations in applications; warranties) and 627.0119, Florida Statutes, (binders).

Section 2. Section 627.01081, Florida Statutes, is amended by adding subsection (4) to read:

627.01081 Representations in applications; warranties.—All statements and descriptions in any application for an insurance policy or annuity contract, or in negotiations therefor, by or in behalf of the insured or annuitant, shall be deemed to be representations and not warranties. Misrepresentations, omissions, concealment of facts, and incorrect statements shall not prevent a recovery under the policy or contract unless either:

(4) A breach or violation by the insured of any warranty, condition or provision of any wet marine or transportation insurance policy, contract of insurance, endorsement, or application therefor, shall not render void the policy or contract, or constitute a defense to a loss thereon, unless such breach or violation increased the hazard by any means within the control of the insured.

Section 3. This act shall become effective on July 1, 1971.

Approved by the Governor May 20, 1971.

Filed in Office Secretary of State May 21, 1971.
A bill to be entitled

An act relating to insurance; amending section 627.01001, Florida Statutes, to provide that certain provisions of part I of chapter 627, Florida Statutes, shall be applicable to wet marine and transportation insurance as to breach of warranty and binders; amending section 627.01081, Florida Statutes, by adding subsection (4) to provide that no breach of warranty by an insured shall constitute a defense unless such breach of warranty contributed to the loss or damage to the property insured; providing an effective date.

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

Section 1. Subsection (3) of section 627.01001, Florida Statutes, is amended to read:

627.01001 Scope of part II.--No provisions of part II of this chapter shall apply to:

(3) Wet marine and transportation insurance except sections 627.01091 (representations in applications; warranties) and 627.0119, Florida Statutes, (binders).

Section 2. Section 627.01081, Florida Statutes, is amended by adding subsection (4) to read:

...
627.01081 Representations in applications -- Warranties.--All statements and descriptions in any application for an insurance policy or annuity contract, or in negotiations therefor, by or in behalf of the insured or annuitant, shall be deemed to be representations and not warranties. Misrepresentations, omissions, concealment of facts, and incorrect statements shall not prevent a recovery under the policy or contract unless either:

(4) A breach or violation by the insured of any warranty, condition or provision of any wet marine or transportation insurance policy, contract of insurance, endorsement, or application therefor, shall not render void the policy or contract, or constitute a defense to a loss thereon, unless such breach or violation increased the hazard by any means within the control of the insured.

Section 3. This act shall become effective on July 1, 1971.
SUMMARY OF T.O. BILL #14

5.B. 1006

1. This bill would provide for oral binders on wet marine insurance. It would further provide that if any warranty in the wet marine or transportation policy is breached, such breach cannot be used to deny coverage unless it increased the hazard when the increased hazard was within control of the insured.

2. This bill amends chapter 627.01001 and 627.01081 by adding subsection (4). Present law is not clear as to oral binders on wet marine and transportation insurance. Present allows permits denial of a loss if any warranty is breached.

3. The practical effect of this bill would be to clear up some serious questions that have arisen in the past as to certain losses. Some losses have gone unpaid when a warranty was breached and such breach had nothing to do with the loss or was not controllable by the insured.

By: Harry Landrum
SUMMARY OF T. O. BILL #14

1. This bill would authorize specifically the authority for an agent of a company to bind wet marine coverage. It would also provide that where a breach of warranty occurs, coverage is still valid if the breach did not contribute to the loss.

2. This bill amends Chapter 627.01001, 627.01081. Present law is silent on binding authority by agents. Present law voids coverage from breach of warranty.

3. This bill will place the agent in the position of offering binders as he does in other lines. Further, it will stop a practice that has existed in the past of denying claims when the denial is based on a breach of warranty and the breach has nothing whatever to do with the claim itself.
Suggested bills by the Department of Insurance:

1. T.O. #17 - state license taxes - com. bill - amendment
2. T.O. #13 - financial responsibility law - com. bill
3. T.O. #1 - deposits, life or disability insurance - com. bill substitute
4. T.O. #9 - cease and desist orders by department com. bill
5. T.O. #3 - unlicensed agents - com. bill - amendment
6. T.O. #6 - unauthorized insurers - com. bill amendment
7. T.O. #12 - creates fraudulent claims division - com. bill
8. T.O. #7 - examination - reports of expenses com. bill
9. T.O. #21 - eliminate requirement - examiners over 65 com. bill
10. T.O. #24 - cancellation law; nonrenewals - com. bill
11. T.O. #14 - wet marine & transportation; binder com. bill
12. T.O. #2 - failure to file reporting forms com. bill
13. T.O. #11 - proxy or consent use
14. T.O. #10 - filing of forms - Tallahassee com. bill
15. T.O. #8 - filing of bond on construction - com. bill
16. T.O. #20 - treasurer's bond com. bill
17. T.O. #15 - disability insurance on persons over 65 com. bill
18. T.O. #22 - licensing of life insurance agents
19. T.O. #5 - field representatives and operations com. bill
20. T.O. #4 - household goods transportation com. bill
21. T.O. #16 - school properties - fire marshal rules
The Committee on Commerce ____________________________ met at _______ o'clock __ m., on ________, 197__, in Room ________, and considered.

The vote was:

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<th>SENATOR</th>
<th>BILL</th>
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<tr>
<td>Barron, D.</td>
<td>Aye</td>
<td>Nay</td>
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<td>Barrow, W. D.</td>
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<td>Brantley, L.</td>
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TOTAL 9/0 Aye | Nay

The following persons (other than legislators) appeared before the Committee, or a subcommittee thereof, during consideration of this bill:

Name: John Brown
Address:
Representing:
Opponent Proponent

Name:
Address:
Representing:
Opponent Proponent

Name:
Address:
Representing:
Opponent Proponent

Name:
Address:
Representing:
Opponent Proponent

3-C 71 (attach additional page if necessary)