

Committee on Banking and Insurance

CS/CS/CS/HB 1073 — Department of Financial Services

by Commerce Committee; Government Operations and Technology Appropriations Subcommittee; Insurance and Banking Subcommittee; and Rep. Hager (CS/CS/CS/SB 1292 by Appropriations Committee; Children, Families, and Elder Affairs Committee; Banking and Insurance Committee; and Senator Stargel)

The bill makes various changes to statutes relating to the Department of Financial Services (DFS). The bill:

- Allows the Division of Treasury to use “electronic images” as a means of producing copies of warrants, vouchers, or checks;
- Creates the Bureau of Insurance Fraud and the Bureau of Workers’ Compensation Fraud within the Division of Investigative and Forensic Services of the DFS.
- Requires transition plans of youth aging out of foster care to provide information on the financial literacy curriculum offered by the DFS and requires young adults who have aged out of foster care and who request aftercare services to receive information about the financial literacy curriculum;
- Begins the process of creating the Florida Open Financial Statement System to allow better access to financial reports filed by local governments and provides a \$500,000 appropriation;
- Directs agencies to provide risk training, report return-to-work data to the DFS, and submit information regarding internal risk assessments to the DFS;
- Allows DFS to disclose the personal identifying information of injured employees to its contracted vendors for the purpose of administering workers’ compensation claims;
- Specifies that public assistance recipients give written consent to make inquiry of past or present employers and records to the Department of Education, rather than the Department of Economic Opportunity, to facilitate the investigation by DFS of public assistance fraud.
- Eliminates the licensure requirement for managing general agents and replaces it with a process where managing general agents are appointed by insurance companies;
- Reduces from 24 to 4 the number of risks that an agent can write for an insurer in a calendar year without an appointment by the insurer or an exchange of business appointment;
- Extends the validity of fingerprints from 12 to 48 months for currently licensed individuals seeking other DFS licenses;
- Eliminates the requirement that nonresident public adjusters and nonresident all-lines adjusters submit an affidavit certifying their understanding of Florida law;
- Provides that DFS may provide rewards to individuals who provide information leading to the arrest and conviction of persons who commit arson;
- Creates a uniform 4-year appointment term for members of the Florida Fire Safety Board;
- Clarifies the inactive status requirements for a fire equipment dealer license and removes the requirements that proof of insurance for a fire equipment dealer or fire protection system contractor’s license must be on a form provided by the DFS;

- Specifies roles, responsibilities, and retention requirements of individuals holding a Special Certificate of Compliance;
- Repeals outdated language requiring the Florida State Fire College to develop and implement a staffing formula for the Fire College; and
- Allows a life agent who is a certified public accountant and who has specified registrations in the financial services business to serve as trustee in situations where the life agent has placed the life insurance coverage.

If approved by the Governor, these provisions take effect July 1, 2018.

Vote: Senate 38-0; House 113-0