

1984

Session Law 84-093

Florida Senate & House of Representatives

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LEGISLATIVE SUPPLEMENT "B" - SESSION LAW ABSTRACT

Sess. Law #	84-93	Sec. #	all	LOF cite
Prime Bill #	SB 524	Comp./Sim. Bills	HF 489	
JLMC Hist. Cites	Senate	Comms. of Ref.	Senate	
	House		House	

COMMITTEE RECORDS

H/S	Committee	Year	Record Series: Folder title, etc.	Loc. Cite	✓
H	Commerce	1984	Bill files: HB 489	19/1307	✓
"	"	"	Meeting files (Sub Health): March 6	19/1311	NE
"	"	"	" (full comm)	19/1310	NE
S	Commerce	1984	Bill files: SB 524	18/1402	
"	"	"	Meeting file	18/1401	NE
<input type="checkbox"/> continued on reverse					

Senate/House Journals

Page #	?	Date	Page #	?	Date

Committee/Floor Tapes

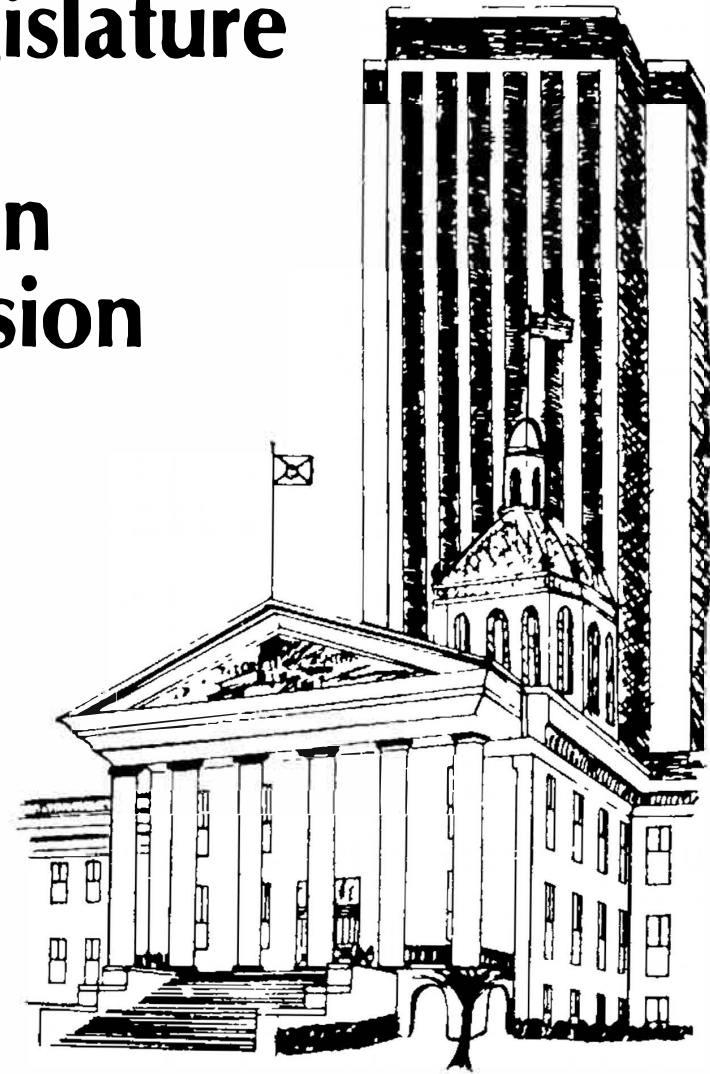
H/S	c/f	Committee/subcommittee name	Date	#	Location Cite

Other Documentation

Record Series Title, folder title, etc.	Location Cite

Florida Legislature

History of Legislation 1984 Regular Session



prepared by:

Joint Legislative Management Committee

Legislative Information Division
Capitol Building, Room 826 — 488-4371

05/01/84 by Economic, Community and Consumer Affairs -SJ 00229
06/01/84 SENATE Died on Calendar

S 0522 GENERAL BILL by Judiciary-Civil (Identical H 1162)

Judicial Nominating Commissions; provides that persons who serve on said commissions shall not be eligible for appointment to state judicial office unless such office is filled by a judicial nominating commission other than the one on which such persons serve. Amends 43.29.

Effective Date: 05/17/84.

03/12/84 SENATE Prefiled

03/26/84 SENATE Referred to Judiciary-Civil

04/03/84 SENATE Introduced, referred to Judiciary-Civil -SJ 00047; On Committee agenda-- Judiciary-Civil, 04/05/84, 9:00 am, Rm. B

04/05/84 SENATE Comm. Report: Favorable, placed on Calendar by Judiciary-Civil -SJ 00086

04/18/84 SENATE Placed on Special Order Calendar; Passed; YEAS 38 NAYS 1 -SJ 00146

04/25/84 HOUSE In Messages

04/26/84 HOUSE Received, placed on Calendar -HJ 00256

04/30/84 HOUSE Placed on Special Order Calendar

05/03/84 HOUSE Substituted for HB 1162; Read second time -HJ 00294

05/07/84 HOUSE Read third time; Passed; YEAS 106 NAYS 0 -HJ 00302

05/08/84 Ordered enrolled -SJ 00248

05/10/84 SENATE Signed by Officers and presented to Governor -SJ 00251

05/17/84 Approved by Governor Chapter No. 84-33 -SJ 00300

S 0523 JOINT RESOLUTION by Judiciary-Civil (Identical H 1159, Compare S 0862, S 0863, S 0864, S 0867)

Florida Supreme Court; constitutional amendment to expand jurisdiction of said court to review proceedings pending in district court of appeal which are certified by district court to be of great public importance or to have great effect on proper administration of justice. Amends s 3, Art. V.

03/12/84 SENATE Prefiled

03/26/84 SENATE Referred to Judiciary-Civil, Rules and Calendar

04/03/84 SENATE Introduced, referred to Judiciary-Civil, Rules and Calendar -SJ 00047

04/05/84 SENATE On Committee agenda-- Judiciary-Civil, 04/05/84, Temporarily postponed

04/13/84 SENATE Extension of time granted Committee Judiciary-Civil

04/23/84 SENATE On Committee agenda-- Judiciary-Civil, 04/25/84, 2:00 pm, Rm. B

04/25/84 SENATE Comm. Report: Favorable by Judiciary-Civil -SJ 00180

04/26/84 SENATE Now in Rules and Calendar -SJ 00180

05/09/84 SENATE Extension of time granted Committee Rules and Calendar

05/18/84 SENATE Extension of time granted Committee Rules and Calendar

05/30/84 SENATE Extension of time granted Committee Rules and Calendar

06/01/84 SENATE Died in Committee on Rules and Calendar

S 0524 GENERAL BILL by Childers, W. D. (Compare H 0489)

Life Insurance; provides for elimination of minimum proceeds in certain life insurance policies; changes certain type requirements in such policies. Amends 627.803. Effective Date: 10/01/84.

03/12/84 SENATE Prefiled

03/26/84 SENATE Referred to Commerce

04/03/84 SENATE Introduced, referred to Commerce -SJ 00047; On Committee agenda-- Commerce, 04/04/84, 9:00 am, Rm. A

04/04/84 SENATE Comm. Report: Favorable, placed on Calendar by Commerce -SJ 00086

04/18/84 SENATE Placed on Special Order Calendar; Passed as amended; YEAS 39 NAYS 0 -SJ 00147

04/25/84 HOUSE In Messages

04/26/84 HOUSE Received, placed on Calendar -HJ 00254

05/24/84 HOUSE Taken up in lieu of HB 489; Read second time -HJ 00661

05/25/84 HOUSE Read third time; Passed; YEAS 105 NAYS 0 -HJ 00675

05/25/84 Ordered enrolled -SJ 00456

05/30/84 SENATE Signed by Officers and presented to Governor -SJ 00596

06/05/84 Approved by Governor Chapter No. 84-93

04/09/84 -HJ 00154
 04/19/84 HOUSE Placed on Special Order Calendar
 04/23/84 HOUSE CS read first and second times; Amendment adopted;
 Amendment pending -HJ 00246
 04/26/84 HOUSE Pending amendment withdrawn; Amendment reconsidered,
 withdrawn; Amendments adopted -HJ 00262
 04/30/84 HOUSE Read third time; Amendments adopted; CS passed as
 amended; YEAS 108 NAYS 3 -HJ 00270
 05/02/84 SENATE In Messages
 05/04/84 SENATE Received, referred to Judiciary-Civil -SJ 00233
 05/11/84 SENATE Extension of time granted Committee Judiciary-Civil
 05/17/84 SENATE Withdrawn from Judiciary-Civil; Substituted for CS/SB
 371; Passed as amended; YEAS 38 NAYS 0 -SJ 00324;
 Immediately certified -SJ 00326
 05/17/84 HOUSE In Messages
 05/18/84 HOUSE Concurred; CS passed as further amended; YEAS 100 NAYS
 6 -HJ 00465
 05/18/84 Ordered engrossed, then enrolled
 05/22/84 HOUSE Signed by Officers and presented to Governor -HJ 00533
 05/29/84 Approved by Governor Chapter No. 84-84 -HJ 00915

H 0488 GENERAL BILL by Judiciary (Similar S 0158, Compare CS/S 0911)

Liability of Public Officers; specifically includes public defender
 offices within statutory definition of state agencies, & specifically
 includes public defenders & their employees & agents within certain
 exemption from personal liability for acts or omissions in course of
 duties. Amends 768.28. Effective Date: 05/15/84.

02/09/84 HOUSE Prefiled
 02/14/84 HOUSE Placed on Calendar
 04/03/84 HOUSE Introduced, placed on Calendar -HJ 00049
 04/05/84 HOUSE Placed on Special Order Calendar
 04/10/84 HOUSE Read second time -HJ 00161
 04/12/84 HOUSE Read third time; Passed; YEAS 107 NAYS 0 -HJ 00169
 04/13/84 SENATE In Messages
 04/18/84 SENATE Received, referred to Judiciary-Civil, Finance,
 Taxation and Claims -SJ 00137
 04/27/84 SENATE Extension of time granted Committee Judiciary-Civil
 05/01/84 SENATE Withdrawn from Judiciary-Civil, Finance, Taxation and
 Claims; Substituted for SB 158; Passed; YEAS 33 NAYS
 0 -SJ 00199
 05/02/84 Ordered enrolled
 05/08/84 HOUSE Signed by Officers and presented to Governor -HJ 00336
 05/15/84 Approved by Governor Chapter No. 84-29 -HJ 00444

H 0489 GENERAL BILL by Ogden (Compare Eng/S 0524)

Insurance; changes certain restrictions upon statement of value of
 benefits in variable or indeterminate value insurance contracts or group
 certificates. Amends 627.803. Effective Date: 10/01/84.

02/09/84 HOUSE Prefiled
 02/14/84 HOUSE Referred to Commerce
 02/16/84 HOUSE Subreferred to Subcommittee on Health Care and Life and
 Health Insurance
 04/03/84 HOUSE Introduced, referred to Commerce -HJ 00049; Subreferred
 to Subcommittee on Health Care and Life and Health
 Insurance
 04/05/84 HOUSE On Committee agenda-- Commerce, 21 HOB, 3:30 pm,
 04/09/84
 04/12/84 HOUSE On Committee agenda-- Commerce, 21 HOB, 3:30 pm,
 04/16/84
 04/18/84 HOUSE Comm. Report: Favorable with amend., placed on Calendar
 by Commerce -HJ 00235
 05/18/84 HOUSE Placed on Special Order Calendar
 05/24/84 HOUSE SB 524 taken up in lieu of HB 489 -HJ 00661
 06/01/84 HOUSE Died on Calendar, Iden./Sim./Compare Bill passed, refer
 to SB 524 (Ch. 84-93)

H 0490 GENERAL BILL by Agriculture (Identical S 0207)

Eggs & Poultry; provides certain labeling requirements for sale of eggs;
 prohibits egg & poultry dealers from using name, logo, or certificate or
 CONTINUED ON NEXT PAGE

1-818-84

1 A bill to be entitled

2 An act relating to insurance, amending s.
3 627.803, F.S., providing for the elimination of
4 minimum proceeds in certain life insurance
5 policies; changing certain type requirements in
6 certain life insurance policies, providing an
7 effective date

8
9 Be It Enacted by the Legislature of the State of Florida:

10
11 Section 1. Section 627.803, Florida Statutes, is
12 amended to read

13 627.803 Statement of value of benefits.--Any contract
14 or group certificate delivered or issued for delivery in this
15 state which provides variable or indeterminate values shall
16 contain a statement of the essential features of the procedure
17 to be followed by the insurance company in determining the
18 dollar amount of the benefits, values, or premiums and shall
19 state in clear terms that the amount may decrease or increase
20 according to such procedure. ~~However, in the case of life or~~
21 ~~endowment contracts, the amount of proceeds may never decrease~~
22 ~~below the face amount of the contract.~~ Any such contract
23 delivered or issued for delivery in this state, and any such
24 group certificate, shall contain on its first page, in a
25 prominent position in contrasting color or boldface 10-point
26 ~~type or larger~~, a clear statement that the benefits, values,
27 or premiums are on a variable basis

28 Section 2. This act shall take effect October 1, 1984.
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SENATE SUMMARY

Eliminates the restriction on the minimum proceeds payable on certain life insurance policies. Changes disclosure requirements relating to style of type in a policy

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SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

<u>ANALYST</u>	<u>STAFF DIRECTOR</u>	<u>REFERENCE</u>	<u>ACTION</u>
1. <u>Stahl JS</u>	<u>Martin JM</u>	1. <u>COM</u>	<u>Fav.</u>
2. _____	_____	2. _____	_____
3. _____	_____	3. _____	_____

SUBJECT:

Insurance

BILL NO. AND SPONSOR:

SB 524 by
 Senator W. D. Childers
 Approved by the Governor
 Ch. 84-93

I. SUMMARY:

A. Present Situation:

Section 627.803, Florida Statutes, provides that the amount of benefits payable under a life insurance policy providing variable or indeterminate benefit values may never decrease below the face amount of the policy.

B. Effect of Proposed Changes:

This bill removes the prohibition against variable value life insurance policies from paying less than the face amount on the policy. This proposal will allow the sale of flexible premium variable life insurance policies in Florida. With a flexible premium policy the insured can control the timing and amount of premium payments in such a way that the benefits payable may be less than the original face amount of the policy.

The bill also changes the current law which requires variable benefit policies to state in 10 point type or larger a clear statement that the premiums, benefits, and values are on a variable basis. As proposed, this bill deletes the 10 point type requirement and substitutes a requirement that the statement be in contrasting color or boldface.

II. ECONOMIC IMPACT AND FISCAL NOTE:

A. Public:

This bill allows insurers to offer a new product, flexible premium variable life insurance policies. Insurers which offer these policies will presumably gain an economic benefit through the sale of such policies. There should be no economic impact to purchasers of the policies.

B. Government:

None.

III. COMMENTS:

This proposal is similar to recommendations made by the National Association of Insurance Commissioners (NAIC).

IV. AMENDMENTS:

None.

By Representative Ogden

1 A bill to be entitled
 2 An act relating to insurance; amending s.
 3 627.803, F.S., changing certain restrictions
 4 upon the statement of value of benefits in
 5 variable or indeterminate value insurance
 6 contracts or group certificates; providing an
 7 effective date.

8
9 Be It Enacted by the Legislature of the State of Florida:

10
11 Section 1. Section 627.803, Florida Statutes, is
12 amended to read:

13 627.803 Statement of value of benefits.--Any contract
 14 or group certificate delivered or issued for delivery in this
 15 state which provides variable or indeterminate values shall
 16 contain a statement of the essential features of the procedure
 17 to be followed by the insurance company in determining the
 18 dollar amount of the benefits, values, or premiums and shall
 19 state in clear terms that the amount may decrease or increase
 20 according to such procedure. However, in the case of
 21 scheduled premium variable life or endowment contracts, the
 22 amount of proceeds may never decrease below the face amount of
 23 the contract. Any such contract delivered or issued for
 24 delivery in this state, and any such group certificate, shall
 25 contain on its first page, in a prominent position ~~in-10-point~~
 26 ~~type-or-larger~~, a clear statement that the benefits, values,
 27 or premiums are on a variable basis.

28 Section 2. This act shall take effect October 1, 1984.

HOUSE SUMMARY

Restricts the type of life or endowment variable or
 indeterminate insurance contracts for which proceeds may
 not be decreased below the face amount of the contract.
 Removes a restriction upon the statement of value of
 benefits to be included in all variable or indeterminate
 value insurance contracts or group certificates.

CODING Words in ~~stuck through~~ type are deletions from existing law, words underlined are additions

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HB 489

SB

DO NOT USE FELT TIP PEN

Committee Amendment No
(For committee use)

2

The Committee on Commerce

offered the following amendment

Amendment On page 1, line 25

2 insert: after "position"
3 in either contrasting color or in boldface type

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Senate Action

House Action

House Amendment

Bill Analysis

Be prepared to Clerk



Florida House of Representatives

H Lee Moffitt, Speaker Steve Pajcic, Speaker pro tempore
Committee on Commerce

Samuel P Bell, III
Chairman

Dexter W Lehtinen
Vice Chairman

STAFF SUMMARY AND ANALYSIS

HB 489 by Ogden

DATE: February 23, 1984

relating to insurance

REVISED: April 16, 1984

REVISED: _____

Other Committees of Reference:

IDENTICAL*/SIMILAR BILLS:

None

SB 524

EFFECTIVE DATE: _____

October 1, 1984

I. SUMMARY AND PURPOSE

This bill amends two portions of insurance law relating to variable or indeterminate value contracts. The changes occur in s. 627.803, Florida Statutes, first to state that the proceeds of scheduled premium value contracts may not go below the face amount. Second the bill would remove the requirement that variable benefits, values and premiums be disclosed in the contract in 10-point type of larger.

II. CURRENT LAW AND EFFECT OF CHANGES

A. CURRENT LAW

Sections 627.801-.807 articulate the law regarding indeterminate value or variable contracts. Indeterminate value contracts are annuity and life insurance contracts and those contracts upon the lives of beneficiaries under life insurance contracts that provide for variable or indeterminate values, benefits or premiums. (s. 627.8015(1), F.S.) The amount and timing of payments, and hence benefits, may be flexible and not necessarily "scheduled" or fixed by the insurer.

Variable contracts are the same as indeterminate value contracts, except the assets from which benefits are paid are held in a separate account. (s. 627.8015(2))

Present law prohibits the proceeds of a variable or indeterminate life or endowment contract to go below the face amount of these contracts. The law also requires that the contract state in a prominent position and in 10-point type or larger that contract benefits, value and premiums are variable.

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B. EFFECT OF PROPOSED CHANGES

This bill provides that only scheduled premium variable life or endowment contracts may not decrease below a face amount thereby allowing all other classes of indeterminate value contracts to so decrease. This includes all other life or endowment contracts which do not have scheduled premiums or are in any other way indeterminate, such as universal life insurance policies (which guarantee policy values and permit policyholders to change amount and timing of premiums and the size of death benefits).

The bill also removes the requirement that any scheduled premium variable life or endowment contract have printed in 10-point type or larger on its first page the statement that the benefits, values or premiums are variable. This will make the statement less visible but not indistinguishable from the rest of the contract as it still must be printed "in a prominent position."

Also, as the bill excludes all indeterminate value contracts as mentioned above, those contracts may not have to have the variable contract information in a prominent place or in 10-point type or larger as it may be argued that the statute requires "any such contract" contain the variable contract disclosure provisions "in 10-point type." The bill amends the statute to exclude indeterminate value contracts, thus making the phrase "any such contract" inapplicable to them.

III. ECONOMIC IMPACT CONSIDERATIONS

A. PRIVATE SECTOR CONSIDERATIONS

It appears that two groups in the private sector will be affected by this bill. First, insurers will be able to let certain policies, universal life for instance, fall below their face values. This will affect the second group, the policyholders. They will hold policies less than the face amount and, because of the exemption of indeterminate value contracts from disclosures, the bill makes it possible for those policyholders not to be informed of its variable values, premiums and benefits. Further, those consumers of scheduled premium variable contracts will be advised of the variable nature but in a less obvious way since the 10-point type requirement is eliminated.

B. PUBLIC SECTOR CONSIDERATIONS

No significant impact.

IV. COMMENTS

The probable intent of the insertion of the words "scheduled premium variable" into this section of the law (page 1, line 21) was to cover situations where it is appropriate that the amount of the policy never decrease below the face amount. When certain premiums are scheduled or fixed, that indeed should be the case. However, in other instances, the insured could control the timing and amount of premium payment and could alter either or both so that the benefits were lower than the original face amount. Under such circumstances the insurer should not be required to pay a face amount.

V. AMENDMENTS

Amendment #1 by Commerce: This amendment deletes the prohibition that the proceeds from life or endowment contracts cannot decrease below the face amount of the policy. This will allow the proceeds of flexible premium value contracts to go below the face amount.

Amendment #2 by Commerce: Instead of deleting the requirement that disclosure be made in 10-point type or larger, this amendment requires such disclosure be made in contrasting color or boldface type.

Amendment #3 by Commerce: Title Amendment.

Prepared by:

Robin S. Hassler
Robin S. Hassler

Staff Director:

Wyatt T. Martin
Wyatt T. Martin

Bill Analysis



Florida House of Representatives

H. Lee Moffitt, Speaker Steve Pajcic, Speaker pro tempore
Committee on Commerce

Samuel P. Bell, III
Chairman
Dexter W. Lehtinen
Vice Chairman

FINAL STAFF SUMMARY

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SB 524 by Childers, W. D. _____ Date: June 22, 1984
(as enacted by the Legislature)
relating to insurance _____ Became Law: June 5, 1984

Committee Consideration: _____ Ch. 84-93, Laws of Florida
Senate Commerce _____
Identical*/Similar Bills: _____ Effective Date: _____
HB 489 _____ October 1, 1984

I. SUMMARY AND PURPOSE

This bill amends two portions of insurance law relating to variable or indeterminate value contracts. The bill removes the prohibition against life or endowment contracts with variable or indeterminate values having proceeds that decrease below the face amount. Second the bill removes the requirement that variable benefits, values and premiums be disclosed in the contract in 10-point type or larger and, instead, requires that such disclosures be in contrasting color or boldface type.

II. CURRENT LAW AND EFFECT OF CHANGES

A. CURRENT LAW

Sections 627.801-.807 articulate the law regarding indeterminate value or variable contracts. Indeterminate value contracts are annuity and life insurance contracts and those contracts upon the lives of beneficiaries under life insurance contracts that provide for variable or indeterminate values, benefits or premiums. (s. 627.8015(1), F.S.) The amount and timing of payments, and hence benefits, may be flexible and not necessarily "scheduled" or fixed by the insurer.

Variable contracts are the same as indeterminate value contracts, except the assets from which benefits are paid are held in a separate account. (s. 627.8015(2))

Present law prohibits the proceeds of a variable or indeterminate life or endowment contract from being less than the

face amount of these contracts. The law also requires that the contract state in a prominent position and in 10-point type or larger that contract benefits, value and premiums are variable.

B. EFFECT OF CHANGES

The bill deletes the prohibition against the proceeds of a variable or indeterminate value life or endowment contract from decreasing below the face amount.

The bill also removes the requirement that any variable or indeterminate value contract have printed in 10-point type or larger on its first page the statement that the benefits, values or premiums are variable. Instead, the bill requires that such disclosure be in contrasting color or boldface type, and in a type size as large as the type used in the text of the policy.

III. ECONOMIC IMPACT CONSIDERATIONS

A. PRIVATE SECTOR CONSIDERATIONS

Insurers will be able to let certain policies, universal life for instance, fall below their face values. Policyholders will be informed of the variable nature of the contract by a clear statement on the first page in contrasting color or boldface type.

B. PUBLIC SECTOR CONSIDERATIONS

No significant impact.

IV. COMMENTS

None.

V. LEGISLATIVE HISTORY

A. ENACTED BILL

Senate Bill 524 was referred to Commerce and was reported favorably by that committee on April 4, 1984. On April 18, 1984 the Senate passed the bill, as amended, 39-0 (SJ 147).

On May 24, 1984 the House took up SB 524 in lieu of HB 489, and read the bill a second time. On the following day the House read SB 524 for the third time and passed the bill, 105-0 (HJ 675).

On June 5, 1984 SB 524 was approved by the Governor, enacted as Chapter 84-93, Laws of Florida.

B. DISPOSITION OF COMPANION

House Bill 489 was referred to the Commerce Committee and was heard by the Subcommittee on Health Care and Life and Health Insurance on March 6, 1984. Three amendments were adopted. On April 16, 1984 the Commerce Committee reported the bill favorably with the three amendments that were recommended by the subcommittee.

On May 24, 1984 the House took up SB 524 in lieu of the House Bill.

Prepared by: *Robin S. Hassler*
Robin S. Hassler

Staff Director: *Wyatt T. Martin*
Wyatt T. Martin

**GENERAL ACTS
RESOLUTIONS AND MEMORIALS
ADOPTED BY THE
EIGHTH LEGISLATURE OF FLORIDA
UNDER THE CONSTITUTION
AS REVISED IN 1968**

**During the Second Regular Session
April 3, 1984 through June 1, 1984**



**Volume I, Part One
Published by Authority of Law
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TALLAHASSEE**

1984

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...(Name of Candidate)...

...(Name of Candidate)...

or place a cross (X) in the blank space to the right of the name of the delegate(s) for whom you wish to vote.

...(Name of delegate)... ...(Name of Candidate)...

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

Approved by the Governor June 5, 1984.

Filed in Office Secretary of State June 6, 1984.

CHAPTER 84-93

Senate Bill No. 524

An act relating to insurance; amending s. 627.803, F.S.; providing for the elimination of minimum proceeds in certain life insurance policies; changing certain type requirements in certain life insurance policies; providing an effective date.

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

Section 1. Section 627.803, Florida Statutes, is amended to read:

627.803 Statement of value of benefits.--Any contract or group certificate delivered or issued for delivery in this state which provides variable or indeterminate values shall contain a statement of the essential features of the procedure to be followed by the insurance company in determining the dollar amount of the benefits, values, or premiums and shall state in clear terms that the amount may decrease or increase according to such procedure. ~~However, in the case of life or endowment contracts, the amount of proceeds may never decrease below the face amount of the contract.~~ Any such contract delivered or issued for delivery in this state, and any such

group certificate, shall contain on its first page, in a prominent position in contrasting color or boldface 10-point type, and in a type size as large as the type used in the text of the policy or larger, a clear statement that the benefits, values, or premiums are on a variable basis.

Section 2. This act shall take effect October 1, 1984.

Approved by the Governor June 5, 1984.

Filed in Office Secretary of State June 6, 1984.

CHAPTER 84-94

Senate Bill No. 575

An act relating to legislative review of regulatory programs and functions and legislative review of advisory bodies, commissions, and boards of trustees adjunct to executive agencies; providing for future repeal and review by the Legislature of certain provisions of law relating to regulatory programs and functions and to advisory bodies, commissions, and boards of trustees adjunct to executive agencies; amending s. 11.611, F.S., as amended by chapter 83-265, Laws of Florida; removing certain provisions of law from those scheduled for future repeal and review; repealing various provisions of the Laws of Florida which repeal various laws relating to regulatory programs and functions and which require such laws to be reviewed pursuant to the Regulatory Sunset Act; repealing ss. 23.152, 23.153, F.S., relating to the Florida Council on Criminal Justice; providing an effective date.

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

Section 1. (1) Section 231.28, Florida Statutes, relating to the Education Practices Commission, is repealed October 1, 1985 and shall be reviewed by the Legislature pursuant to s. 11.61, Florida Statutes, the Regulatory Sunset Act.

(2) Part II of chapter 484, Florida Statutes, relating to the fitting and dispensing of hearing aids, is repealed October 1, 1986 and shall be reviewed by the Legislature pursuant to s. 11.61, Florida Statutes, the Regulatory Sunset Act.

(3) Sections 373.323-373.342, Florida Statutes, relating to water well contractors and drillers, are repealed October 1, 1988 and shall be reviewed by the Legislature pursuant to s. 11.61, Florida Statutes, the Regulatory Sunset Act.

(4) Part II of chapter 634, Florida Statutes, relating to home warranty associations, is repealed October 1, 1993 and shall be reviewed by the Legislature pursuant to s. 11.61, Florida Statutes, the Regulatory Sunset Act.

(5) Section 501.131, Florida Statutes, relating to solicitation of funds by consumer protection organizations, is repealed October 1, 1994 and shall be reviewed by the Legislature pursuant to s. 11.61, Florida Statutes, the Regulatory Sunset Act.

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ORIGINAL SENATE BILL No. 524

1-818-84
A BILL relating to
(Brief statement of subject)

insurance,

By Senator H.D. Clarke of the _____ District
By the Committee on _____

Chairman's signature

and

SENATE ACTION

APR 3 1984

Read 1st Time
Referred to Committees on
COMMUNITY
Fav Unfav With Amend Com Sub
Fav Unfav With Amend Com Sub
Fav Unfav With Amend Com Sub

Read 2nd Time
Read 3rd Time
and

Secretary of Senate

- Immediately Certified to House
- Laid on Table
- Motion to Reconsider by Senator

- HOUSE AMENDMENTS ACTION — See reverse side
- CONFERENCE COMMITTEE ACTION — See reverse side

HOUSE ACTION

Read 1st Time
Referred to Committees on
Fav Unfav With Amend Com Sub
Fav Unfav With Amend Com Sub
Fav Unfav With Amend Com Sub

Read 2nd Time
Read 3rd Time
and

Clerk House of Representatives

- Immediately Certified to Senate
- Laid on Table under Rule
- Motion to Reconsider pending

- SENATE AMEND TO HOUSE AMEND ACTION — See reverse side
- CONFERENCE COMMITTEE ACTION — See reverse side

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

	<u>ANALYST</u>	<u>STAFF DIRECTOR</u>	<u>REFERENCE</u>	<u>ACTION</u>
1.	<u>Stahl</u>	<u>Martin</u>	1. <u>COM</u>	_____
2.	_____	_____	2. _____	_____
3.	_____	_____	3. _____	_____

SUBJECT:

Insurance

BILL NO. AND SPONSOR:

SB 524 by
Senator W. D. Childers

I. SUMMARY:

A. Present Situation:

Section 627.803, Florida Statutes, provides that the amount of benefits payable under a life insurance policy providing variable or indeterminate benefit values may never decrease below the face amount of the policy.

B. Effect of Proposed Changes:

This bill removes the prohibition against variable value life insurance policies from paying less than the face amount on the policy. This proposal will allow the sale of flexible premium variable life insurance policies in Florida. With a flexible premium policy the insured can control the timing and amount of premium payments in such a way that the benefits payable may be less than the original face amount of the policy.

The bill also changes the current law which requires variable benefit policies to state in 10 point type or larger a clear statement that the premiums, benefits, and values are on a variable basis. As proposed, this bill deletes the 10 point type requirement and substitutes a requirement that the statement be in contrasting color or boldface.

II. ECONOMIC IMPACT AND FISCAL NOTE:

A. Public:

This bill allows insurers to offer a new product, flexible premium variable life insurance policies. Insurers which offer these policies will presumably gain an economic benefit through the sale of such policies. There should be no economic impact to purchasers of the policies.

B. Government:

None.

III. COMMENTS:

This proposal is similar to recommendations made by the National Association of Insurance Commissioners (NAIC).

IV. AMENDMENTS:

None.

SEE BACK OF FORM FOR INSTRUCTIONS

If amendment is text of other bill or bills,
insert Bill No(s)

HB...489.....

SB

DO NOT USE FELT TIP PEN

Committee Amendment No /
(For committee use)

The Committee on Commerce

offered the following amendment

Amendment On page 1 , line s 20, - 23

2 strike all of said lines
3 and insert: according to such procedure. ~~However, in the case of life or~~
4 ~~endowment contracts, the amount of proceeds may never decrease below the~~
5 ~~face amount of the contract.~~ Any such contract delivered or issued for
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FOR YOUR OWN PROTECTION, **DO NOT** USE PRINTED BILL OR REDUCED COPY OF BILL
GET FULL-SIZED COPY OF BILL DRAFT FROM DUPLICATING, 329 CAPITOL

SEE INSTRUCTIONS ON
BACK OF THIS FORM

Senate Action

House Action

House Amendment

SEE BACK OF FORM FOR INSTRUCTIONS

If amendment is text of other bill or bills,
insert Bill No(s)

HB . 489 .

SB

DO NOT USE FELT TIP PEN

Committee Amendment No
(For committee use)

3

The Committee on Commerce

offered the following title amendment

Amendment On page 1 line 3

2 before "changing" insert:

3 deleting certain requirements relating to the minimum amount of
4 proceeds payable under variable life or endowment contracts and

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SEE INSTRUCTIONS ON
BACK OF THIS FORM

Senate Action

House Action

House Amendment

As reported to Clerk

SUBCOMMITTEE REPORT

House of Representatives

File with Parent Committee

To Chairman, Committee on Commerce :

Subcommittee on Health Care and Life & Health Insurance

Date of meeting March 6, 1984

Time 8:30 AM

Place 21 HOB

Bill No. HB 489

FINAL ACTION: FAVORABLE
 X FAVORABLE WITH 3 AMENDMENTS
 UNFAVORABLE

VOTE:

YEA	MEMBER	NAY
X	Rep. Abrams	
	Rep. Deratany	
X	Rep. Martinez	
X	Rep. Ogden	
X	Rep. Upchurch	
	Rep. Wallace	

Total Yeas 5

YEA	MEMBER	NAY
X	Rep. Lehtinen	
	Rep. Bell	

Total Nays 0

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Antero Lehtinen
Subcommittee Chairman

SUBCOMMITTEE APPEARANCE RECORD

The following persons (other than legislators) appeared before the subcommittee during consideration of this bill:

<u>Name</u>	<u>Representing</u>	<u>Address</u>

(If additional persons, enter on reverse side and check here)

NOTE: Please indicate by an "X" any State employee appearing at the request of Subcommittee Chairman

Received by Parent Committee:

Date

Received by

Committee on Commerce

Bill No. HB 489

Date of meeting 4/16/84

Time 3:30 P.M.

Place 21 HOB

as reported to Clerk

FINAL ACTION: FAVORABLE
 FAVORABLE WITH 3 AMENDMENTS
 FAVORABLE WITH SUBSTITUTE
 UNFAVORABLE

VOTE:

YEA	MEMBER	NAY
X	Rep. Abrams	
X	Rep. Danson	
X	Rep. Gallagher	
X	Rep. Gardner	
	Rep. Gustafson	
X	Rep. Hargrett	
	Rep. M.E. Hawkins	
X	Rep. Hazouri	
X	Rep. Ron Johnson	
X	Rep. Kutun	
X	Rep. Lehtinen	
	Rep. Martinez	
X	Rep. McEwan	
X	Rep. Meffert	
	Rep. Ogden	

YEA	MEMBER	NAY
	Rep. Pajcic	
X	Rep. Selph	
X	Rep. Silver	
X	Rep. Simon	
X	Rep. Thompson	
X	Rep. Upchurch	
X	Rep. Wallace	
X	Rep. Williams	
X	Rep. Bell	

Total Yeas 19 Total Nays 0

[Signature]
Chairman

COMMITTEE APPEARANCE RECORD

The following persons (other than legislators) appeared before the committee during the consideration of this bill:

Name Representing Address

NOTE: Please indicate by an "X" any State employee appearing at the request of Committee Chairman.

(If additional persons, enter on reverse side and check here__)

BILL ACTION RECORD

Commerce Committee

House of Representatives

SubCommittee on Health Care & Life & Health Insurance

Bill No. HB 489

Meeting Time 8:30 AM
Place 21 HOB

Date received _____
Date Reported _____

March 6, 1984

Referred to Subcommittee on _____

Subcommittee report
_____ favorable
X favorable with 3 amendments
_____ unfavorable

Committee Action.
_____ Temporarily passed
_____ Reconsidered
_____ favorable
_____ favorable with ___ amendments
_____ favorable with committee substitute
_____ unfavorable
Other action: _____

Final vote on bill			Amend. #1 by Ogden		Amend. #2 by Ogden		Title Amend.					
Yeas	Nays		Yeas	Nays	Yeas	Nays	Yeas	Nays	Yeas	Nays	Yeas	Nays
X		Abrams, Michael										
		Deratany, Tim										
X		Martinez, Elvin										
X		Ogden, Carl										
X		Upchurch, H. D.										
		Wallace, Peter										
X		Lehtinen, Dexter										
		(Chairman)										
		Bell, Samuel P.										
5	0	TOTALS	5	0	5	0	5	0				
Yeas	Nays		Yeas	Nays	Yeas	Nays	Yeas	Nays	Yeas	Nays	Yeas	Nays

H-83

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AMENDMENT -- FOR DRAFTING ONLY

#1

(MUST BE TYPED ON FORM H-29 OR H-39 BEFORE PRESENTATION)

Representative g / The Committee on _____ Rep. Ouden _____

HR 489 _____

SB _____

offered the following amendment:

On page 1 line S 20-23, strike

all of said lines

and insert: according to such procedure. However, in the case of life or
endowment contracts, the amount of proceeds may never decrease below the
face amount of the contract. Any such contract delivered or issued for

adopted
w/o objection
3-6-84

failed of adoption

AMENDMENT -- FOR DRAFTING ONLY

#2

(MUST BE TYPED ON FORM H-29 OR H-39 BEFORE PRESENTATION)

Representative s/ The Committee on Rep Ogden

HB 489

SB _____

Offered the following amendment

On page 1, line 26, ~~strike~~

~~and~~ insert: before the comma (,):

in either contrasting color or in boldface type,

adopted

failed of adoption

*w/o objection
3-6-84*