

By the Committee on Regulated Industries; and Senator Richter

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1                   A bill to be entitled  
2           An act relating to property insurance appraisers and  
3           property insurance appraisal umpires; amending s.  
4           624.04, F.S.; revising the definition of the term  
5           "person"; amending s. 624.303, F.S.; exempting  
6           certificates issued to property insurance appraisal  
7           umpires from the requirement to bear a seal of the  
8           Department of Financial Services; amending s. 624.311,  
9           F.S.; providing a schedule for destruction of property  
10          insurance appraisal umpire licensing files and  
11          records; amending s. 624.317, F.S.; authorizing the  
12          department to investigate property insurance appraisal  
13          umpires for violations of the insurance code; amending  
14          s. 624.501, F.S.; authorizing specified licensing fees  
15          for property insurance appraisal umpires; amending s.  
16          624.523, F.S.; requiring fees associated with property  
17          insurance appraisal umpires' appointments to be  
18          deposited into the Insurance Regulatory Trust Fund;  
19          amending s. 626.015, F.S.; providing a definition;  
20          amending s. 626.016, F.S.; revising the scope of the  
21          Chief Financial Officer's powers and duties and the  
22          department's enforcement jurisdiction to include  
23          umpires; amending s. 626.022, F.S.; including property  
24          insurance appraisal umpire licensing in the scope of  
25          part I of ch. 626, F.S., relating to licensing  
26          procedures; amending s. 626.112, F.S.; requiring  
27          umpires to be licensed and appointed; requiring  
28          licensure as an adjuster when serving as an appraiser  
29          under certain conditions; providing that only a self-  
30          appointed insurance appraiser may serve as an  
31          adjuster; prohibiting convicted felons or certain  
32          disqualified persons from engaging in certain

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33 activities; amending s. 626.171, F.S.; requiring  
34 applicants for licensure as an umpire to submit  
35 fingerprints to the department; amending s. 626.207,  
36 F.S.; excluding applicants for licensure as umpires  
37 from application of s. 112.011, F.S., relating to  
38 disqualification from license or public employment;  
39 amending s. 626.2815, F.S.; requiring specified  
40 continuing education for licensure as an umpire;  
41 amending s. 626.451, F.S.; providing requirements  
42 relating to the appointment of an umpire; amending s.  
43 626.461, F.S.; providing that an umpire appointment  
44 continues in effect, subject to renewal or earlier  
45 written notice of termination, until the person's  
46 license is revoked or otherwise terminated; amending  
47 s. 626.521, F.S.; authorizing the department to obtain  
48 a credit and character report for certain umpire  
49 applicants; amending s. 626.541, F.S.; requiring an  
50 umpire to provide certain information to the  
51 department when doing business under a different  
52 business name or when information in the licensure  
53 application changes; amending s. 626.601, F.S.;  
54 authorizing the department or office to investigate  
55 improper conduct of any licensed umpire; amending s.  
56 626.611, F.S.; requiring the department to refuse,  
57 suspend, or revoke an umpire's license under certain  
58 circumstances; amending s. 626.621, F.S.; authorizing  
59 the department to refuse, suspend, or revoke an  
60 umpire's license under certain circumstances; amending  
61 s. 626.641, F.S.; prohibiting an umpire from owning,

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62 controlling, or being employed by other licensees  
63 during the period the umpire's license is suspended or  
64 revoked; amending ss. 626.7845, 626.8305, and  
65 626.8411, F.S.; conforming provisions to changes made  
66 by the act; amending s. 626.8443, F.S.; prohibiting a  
67 title insurance agent from owning, controlling, or  
68 being employed by an umpire during the period the  
69 agent's license is suspended or revoked; amending s.  
70 626.854, F.S.; providing limitations on fees charged  
71 by a public adjuster during an appraisal; creating s.  
72 626.8791, F.S.; establishing required notice in a  
73 contract for appraisal services; amending s. 626.9957,  
74 F.S.; conforming a cross-reference; creating part XIV  
75 of ch. 626, F.S., relating to property insurance  
76 appraisal umpires; creating s. 626.9961, F.S.;  
77 providing a short title; creating s. 626.9962, F.S.;  
78 providing legislative purpose; creating s. 626.9963,  
79 F.S.; providing that the part supplements part I of  
80 ch. 626, F.S., the "Licensing Procedure Law"; creating  
81 s. 626.9964, F.S.; providing definitions; creating s.  
82 626.9965, F.S.; providing qualifications for license  
83 as an umpire; creating s. 626.9966, F.S.; authorizing  
84 the department to refuse, suspend, or revoke an  
85 umpire's license under certain circumstances; creating  
86 s. 626.9967, F.S.; providing ethical standards for  
87 property insurance appraisal umpires; creating s.  
88 626.9968, F.S.; providing for disqualification of an  
89 umpire under certain circumstances; repealing s.  
90 627.70151, F.S., relating to appraisal conflicts of

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91 interest; providing an appropriation and authorizing  
92 positions; providing applicability; providing an  
93 effective date.

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

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97 Section 1. Section 624.04, Florida Statutes, is amended to  
98 read:

99 624.04 "Person" defined.—"Person" includes an individual,  
100 insurer, company, association, organization, Lloyds, society,  
101 reciprocal insurer or interinsurance exchange, partnership,  
102 syndicate, business trust, corporation, agent, general agent,  
103 broker, service representative, adjuster, property insurance  
104 appraisal umpire, and every legal entity.

105 Section 2. Subsection (2) of section 624.303, Florida  
106 Statutes, is amended to read:

107 624.303 Seal; certified copies as evidence.—

108 (2) All certificates executed by the department or office,  
109 other than licenses of agents, property insurance appraisal  
110 umpires, ~~or~~ adjusters, or similar licenses or permits, shall  
111 bear its respective seal.

112 Section 3. Subsection (4) of section 624.311, Florida  
113 Statutes, is amended to read:

114 624.311 Records; reproductions; destruction.—

115 (4) To facilitate the efficient use of floor space and  
116 filing equipment in its offices, the department, commission, and  
117 office may each destroy the following records and documents  
118 pursuant to chapter 257:

119 (a) General closed correspondence files over 3 years old;

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120 (b) Agent, adjuster, property insurance appraisal umpire,  
121 and similar license files, including license files of the  
122 Division of State Fire Marshal, over 2 years old; except that  
123 the department or office shall preserve by reproduction or  
124 otherwise a copy of the original records upon the basis of which  
125 each such licensee qualified for her or his initial license,  
126 except a competency examination, and of any disciplinary  
127 proceeding affecting the licensee;

128 (c) All agent, adjuster, property insurance appraisal  
129 umpire, and similar license files and records, including  
130 original license qualification records and records of  
131 disciplinary proceedings 5 years after a licensee has ceased to  
132 be qualified for a license;

133 (d) Insurer certificate of authority files over 2 years  
134 old, except that the office shall preserve by reproduction or  
135 otherwise a copy of the initial certificate of authority of each  
136 insurer;

137 (e) All documents and records which have been photographed  
138 or otherwise reproduced as provided in subsection (3), if such  
139 reproductions have been filed and an audit of the department or  
140 office has been completed for the period embracing the dates of  
141 such documents and records; and

142 (f) All other records, documents, and files not expressly  
143 provided for in paragraphs (a)-(e).

144 Section 4. Section 624.317, Florida Statutes, is amended to  
145 read:

146 624.317 Investigation of agents, adjusters, property  
147 insurance appraisal umpires, administrators, service companies,  
148 and others.—If it has reason to believe that any person has

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149 violated or is violating any provision of this code, or upon the  
150 written complaint signed by any interested person indicating  
151 that any such violation may exist:

152 (1) The department shall conduct such investigation as it  
153 deems necessary of the accounts, records, documents, and  
154 transactions pertaining to or affecting the insurance affairs of  
155 any general agent, surplus lines agent, adjuster, property  
156 insurance appraisal umpire, managing general agent, insurance  
157 agent, insurance agency, customer representative, service  
158 representative, or other person subject to its jurisdiction,  
159 subject to the requirements of s. 626.601.

160 (2) The office shall conduct such investigation as it deems  
161 necessary of the accounts, records, documents, and transactions  
162 pertaining to or affecting the insurance affairs of any:

163 (a) Administrator, service company, or other person subject  
164 to its jurisdiction.

165 (b) Person having a contract or power of attorney under  
166 which she or he enjoys in fact the exclusive or dominant right  
167 to manage or control an insurer.

168 (c) Person engaged in or proposing to be engaged in the  
169 promotion or formation of:

- 170 1. A domestic insurer;
- 171 2. An insurance holding corporation; or
- 172 3. A corporation to finance a domestic insurer or in the  
173 production of the domestic insurer's business.

174 Section 5. Paragraph (c) of subsection (19) and subsection  
175 (28) of section 624.501, Florida Statutes, are amended, and  
176 subsection (29) is added to that section, to read:

177 624.501 Filing, license, appointment, and miscellaneous

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178 fees.—The department, commission, or office, as appropriate,  
179 shall collect in advance, and persons so served shall pay to it  
180 in advance, fees, licenses, and miscellaneous charges as  
181 follows:

182 (19) Miscellaneous services:

183 (c) For preparing lists of agents, adjusters, property  
184 insurance appraisal umpires, and other insurance  
185 representatives, and for other miscellaneous services, such  
186 reasonable charge as may be fixed by the office or department.

187 (28) Late filing of appointment renewals for agents,  
188 adjusters, property insurance appraisal umpires, and other  
189 insurance representatives, each appointment.....\$20.00

190 (29) Property insurance appraisal umpires:

191 (a) Property insurance appraisal umpire’s appointment and  
192 biennial renewal or continuation thereof, each appointment  
193 .....\$60.00

194 (b) Fee to cover the actual cost of a credit report when  
195 the report must be secured by the department.

196 Section 6. Paragraph (e) of subsection (1) of section  
197 624.523, Florida Statutes, is amended to read:

198 624.523 Insurance Regulatory Trust Fund.—

199 (1) There is created in the State Treasury a trust fund  
200 designated “Insurance Regulatory Trust Fund” to which shall be  
201 credited all payments received on account of the following  
202 items:

203 (e) All payments received on account of items provided for  
204 under respective provisions of s. 624.501, as follows:

- 205 1. Subsection (1) (certificate of authority of insurer).
- 206 2. Subsection (2) (charter documents of insurer).

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- 207           3. Subsection (3) (annual license tax of insurer).
- 208           4. Subsection (4) (annual statement of insurer).
- 209           5. Subsection (5) (application fee for insurance  
210 representatives).
- 211           6. The "appointment fee" portion of any appointment  
212 provided for under paragraphs (6) (a) and (b) (insurance  
213 representatives, property, marine, casualty and surety  
214 insurance, and agents).
- 215           7. Paragraph (6) (c) (nonresident agents).
- 216           8. Paragraph (6) (d) (service representatives).
- 217           9. The "appointment fee" portion of any appointment  
218 provided for under paragraph (7) (a) (life insurance agents,  
219 original appointment, and renewal or continuation of  
220 appointment).
- 221           10. Paragraph (7) (b) (nonresident agent license).
- 222           11. The "appointment fee" portion of any appointment  
223 provided for under paragraph (8) (a) (health insurance agents,  
224 agent's appointment, and renewal or continuation fee).
- 225           12. Paragraph (8) (b) (nonresident agent appointment).
- 226           13. The "appointment fee" portion of any appointment  
227 provided for under subsections (9) and (10) (limited licenses  
228 and fraternal benefit society agents).
- 229           14. Subsection (11) (surplus lines agent).
- 230           15. Subsection (12) (adjusters' appointment).
- 231           16. Subsection (13) (examination fee).
- 232           17. Subsection (14) (temporary license and appointment as  
233 agent or adjuster).
- 234           18. Subsection (15) (reissuance, reinstatement, etc.).
- 235           19. Subsection (16) (additional license continuation fees).



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236 20. Subsection (17) (filing application for permit to form  
237 insurer).

238 21. Subsection (18) (license fee of rating organization).

239 22. Subsection (19) (miscellaneous services).

240 23. Subsection (20) (insurance agencies).

241 24. Subsection (29) (property insurance appraisal umpires'  
242 appointment).

243 Section 7. Subsections (16) through (19) of section  
244 626.015, Florida Statutes, are renumbered as subsections (17)  
245 through (20), respectively, and a new subsection (16) is added  
246 to that section, to read:

247 626.015 Definitions.—As used in this part:

248 (16) "Property insurance appraisal umpire" or "umpire"  
249 means a property insurance appraisal umpire as defined in s.  
250 626.9964.

251 Section 8. Subsection (1) of section 626.016, Florida  
252 Statutes, is amended to read:

253 626.016 Powers and duties of department, commission, and  
254 office.—

255 (1) The powers and duties of the Chief Financial Officer  
256 and the department specified in this part apply only with  
257 respect to insurance agents, insurance agencies, managing  
258 general agents, ~~insurance~~ adjusters, umpires, reinsurance  
259 intermediaries, viatical settlement brokers, customer  
260 representatives, service representatives, and agencies.

261 Section 9. Subsection (1) of section 626.022, Florida  
262 Statutes, is amended to read:

263 626.022 Scope of part.—

264 (1) This part applies as to insurance agents, service

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265 representatives, adjusters, umpires, and insurance agencies; as  
266 to any and all kinds of insurance; and as to stock insurers,  
267 mutual insurers, reciprocal insurers, and all other types of  
268 insurers, except that:

269 (a) It does not apply as to reinsurance, except that ss.  
270 626.011-626.022, ss. 626.112-626.181, ss. 626.191-626.211, ss.  
271 626.291-626.301, s. 626.331, ss. 626.342-626.521, ss. 626.541-  
272 626.591, and ss. 626.601-626.711 shall apply as to reinsurance  
273 intermediaries as defined in s. 626.7492.

274 (b) The applicability of this chapter as to fraternal  
275 benefit societies shall be as provided in chapter 632.

276 (c) It does not apply to a bail bond agent, as defined in  
277 s. 648.25, except as provided in chapter 648 or chapter 903.

278 (d) This part does not apply to a certified public  
279 accountant licensed under chapter 473 who is acting within the  
280 scope of the practice of public accounting, as defined in s.  
281 473.302, provided that the activities of the certified public  
282 accountant are limited to advising a client of the necessity of  
283 obtaining insurance, the amount of insurance needed, or the line  
284 of coverage needed, and provided that the certified public  
285 accountant does not directly or indirectly receive or share in  
286 any commission or referral fee.

287 Section 10. Section 626.112, Florida Statutes, is amended  
288 to read:

289 626.112 License and appointment required; agents, customer  
290 representatives, adjusters, umpires, insurance agencies, service  
291 representatives, managing general agents.—

292 (1)(a) No person may be, act as, or advertise or hold  
293 himself or herself out to be an insurance agent, insurance

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294 adjuster, or customer representative unless he or she is  
295 currently licensed by the department and appointed by an  
296 appropriate appointing entity or person.

297 (b) Except as provided in subsection (9) ~~(6)~~ or in  
298 applicable department rules, and in addition to other conduct  
299 described in this chapter with respect to particular types of  
300 agents, a license as an insurance agent, service representative,  
301 customer representative, or limited customer representative is  
302 required in order to engage in the solicitation of insurance.  
303 For purposes of this requirement, as applicable to any of the  
304 license types described in this section, the solicitation of  
305 insurance is the attempt to persuade any person to purchase an  
306 insurance product by:

307 1. Describing the benefits or terms of insurance coverage,  
308 including premiums or rates of return;

309 2. Distributing an invitation to contract to prospective  
310 purchasers;

311 3. Making general or specific recommendations as to  
312 insurance products;

313 4. Completing orders or applications for insurance  
314 products;

315 5. Comparing insurance products, advising as to insurance  
316 matters, or interpreting policies or coverages; or

317 6. Offering or attempting to negotiate on behalf of another  
318 person a viatical settlement contract as defined in s. 626.9911.

319

320 However, an employee leasing company licensed pursuant to  
321 chapter 468 which is seeking to enter into a contract with an  
322 employer that identifies products and services offered to

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323 employees may deliver proposals for the purchase of employee  
324 leasing services to prospective clients of the employee leasing  
325 company setting forth the terms and conditions of doing  
326 business; classify employees as permitted by s. 468.529; collect  
327 information from prospective clients and other sources as  
328 necessary to perform due diligence on the prospective client and  
329 to prepare a proposal for services; provide and receive  
330 enrollment forms, plans, and other documents; and discuss or  
331 explain in general terms the conditions, limitations, options,  
332 or exclusions of insurance benefit plans available to the client  
333 or employees of the employee leasing company were the client to  
334 contract with the employee leasing company. Any advertising  
335 materials or other documents describing specific insurance  
336 coverages must identify and be from a licensed insurer or its  
337 licensed agent or a licensed and appointed agent employed by the  
338 employee leasing company. The employee leasing company may not  
339 advise or inform the prospective business client or individual  
340 employees of specific coverage provisions, exclusions, or  
341 limitations of particular plans. As to clients for which the  
342 employee leasing company is providing services pursuant to s.  
343 468.525(4), the employee leasing company may engage in  
344 activities permitted by ss. 626.7315, 626.7845, and 626.8305,  
345 subject to the restrictions specified in those sections. If a  
346 prospective client requests more specific information concerning  
347 the insurance provided by the employee leasing company, the  
348 employee leasing company must refer the prospective business  
349 client to the insurer or its licensed agent or to a licensed and  
350 appointed agent employed by the employee leasing company.

351 (2) No agent or customer representative shall solicit or

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352 otherwise transact as agent or customer representative, or  
353 represent or hold himself or herself out to be an agent or  
354 customer representative as to, any kind or kinds of insurance as  
355 to which he or she is not then licensed and appointed.

356 (3) No person shall act as an adjuster as to any class of  
357 business for which he or she is not then licensed and appointed.

358 (4) No person shall be, act as, or represent or hold  
359 himself or herself out to be a service representative unless he  
360 or she then holds a currently effective service representative  
361 license and appointment. This subsection does not apply as to  
362 similar representatives or employees of casualty insurers whose  
363 duties are restricted to health insurance.

364 (5) No person shall be, act as, or represent or hold  
365 himself or herself out to be a managing general agent unless he  
366 or she then holds a currently effective managing general agent  
367 license and appointment.

368 (6) No person shall be, act as, or represent or hold  
369 himself or herself out to be a property insurance appraisal  
370 umpire unless he or she holds a currently effective license and  
371 appointment as a property insurance appraisal umpire.

372 (7) No person shall be, act as, or represent or hold  
373 himself or herself out to be a property insurance appraiser who  
374 is eligible to represent an insured on a personal residential or  
375 commercial residential property insurance claim unless he or she  
376 holds a currently effective license as an adjuster or is exempt  
377 from licensure under s. 626.860. Only a self-appointed insurance  
378 appraiser may serve as an adjuster.

379 (8) No person who is a convicted felon or disqualified  
380 under s. 626.207 may act or serve as a property insurance

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381 appraisal umpire or property insurance appraiser.

382 (9)~~(6)~~ An individual employed by a life or health insurer  
383 as an officer or other salaried representative may solicit and  
384 effect contracts of life insurance or annuities or of health  
385 insurance, without being licensed as an agent, when and only  
386 when he or she is accompanied by and solicits for and on the  
387 behalf of a licensed and appointed agent.

388 (10) (a)~~(7) (a)~~ An individual, firm, partnership,  
389 corporation, association, or other entity shall not act in its  
390 own name or under a trade name, directly or indirectly, as an  
391 insurance agency unless it complies with s. 626.172 with respect  
392 to possessing an insurance agency license for each place of  
393 business at which it engages in an activity that may be  
394 performed only by a licensed insurance agent. However, an  
395 insurance agency that is owned and operated by a single licensed  
396 agent conducting business in his or her individual name and not  
397 employing or otherwise using the services of or appointing other  
398 licensees shall be exempt from the agency licensing requirements  
399 of this subsection.

400 (b) A branch place of business that is established by a  
401 licensed agency is considered a branch agency and is not  
402 required to be licensed so long as it transacts business under  
403 the same name and federal tax identification number as the  
404 licensed agency and has designated with the department a  
405 licensed agent in charge of the branch location as required by  
406 s. 626.0428 and the address and telephone number of the branch  
407 location have been submitted to the department for inclusion in  
408 the licensing record of the licensed agency within 30 days after  
409 insurance transactions begin at the branch location.

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410 (c) If an agency is required to be licensed but fails to  
411 file an application for licensure in accordance with this  
412 section, the department shall impose on the agency an  
413 administrative penalty of up to \$10,000.

414 (d) Effective October 1, 2015, the department must  
415 automatically convert the registration of an approved registered  
416 insurance agency to an insurance agency license.

417 ~~(11)(8)~~ No insurance agent, insurance agency, or other  
418 person licensed under the Insurance Code may pay any fee or  
419 other consideration to an unlicensed person other than an  
420 insurance agency for the referral of prospective purchasers to  
421 an insurance agent which is in any way dependent upon whether  
422 the referral results in the purchase of an insurance product.

423 ~~(12)(9)~~ Any person who knowingly transacts insurance or  
424 otherwise engages in insurance activities in this state without  
425 a license in violation of this section commits a felony of the  
426 third degree, punishable as provided in s. 775.082, s. 775.083,  
427 or s. 775.084.

428 Section 11. Subsections (1) and (4) of section 626.171,  
429 Florida Statutes, are amended to read:

430 626.171 Application for license as an agent, customer  
431 representative, adjuster, umpire, service representative,  
432 managing general agent, or reinsurance intermediary.-

433 (1) The department may not issue a license as agent,  
434 customer representative, adjuster, umpire, service  
435 representative, managing general agent, or reinsurance  
436 intermediary to any person except upon written application filed  
437 with the department, meeting the qualifications for the license  
438 applied for as determined by the department, and payment in

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439 advance of all applicable fees. The application must be made  
440 under the oath of the applicant and be signed by the applicant.  
441 An applicant may permit a third party to complete, submit, and  
442 sign an application on the applicant's behalf, but is  
443 responsible for ensuring that the information on the application  
444 is true and correct and is accountable for any misstatements or  
445 misrepresentations. The department shall accept the uniform  
446 application for nonresident agent licensing. The department may  
447 adopt revised versions of the uniform application by rule.

448 (4) An applicant for a license as an agent, customer  
449 representative, adjuster, umpire, service representative,  
450 managing general agent, or reinsurance intermediary must submit  
451 a set of the individual applicant's fingerprints, or, if the  
452 applicant is not an individual, a set of the fingerprints of the  
453 sole proprietor, majority owner, partners, officers, and  
454 directors, to the department and must pay the fingerprint  
455 processing fee set forth in s. 624.501. Fingerprints shall be  
456 used to investigate the applicant's qualifications pursuant to  
457 s. 626.201. The fingerprints shall be taken by a law enforcement  
458 agency, designated examination center, or other department-  
459 approved entity. The department shall require all designated  
460 examination centers to have fingerprinting equipment and to take  
461 fingerprints from any applicant or prospective applicant who  
462 pays the applicable fee. The department may not approve an  
463 application for licensure as an agent, customer service  
464 representative, adjuster, umpire, service representative,  
465 managing general agent, or reinsurance intermediary if  
466 fingerprints have not been submitted.

467 Section 12. Subsection (9) of section 626.207, Florida



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468 Statutes, is amended to read:

469 626.207 Disqualification of applicants and licensees;  
470 penalties against licensees; rulemaking authority.—

471 (9) Section 112.011 does not apply to any applicants for  
472 licensure under the Florida Insurance Code, including, but not  
473 limited to, agents, agencies, adjusters, adjusting firms,  
474 umpires, customer representatives, or managing general agents.

475 Section 13. Subsections (1) and (2) of section 626.2815,  
476 Florida Statutes, are amended to read:

477 626.2815 Continuing education requirements.—

478 (1) The purpose of this section is to establish  
479 requirements and standards for continuing education courses for  
480 individuals licensed to solicit, sell, or adjust insurance or to  
481 serve as an umpire in the state.

482 (2) Except as otherwise provided in this section, this  
483 section applies to individuals licensed to transact ~~engage in~~  
484 ~~the sale of~~ insurance or adjust ~~adjustment of~~ insurance claims  
485 in this state for all lines of insurance for which an  
486 examination is required for licensing and to individuals  
487 licensed to serve as an umpire ~~each insurer, employer, or~~  
488 ~~appointing entity, including, but not limited to, those created~~  
489 ~~or existing pursuant to s. 627.351.~~ This section does not apply  
490 to an individual who holds a license for the sale of any line of  
491 insurance for which an examination is not required by the laws  
492 of this state or who holds a limited license as a crop or hail  
493 and multiple-peril crop insurance agent. Licensees who are  
494 unable to comply with the continuing education requirements due  
495 to active duty in the military may submit a written request for  
496 a waiver to the department.

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497 Section 14. Subsections (1), (3), (5), and (6) of section  
498 626.451, Florida Statutes, are amended to read:

499 626.451 Appointment of agent or other representative.—

500 (1) Each appointing entity or person designated by the  
501 department to administer the appointment process appointing an  
502 agent, adjuster, umpire, service representative, customer  
503 representative, or managing general agent in this state shall  
504 file the appointment with the department or office and, at the  
505 same time, pay the applicable appointment fee and taxes. Every  
506 appointment shall be subject to the prior issuance of the  
507 appropriate agent's, adjuster's, umpire's, service  
508 representative's, customer representative's, or managing general  
509 agent's license.

510 (3) By authorizing the effectuation of the appointment of  
511 an agent, adjuster, umpire, service representative, customer  
512 representative, or managing general agent the appointing entity  
513 is thereby certifying to the department that it is willing to be  
514 bound by the acts of the agent, adjuster, umpire, service  
515 representative, customer representative, or managing general  
516 agent, within the scope of the licensee's employment or  
517 appointment.

518 (5) Any law enforcement agency or state attorney's office  
519 that is aware that an agent, adjuster, umpire, service  
520 representative, customer representative, or managing general  
521 agent has pleaded guilty or nolo contendere to or has been found  
522 guilty of a felony shall notify the department or office of such  
523 fact.

524 (6) Upon the filing of an information or indictment against  
525 an agent, adjuster, umpire, service representative, customer

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526 representative, or managing general agent, the state attorney  
527 shall immediately furnish the department or office a certified  
528 copy of the information or indictment.

529 Section 15. Section 626.461, Florida Statutes, is amended  
530 to read:

531 626.461 Continuation of appointment of agent or other  
532 representative.—Subject to renewal or continuation by the  
533 appointing entity, the appointment of the agent, adjuster,  
534 umpire, service representative, customer representative, or  
535 managing general agent shall continue in effect until the  
536 person's license is revoked or otherwise terminated, unless  
537 written notice of earlier termination of the appointment is  
538 filed with the department or person designated by the department  
539 to administer the appointment process by either the appointing  
540 entity or the appointee.

541 Section 16. Subsection (3) of section 626.521, Florida  
542 Statutes, is amended to read:

543 626.521 Character, credit reports.—

544 (3) As to an applicant for an adjuster's, umpire's, or  
545 reinsurance intermediary's license who is to be self-employed,  
546 the department may secure, at the cost of the applicant, a full  
547 detailed credit and character report made by an established and  
548 reputable independent reporting service relative to the  
549 applicant.

550 Section 17. Subsection (1) of section 626.541, Florida  
551 Statutes, is amended to read:

552 626.541 Firm, corporate, and business names; officers;  
553 associates; notice of changes.—

554 (1) Any licensed agent, ~~or~~ adjuster, or umpire doing

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555 business under a firm or corporate name or under any business  
556 name other than his or her own individual name shall, within 30  
557 days after initially transacting ~~the initial transaction of~~  
558 insurance or engaging in insurance activities under such  
559 business name, file with the department, on forms adopted and  
560 furnished by the department, a written statement of the firm,  
561 corporate, or business name being so used, the address of any  
562 office or offices or places of business making use of such name,  
563 and the name and social security number of each officer and  
564 director of the corporation and of each individual associated in  
565 such firm or corporation as to the insurance transactions  
566 thereof or in the use of such business name.

567 Section 18. Subsection (1) of section 626.601, Florida  
568 Statutes, is amended to read:

569 626.601 Improper conduct; inquiry; fingerprinting.—

570 (1) The department or office may, upon its own motion or  
571 upon a written complaint signed by any interested person and  
572 filed with the department or office, inquire into any alleged  
573 improper conduct of any licensed, approved, or certified  
574 licensee, insurance agency, agent, adjuster, umpire, service  
575 representative, managing general agent, customer representative,  
576 title insurance agent, title insurance agency, mediator, neutral  
577 evaluator, navigator, continuing education course provider,  
578 instructor, school official, or monitor group under this code.  
579 The department or office may thereafter initiate an  
580 investigation of any such individual or entity if it has  
581 reasonable cause to believe that the individual or entity has  
582 violated any provision of the insurance code. During the course  
583 of its investigation, the department or office shall contact the

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584 individual or entity being investigated unless it determines  
585 that contacting such individual or entity could jeopardize the  
586 successful completion of the investigation or cause injury to  
587 the public.

588 Section 19. Subsection (1) of section 626.611, Florida  
589 Statutes, is amended to read:

590 626.611 Grounds for compulsory refusal, suspension, or  
591 revocation of agent's, title agency's, adjuster's, umpire's,  
592 customer representative's, service representative's, or managing  
593 general agent's license or appointment.—

594 (1) The department shall deny an application for, suspend,  
595 revoke, or refuse to renew or continue the license or  
596 appointment of any applicant, agent, title agency, adjuster,  
597 umpire, customer representative, service representative, or  
598 managing general agent, and it shall suspend or revoke the  
599 eligibility to hold a license or appointment of any such person,  
600 if it finds that as to the applicant, licensee, or appointee any  
601 one or more of the following applicable grounds exist:

602 (a) Lack of one or more of the qualifications for the  
603 license or appointment as specified in this code.

604 (b) Material misstatement, misrepresentation, or fraud in  
605 obtaining the license or appointment or in attempting to obtain  
606 the license or appointment.

607 (c) Failure to pass to the satisfaction of the department  
608 any examination required under this code.

609 (d) If the license or appointment is willfully used, or to  
610 be used, to circumvent any of the requirements or prohibitions  
611 of this code.

612 (e) Willful misrepresentation of any insurance policy or

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613 annuity contract or willful deception with regard to any such  
614 policy or contract, done either in person or by any form of  
615 dissemination of information or advertising.

616 (f) If, as an adjuster, or agent licensed and appointed to  
617 adjust claims under this code, he or she has materially  
618 misrepresented to an insured or other interested party the terms  
619 and coverage of an insurance contract with intent and for the  
620 purpose of effecting settlement of claim for loss or damage or  
621 benefit under such contract on less favorable terms than those  
622 provided in and contemplated by the contract.

623 (g) Demonstrated lack of fitness or trustworthiness to  
624 engage in the business of insurance.

625 (h) Demonstrated lack of reasonably adequate knowledge and  
626 technical competence to engage in the transactions authorized by  
627 the license or appointment.

628 (i) Fraudulent or dishonest practices in the conduct of  
629 business under the license or appointment.

630 (j) Misappropriation, conversion, or unlawful withholding  
631 of moneys belonging to insurers or insureds or beneficiaries or  
632 to others and received in conduct of business under the license  
633 or appointment.

634 (k) Unlawfully rebating, attempting to unlawfully rebate,  
635 or unlawfully dividing or offering to divide his or her  
636 commission with another.

637 (l) Having obtained or attempted to obtain, or having used  
638 or using, a license or appointment as agent or customer  
639 representative for the purpose of soliciting or handling  
640 "controlled business" as defined in s. 626.730 with respect to  
641 general lines agents, s. 626.784 with respect to life agents,

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642 and s. 626.830 with respect to health agents.

643 (m) Willful failure to comply with, or willful violation  
644 of, any proper order or rule of the department or willful  
645 violation of any provision of this code.

646 (n) Having been found guilty of or having pleaded guilty or  
647 nolo contendere to a felony or a crime punishable by  
648 imprisonment of 1 year or more under the law of the United  
649 States of America or of any state thereof or under the law of  
650 any other country which involves moral turpitude, without regard  
651 to whether a judgment of conviction has been entered by the  
652 court having jurisdiction of such cases.

653 (o) Fraudulent or dishonest practice in submitting or  
654 aiding or abetting any person in the submission of an  
655 application for workers' compensation coverage under chapter 440  
656 containing false or misleading information as to employee  
657 payroll or classification for the purpose of avoiding or  
658 reducing the amount of premium due for such coverage.

659 (p) Sale of an unregistered security that was required to  
660 be registered, pursuant to chapter 517.

661 (q) In transactions related to viatical settlement  
662 contracts as defined in s. 626.9911:

663 1. Commission of a fraudulent or dishonest act.

664 2. No longer meeting the requirements for initial  
665 licensure.

666 3. Having received a fee, commission, or other valuable  
667 consideration for his or her services with respect to viatical  
668 settlements that involved unlicensed viatical settlement  
669 providers or persons who offered or attempted to negotiate on  
670 behalf of another person a viatical settlement contract as

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671 defined in s. 626.9911 and who were not licensed life agents.

672 4. Dealing in bad faith with viators.

673 Section 20. Section 626.621, Florida Statutes, is amended  
674 to read:

675 626.621 Grounds for discretionary refusal, suspension, or  
676 revocation of agent's, adjuster's, umpire's, customer  
677 representative's, service representative's, or managing general  
678 agent's license or appointment.—The department may, in its  
679 discretion, deny an application for, suspend, revoke, or refuse  
680 to renew or continue the license or appointment of any  
681 applicant, agent, adjuster, umpire, customer representative,  
682 service representative, or managing general agent, and it may  
683 suspend or revoke the eligibility to hold a license or  
684 appointment of any such person, if it finds that as to the  
685 applicant, licensee, or appointee any one or more of the  
686 following applicable grounds exist under circumstances for which  
687 such denial, suspension, revocation, or refusal is not mandatory  
688 under s. 626.611:

689 (1) Any cause for which issuance of the license or  
690 appointment could have been refused had it then existed and been  
691 known to the department.

692 (2) Violation of any provision of this code or of any other  
693 law applicable to the business of insurance in the course of  
694 dealing under the license or appointment.

695 (3) Violation of any lawful order or rule of the  
696 department, commission, or office.

697 (4) Failure or refusal, upon demand, to pay over to any  
698 insurer he or she represents or has represented any money coming  
699 into his or her hands belonging to the insurer.



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700 (5) Violation of the provision against twisting, as defined  
701 in s. 626.9541(1)(1).

702 (6) In the conduct of business under the license or  
703 appointment, engaging in unfair methods of competition or in  
704 unfair or deceptive acts or practices, as prohibited under part  
705 IX of this chapter, or having otherwise shown himself or herself  
706 to be a source of injury or loss to the public.

707 (7) Willful overinsurance of any property or health  
708 insurance risk.

709 (8) Having been found guilty of or having pleaded guilty or  
710 nolo contendere to a felony or a crime punishable by  
711 imprisonment of 1 year or more under the law of the United  
712 States of America or of any state thereof or under the law of  
713 any other country, without regard to whether a judgment of  
714 conviction has been entered by the court having jurisdiction of  
715 such cases.

716 (9) If a life agent, violation of the code of ethics.

717 (10) Cheating on an examination required for licensure or  
718 violating test center or examination procedures published  
719 orally, in writing, or electronically at the test site by  
720 authorized representatives of the examination program  
721 administrator. Communication of test center and examination  
722 procedures must be clearly established and documented.

723 (11) Failure to inform the department in writing within 30  
724 days after pleading guilty or nolo contendere to, or being  
725 convicted or found guilty of, any felony or a crime punishable  
726 by imprisonment of 1 year or more under the law of the United  
727 States or of any state thereof, or under the law of any other  
728 country without regard to whether a judgment of conviction has

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729 been entered by the court having jurisdiction of the case.

730 (12) Knowingly aiding, assisting, procuring, advising, or  
731 abetting any person in the violation of or to violate a  
732 provision of the insurance code or any order or rule of the  
733 department, commission, or office.

734 (13) Has been the subject of or has had a license, permit,  
735 appointment, registration, or other authority to conduct  
736 business subject to any decision, finding, injunction,  
737 suspension, prohibition, revocation, denial, judgment, final  
738 agency action, or administrative order by any court of competent  
739 jurisdiction, administrative law proceeding, state agency,  
740 federal agency, national securities, commodities, or option  
741 exchange, or national securities, commodities, or option  
742 association involving a violation of any federal or state  
743 securities or commodities law or any rule or regulation adopted  
744 thereunder, or a violation of any rule or regulation of any  
745 national securities, commodities, or options exchange or  
746 national securities, commodities, or options association.

747 (14) Failure to comply with any civil, criminal, or  
748 administrative action taken by the child support enforcement  
749 program under Title IV-D of the Social Security Act, 42 U.S.C.  
750 ss. 651 et seq., to determine paternity or to establish, modify,  
751 enforce, or collect support.

752 (15) Directly or indirectly accepting any compensation,  
753 inducement, or reward from an inspector for the referral of the  
754 owner of the inspected property to the inspector or inspection  
755 company. This prohibition applies to an inspection intended for  
756 submission to an insurer in order to obtain property insurance  
757 coverage or establish the applicable property insurance premium.

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758 Section 21. Subsection (4) of section 626.641, Florida  
759 Statutes, is amended to read:

760 626.641 Duration of suspension or revocation.—

761 (4) During the period of suspension or revocation of a  
762 license or appointment, and until the license is reinstated or,  
763 if revoked, a new license issued, the former licensee or  
764 appointee may not engage in or attempt or profess to engage in  
765 any transaction or business for which a license or appointment  
766 is required under this code or directly or indirectly own,  
767 control, or be employed in any manner by an agent, agency,  
768 adjuster, ~~or~~ adjusting firm, or umpire.

769 Section 22. Subsection (2) of section 626.7845, Florida  
770 Statutes, is amended to read:

771 626.7845 Prohibition against unlicensed transaction of life  
772 insurance.—

773 (2) Except as provided in s. 626.112(9) ~~626.112(6)~~, with  
774 respect to any line of authority specified in s. 626.015(10), no  
775 individual shall, unless licensed as a life agent:

776 (a) Solicit insurance or annuities or procure applications;

777 (b) In this state, engage or hold himself or herself out as  
778 engaging in the business of analyzing or abstracting insurance  
779 policies or of counseling or advising or giving opinions to  
780 persons relative to insurance or insurance contracts other than:

781 1. As a consulting actuary advising an insurer; or

782 2. As to the counseling and advising of labor unions,  
783 associations, trustees, employers, or other business entities,  
784 the subsidiaries and affiliates of each, relative to their  
785 interests and those of their members or employees under  
786 insurance benefit plans; or

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787 (c) In this state, from this state, or with a resident of  
788 this state, offer or attempt to negotiate on behalf of another  
789 person a viatical settlement contract as defined in s. 626.9911.

790 Section 23. Section 626.8305, Florida Statutes, is amended  
791 to read:

792 626.8305 Prohibition against the unlicensed transaction of  
793 health insurance.—Except as provided in s. 626.112(9)  
794 ~~626.112(6)~~, with respect to any line of authority specified in  
795 s. 626.015(6), no individual shall, unless licensed as a health  
796 agent:

797 (1) Solicit insurance or procure applications; or

798 (2) In this state, engage or hold himself or herself out as  
799 engaging in the business of analyzing or abstracting insurance  
800 policies or of counseling or advising or giving opinions to  
801 persons relative to insurance contracts other than:

802 (a) As a consulting actuary advising insurers; or

803 (b) As to the counseling and advising of labor unions,  
804 associations, trustees, employers, or other business entities,  
805 the subsidiaries and affiliates of each, relative to their  
806 interests and those of their members or employees under  
807 insurance benefit plans.

808 Section 24. Paragraph (a) of subsection (2) of section  
809 626.8411, Florida Statutes, is amended to read:

810 626.8411 Application of Florida Insurance Code provisions  
811 to title insurance agents or agencies.—

812 (2) The following provisions of part I do not apply to  
813 title insurance agents or title insurance agencies:

814 (a) Section 626.112(10) ~~626.112(7)~~, relating to licensing  
815 of insurance agencies.

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816 Section 25. Subsection (4) of section 626.8443, Florida  
817 Statutes, is amended to read:

818 626.8443 Duration of suspension or revocation.—

819 (4) During the period of suspension or after revocation of  
820 the license and appointment, the former licensee shall not  
821 engage in or attempt to profess to engage in any transaction or  
822 business for which a license or appointment is required under  
823 this code or directly or indirectly own, control, or be employed  
824 in any manner by any insurance agent or agency, ~~or~~ adjuster, ~~or~~  
825 adjusting firm, or umpire.

826 Section 26. Paragraph (d) is added to subsection (11) of  
827 section 626.854, Florida Statutes, to read:

828 626.854 "Public adjuster" defined; prohibitions.—The  
829 Legislature finds that it is necessary for the protection of the  
830 public to regulate public insurance adjusters and to prevent the  
831 unauthorized practice of law.

832 (11)

833 (d) If a public adjuster enters into a contract with an  
834 insured or a claimant to perform an appraisal, as defined in s.  
835 626.9964, the public adjuster may not charge, agree to, or  
836 accept from any source compensation, payment, commission, fee,  
837 or any other thing of value in excess of the limitations set  
838 forth in paragraph (b) for the appraisal services or, if also  
839 serving as adjuster on the claim, a combination of adjuster and  
840 appraisal services.

841 Section 27. Section 626.8791, Florida Statutes, is created  
842 to read:

843 626.8791 Contracts for appraisal services; required  
844 notice.—A contract between an adjuster and an insured or

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845 claimant to perform an appraisal must contain the following  
 846 language in at least 14-point boldfaced, uppercase type: "THERE  
 847 IS NO LEGAL REQUIREMENT THAT AN APPRAISER CHARGE A CLIENT A SET  
 848 FEE OR A PERCENTAGE OF MONEY RECOVERED IN A CASE. YOU, THE  
 849 CLIENT, HAVE THE RIGHT TO TALK WITH YOUR APPRAISER ABOUT THE  
 850 PROPOSED FEE AND TO BARGAIN ABOUT THE RATE OR PERCENTAGE AS IN  
 851 ANY OTHER CONTRACT. IF YOU DO NOT REACH AN AGREEMENT WITH ONE  
 852 APPRAISER, YOU MAY TALK WITH OTHER APPRAISERS."

853 Section 28. Subsection (1) of section 626.9957, Florida  
 854 Statutes, is amended to read:

855 626.9957 Conduct prohibited; denial, revocation, or  
 856 suspension of registration.—

857 (1) As provided in s. 626.112, only a person licensed as an  
 858 insurance agent or customer representative may engage in the  
 859 solicitation of insurance. A person who engages in the  
 860 solicitation of insurance as described in s. 626.112(1) without  
 861 such license is subject to the penalties provided under s.  
 862 626.112(12) ~~626.112(9)~~.

863 Section 29. Part XIV of chapter 626, Florida Statutes,  
 864 consisting of sections 626.9961 through 626.9968, is created to  
 865 read:

866 PART XIV

867 PROPERTY INSURANCE APPRAISAL UMPIRES

868 626.9961 Short title.—This part may be referred to as the  
 869 "Property Insurance Appraisal Umpire Law."

870 626.9962 Legislative findings.—The Legislature finds it  
 871 necessary to regulate persons that hold themselves out to the  
 872 public as qualified to provide services as property insurance  
 873 appraisal umpires in order to protect the public safety and

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874 welfare and to avoid economic injury to the residents of this  
875 state. This part applies only to property insurance appraisal  
876 umpires as defined in this part.

877 626.9963 Part supplements licensing law.—This part is  
878 supplementary to part I, the “Licensing Procedures Law.”

879 626.9964 Definitions.—As used in this part, the term:

880 (1) “Appraisal” means, for purposes of licensure under this  
881 part only, a process of alternative dispute resolution used in a  
882 personal residential or commercial residential property  
883 insurance claim.

884 (2) “Competent” means sufficiently qualified and capable of  
885 performing an appraisal.

886 (3) “Department” means the Department of Financial  
887 Services.

888 (4) “Property insurance appraisal umpire” or “umpire” means  
889 a person selected by the appraisers representing the insurer and  
890 the insured, or, if the appraisers cannot agree, by the court,  
891 who is charged with resolving issues that the appraisers are  
892 unable to agree upon during the course of an appraisal.

893 (5) “Property insurance appraiser” or “appraiser” means the  
894 person selected by an insurer or insured to perform an  
895 appraisal.

896 626.9965 Qualification for license as a property insurance  
897 appraisal umpire.—

898 (1) The department shall issue a license as an umpire to a  
899 person who meets the requirements of subsection (2) and is one  
900 of the following:

901 (a) A retired county, circuit, or appellate judge.

902 (b) Licensed as an engineer pursuant to chapter 471 or is a

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903 retired professional engineer as defined in s. 471.005.

904 (c) Licensed as a general contractor, building contractor,  
905 or residential contractor pursuant to part I of chapter 489.

906 (d) Licensed or registered as an architect to engage in the  
907 practice of architecture pursuant to part I of chapter 481.

908 (e) A member of The Florida Bar.

909 (f) Licensed as an adjuster pursuant to part VI of chapter  
910 626, which license includes the property and casualty lines of  
911 insurance. An adjuster must have been licensed for at least 5  
912 years as an adjuster before he or she may be licensed as an  
913 umpire.

914 (2) An applicant may be licensed to practice in this state  
915 as an umpire if the applicant:

916 (a) Is a natural person at least 18 years of age;

917 (b) Is a United States citizen or legal alien who possesses  
918 work authorization from the United States Bureau of Citizenship  
919 and Immigration;

920 (c) Is of good moral character;

921 (d) Has paid the applicable fees specified in s. 624.501;  
922 and

923 (e) Has, before the date of the application for licensure,  
924 satisfactorily completed education courses approved by the  
925 department covering:

926 1. At least 19 hours of insurance claims estimating; and

927 2. At least 5 hours of insurance law, ethics for insurance  
928 professionals, disciplinary trends, and case studies.

929  
930 A retired county, circuit, or appellate judge is exempt from the  
931 continuing education requirements in s. 626.2815 and this



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932 subsection.

933 (3) The department may not reject an application solely  
934 because the applicant is or is not a member of a given appraisal  
935 organization.

936 626.9966 Grounds for refusal, suspension, or revocation of  
937 an umpire license or appointment.—The department may deny an  
938 application for license or appointment under this part; suspend,  
939 revoke, or refuse to renew or continue a license or appointment  
940 of an umpire; or suspend or revoke eligibility for licensure or  
941 appointment as an umpire if the department finds that one or  
942 more of the following applicable grounds exist:

943 (1) Violating a duty imposed upon him or her by law or by  
944 the terms of the umpire agreement; aiding, assisting, or  
945 conspiring with any other person engaged in any such misconduct  
946 and in furtherance thereof; or forming the intent, design, or  
947 scheme to engage in such misconduct and committing an overt act  
948 in furtherance of such intent, design, or scheme. An umpire  
949 commits a violation of this part regardless of whether the  
950 victim or intended victim of the misconduct has sustained any  
951 damage or loss; the damage or loss has been settled and paid  
952 after the discovery of misconduct; or the victim or intended  
953 victim is an insurer or customer or a person in a confidential  
954 relationship with the umpire or is an identified member of the  
955 general public.

956 (2) Having a registration, license, or certification to  
957 practice or conduct any regulated profession, business, or  
958 vocation revoked, suspended, or encumbered; or having an  
959 application for such registration, licensure, or certification  
960 to practice or conduct any regulated profession, business, or

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961 vocation denied, by this or any other state, any nation, or any  
962 possession or district of the United States.

963 (3) Making or filing a report or record, written or oral,  
964 which the umpire knows to be false; willfully failing to file a  
965 report or record required by state or federal law; willfully  
966 impeding or obstructing such filing; or inducing another person  
967 to impede or obstruct such filing.

968 (4) Agreeing to serve as an umpire if service is contingent  
969 upon the umpire reporting a predetermined amount, analysis, or  
970 opinion.

971 (5) Agreeing to serve as an umpire, if the fee to be paid  
972 for his or her services is contingent upon the opinion,  
973 conclusion, or valuation he or she reaches.

974 (6) Failure of an umpire, without good cause, to  
975 communicate within 10 business days after a request for  
976 communication from an appraiser.

977 (7) Violation of any ethical standard for umpires specified  
978 in s. 626.9967.

979 626.9967 Ethical standards for property insurance appraisal  
980 umpires.-

981 (1) FEES AND EXPENSES.-

982 (a) The fees charged by an umpire must be reasonable and  
983 consistent with the nature of the case.

984 (b) In determining fees, an umpire:

985 1. Must charge on an hourly basis and may bill only for  
986 actual time spent on or allocated for the appraisal.

987 2. May not charge, agree to, or accept as compensation or  
988 reimbursement any payment, commission, or fee that is based on a  
989 percentage of the value of the claim or that is contingent upon

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990 a specified outcome.

991 3. May charge for costs actually incurred, and no other  
992 costs.

993 4. May not charge more than \$500 if the amount reported by  
994 the appraiser for the insurer or by the appraiser for the  
995 insured does not exceed \$2,500.

996 (c) An appraiser may assign the duty of paying the umpire's  
997 fee to, and the umpire is entitled to receive payment directly  
998 from, the insurer and the insured only if the insurer and the  
999 insured acknowledge and accept that duty and agree in writing to  
1000 be responsible for payment.

1001 (2) MAINTENANCE OF RECORDS.—An umpire shall maintain  
1002 records necessary to support charges for services and expenses,  
1003 and, upon request, shall provide an accounting of all applicable  
1004 charges to the insurer and insured. An umpire shall retain  
1005 original or true copies of any contracts engaging his or her  
1006 services, appraisal reports, and supporting data assembled and  
1007 formulated by the umpire in preparing appraisal reports for at  
1008 least 5 years. The umpire shall make the records available to  
1009 the department for inspection and copying within 7 business days  
1010 after a request. If an appraisal has been the subject of, or has  
1011 been admitted as evidence in, a lawsuit, reports and records  
1012 related to the appraisal must be retained for at least 2 years  
1013 after the date that the trial ends.

1014 (3) ADVERTISING.—An umpire may not engage in marketing  
1015 practices that contain false or misleading information. An  
1016 umpire shall ensure that any advertisement of his or her  
1017 qualifications, services to be rendered, or the appraisal  
1018 process are accurate and honest. An umpire may not make claims

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1019 of achieving specific outcomes or promises implying favoritism  
1020 for the purpose of obtaining business.

1021 (4) INTEGRITY AND IMPARTIALITY.—

1022 (a)1. An umpire may not accept an appraisal unless he or  
1023 she can serve competently, promptly commence the appraisal and,  
1024 thereafter, devote the time and attention to its completion in  
1025 the manner expected by all persons involved in the appraisal.

1026 2. An umpire shall conduct the appraisal process in a  
1027 manner that advances the fair and efficient resolution of issues  
1028 that arise.

1029 3. An umpire shall deliberate and decide all issues within  
1030 the scope of the appraisal, but may not render a decision on any  
1031 other issues. An umpire shall decide all matters justly,  
1032 exercising independent judgment. An umpire may not delegate his  
1033 or her duties to any other person. An umpire who considers the  
1034 opinion of an expert does not violate this paragraph. However,  
1035 the umpire must disclose the expert's fees before retaining the  
1036 expert.

1037 (b) An umpire may not engage in any business, provide any  
1038 service, or perform any act that would compromise his or her  
1039 integrity or impartiality.

1040 (5) SKILL AND EXPERIENCE.—An umpire shall decline or  
1041 withdraw from an appraisal or request appropriate assistance  
1042 when the facts and circumstances of the appraisal prove to be  
1043 beyond his or her skill or experience.

1044 (6) GIFTS AND SOLICITATION.—An umpire or any individual or  
1045 entity acting on behalf of an umpire may not solicit, accept,  
1046 give, or offer to give, directly or indirectly, any gift, favor,  
1047 loan, or other item of value in excess of \$25 to any individual

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1048 who participates in the appraisal, for the purpose of  
1049 solicitation or otherwise attempting to procure future work from  
1050 any person who participates in the appraisal, or as an  
1051 inducement to entering into an appraisal with an umpire. This  
1052 subsection does not prevent an umpire from accepting other  
1053 appraisals where the appraisers agree upon the umpire or the  
1054 court appoints the umpire.

1055 (7) EX PARTE COMMUNICATION.—In any property insurance  
1056 appraisal, ex parte communication between an umpire and an  
1057 appraiser is prohibited. However, an appraiser may communicate  
1058 with another appraiser, if an umpire is not present or does not  
1059 receive the ex parte communication.

1060 626.9968 Conflicts of interest.—An insurer or a  
1061 policyholder may challenge an umpire's impartiality and  
1062 disqualify the proposed umpire only if:

1063 (1) A familial relationship within the third degree exists  
1064 between the umpire and a party or a representative of a party;

1065 (2) The umpire has previously represented a party in a  
1066 professional capacity in the same claim or matter involving the  
1067 same property;

1068 (3) The umpire has represented another person in a  
1069 professional capacity in the same or a substantially related  
1070 matter that includes the claim, the same property or an adjacent  
1071 property, and the other person's interests are materially  
1072 adverse to the interests of a party;

1073 (4) The umpire has worked as an employer or employee of a  
1074 party within the preceding 5 years; or

1075 (5) The umpire has violated s. 626.9966.

1076 Section 30. Section 627.70151, Florida Statutes, is

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1077 repealed.

1078       Section 31. For the 2016-2017 fiscal year, the sums of  
1079 \$24,000 in recurring funds from the Insurance Regulatory Trust  
1080 Fund and \$73,107 in recurring funds and \$39,230 in nonrecurring  
1081 funds from the Administrative Trust Fund are appropriated to the  
1082 Department of Financial Services, and one full-time equivalent  
1083 position with associated salary rate of 47,291 is authorized,  
1084 for the purpose of implementing this act.

1085       Section 32. This act applies to all appraisals requested on  
1086 or after October 1, 2016.

1087       Section 33. This act shall take effect October 1, 2016.