

By Senator Collins

14-01609-23

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1                   A bill to be entitled  
2           An act relating to health care benefit coverage for  
3           members of nonprofit organizations and agricultural  
4           cooperative associations; renaming the title of ch.  
5           632, F.S.; creating parts I and II of ch. 632, F.S.,  
6           entitled "Fraternal Benefit Societies" and "Nonprofit  
7           Membership Organizations and Agricultural Cooperative  
8           Associations," respectively; creating s. 632.6401,  
9           F.S.; providing a short title; providing a purpose;  
10          defining terms; authorizing nonprofit membership  
11          organizations and agricultural cooperative  
12          associations to offer health care benefit coverage to  
13          their members; providing that such coverage is not  
14          considered insurance; authorizing such nonprofit  
15          membership organizations and agricultural cooperative  
16          associations to cede individual risks to certain  
17          insurers by reinsurance agreements; requiring such  
18          organizations and associations to file by a specified  
19          date each year a specified statement with the  
20          Commissioner of Insurance Regulation; authorizing the  
21          Financial Services Commission to adopt rules;  
22          providing an effective date.

23  
24 Be It Enacted by the Legislature of the State of Florida:

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26           Section 1. Chapter 632, Florida Statutes, entitled  
27 "Fraternal Benefit Societies," is renamed "Nonprofit Health  
28 Coverage."

29           Section 2. (1) Part I of chapter 632, Florida Statutes,

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30 consisting of ss. 632.601-632.638, Florida Statutes, is created  
31 and entitled "Fraternal Benefit Societies."

32 (2) Part II of chapter 632, Florida Statutes, consisting of  
33 s. 632.6401, Florida Statutes, is created and entitled  
34 "Nonprofit Membership Organizations and Agricultural Cooperative  
35 Associations."

36 Section 3. Section 632.6401, Florida Statutes, is created  
37 to read:

38 632.6401 Health coverage by nonprofit membership  
39 organizations and agricultural cooperative associations.-

40 (1) This section may be cited as the "Florida Nonprofit  
41 Health Coverage Deregulation Act of 2023."

42 (2) The purpose of this section is to allow nonprofit  
43 membership organizations and agricultural cooperative  
44 associations to offer health coverage options to their members.

45 (3) As used in this section, the term:

46 (a) "Agricultural cooperative association" means an  
47 association established to promote, foster, and encourage the  
48 marketing of agricultural products through cooperation of  
49 agricultural producers.

50 (b) "Nonprofit membership organization" means a  
51 professional or trade association or any entity with dues-paying  
52 members which is exempt from federal income tax under s.  
53 501(c)(3) of the Internal Revenue Code and which exists to serve  
54 its members beyond just offering health coverage.

55 (4) A nonprofit membership organization or an agricultural  
56 cooperative association may offer health care benefit coverage  
57 to its members. Such health care benefit coverage is not  
58 considered insurance, notwithstanding any provision of law to

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59 the contrary. A nonprofit membership organization or an  
60 agricultural cooperative association offering health care  
61 benefit coverage to its members:

62 (a) May, by a reinsurance agreement, cede any individual  
63 risk in whole or in part to an insurer that has the power to  
64 make such reinsurance and is authorized to do business in this  
65 state.

66 (b) Shall, by February 28 of each year, file a signed,  
67 certified statement of actuarial opinion with the Commissioner  
68 of Insurance Regulation.

69 (5) The commission may adopt rules to administer this  
70 section.

71 Section 4. This act shall take effect January 1, 2024.