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CS/CS/HB 925, Engrossed 2

2017 Legislature

1
2 An act relating to the Department of Financial
3 Services; amending s. 17.575, F.S.; replacing, within
4 the Division of Treasury, the Treasury Investment
5 Committee with the Treasury Investment Council;
6 specifying the composition and term length of members;
7 specifying duties of the council; providing that
8 members shall serve without additional compensation or
9 honorarium but may receive per diem and travel expense
10 reimbursement; amending s. 215.422, F.S.; providing
11 applicability of certain requirements relating to
12 payments, warrants, and invoices to payments made in
13 relation to certain agreements funded with federal or
14 state assistance; reordering and amending s. 554.1021,
15 F.S.; defining and redefining terms; requiring the
16 Department of Financial Services to adopt rules;
17 authorizing the inspection of certain boilers by
18 authorized inspection agencies; amending s. 554.103,
19 F.S.; requiring, rather than authorizing, the
20 department to adopt amendments and interpretations of
21 a specified code into the State Boiler Code; revising
22 requirements that installers, rather than owners, must
23 comply with before installing a boiler that is placed
24 in use after a specified date; authorizing the
25 department to adopt rules; conforming provisions to

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26 | changes made by the act; amending s. 554.104, F.S.;

27 | deleting a provision relating to boilers of special

28 | design which is recreated in s. 554.103, F.S.;

29 | requiring certification of boiler inspectors;

30 | requiring an application for a certification

31 | examination; specifying qualifications and

32 | requirements for the certification examination;

33 | requiring the department to adopt a specified training

34 | course; providing authorized methods and requirements

35 | for the training course; requiring the chief boiler

36 | inspector to issue a certificate of competency to a

37 | person meeting certain requirements; providing

38 | procedures for renewing a certificate; authorizing the

39 | department to adopt rules; amending s. 554.105, F.S.;

40 | renaming the chief inspector as the chief boiler

41 | inspector; revising requirements for the department

42 | through the state boiler inspection program; amending

43 | s. 554.106, F.S.; renaming deputy inspectors as deputy

44 | boiler inspectors; specifying required and authorized

45 | duties of deputy boiler inspectors; amending s.

46 | 554.107, F.S.; renaming special inspectors as special

47 | boiler inspectors; revising entities that may employ

48 | special boiler inspectors; specifying required

49 | inspection intervals for special boiler inspectors;

50 | amending s. 554.108, F.S.; providing an exemption,

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51 under certain conditions, from inspection
 52 requirements; specifying duties of an owner or an
 53 owner's designee to allow an inspector to conduct
 54 inspections; specifying requirements for boiler
 55 inspections and inspection reports; revising
 56 conditions that require a boiler to be shut down;
 57 revising requirements and procedures for a boiler that
 58 must be shut down; providing construction; authorizing
 59 the department to adopt rules; creating s. 554.1081,
 60 F.S.; revising requirements for boiler inspections by
 61 insurance companies and local governmental agencies;
 62 amending s. 554.109, F.S.; conforming provisions to
 63 changes made by the act; revising the boilers that are
 64 exempt from regulation under the chapter; revising
 65 requirements for certain exempt boilers and water
 66 heaters; amending s. 554.1101, F.S.; conforming
 67 provisions to changes made by the act; requiring a
 68 boiler insurance company to notify, within a specified
 69 timeframe, the chief boiler inspector under certain
 70 circumstances; requiring a certificateholder to submit
 71 a certain certificate of insurance to the chief boiler
 72 inspector under certain circumstances; amending s.
 73 554.111, F.S.; requiring an application for a boiler
 74 permit to include a specified fee; requiring the chief
 75 boiler inspector to deposit fines into a specified

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76 trust fund; conforming provisions to changes made by
77 the act; repealing ss. 554.112 and 554.113, F.S.,
78 relating to examinations, and certification of
79 inspectors and renewals, respectively; amending s.
80 554.114, F.S.; revising prohibited acts; providing
81 penalties for a boiler insurance company or authorized
82 inspection agency that fails to conduct certain
83 inspections; providing an exception; conforming
84 provisions to changes made by the act; amending s.
85 554.115, F.S.; adding authorized disciplinary actions
86 for the department; adding specified grounds for
87 disciplinary action against an owner of a boiler;
88 revising grounds for disciplinary action against a
89 boiler inspector; deleting a provision requiring a
90 chief inspector to report certain persons to the state
91 attorney; deleting a provision authorizing certain
92 administrative action by the chief inspector; deleting
93 a provision relating to the duration of a suspended
94 certificate of compliance; creating s. 554.1151, F.S.;
95 authorizing the department to impose specified
96 administrative fines in lieu of or in addition to
97 certain disciplinary actions; authorizing procedures
98 for payment of fines by a certificateholder; requiring
99 a certificate to be revoked under certain
100 circumstances; amending s. 624.307, F.S.; authorizing

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101 the department to expend funds for professional
102 development of its employees; amending s. 626.015,
103 F.S.; defining terms; conforming a cross-reference;
104 amending s. 626.207, F.S.; defining the term
105 "applicant"; revising a list of felonies subject to a
106 permanent bar from licensure; revising a condition for
107 when certain disqualifying periods begin; conforming
108 cross-references; providing an exception from a
109 permanent bar on or disqualifying periods for cases of
110 executive clemency; providing construction; amending
111 s. 626.221, F.S.; providing an exception from an
112 examination requirement for an all-lines adjuster
113 license applicant with a specified designation;
114 amending s. 626.2815, F.S.; specifying the education
115 hours that may be completed to meet continuing
116 education requirements for such a designation;
117 amending s. 626.8734, F.S.; providing an exception
118 from an examination requirement for nonresident all-
119 lines adjuster license applicants who hold certain
120 certifications; amending s. 626.9954, F.S.; revising a
121 list of felonies subject to a permanent bar from
122 licensure; revising conditions for when certain
123 disqualifying periods begin; conforming cross-
124 references; providing an exception from a permanent
125 bar on or disqualifying periods for cases of executive

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126 clemency; providing construction; amending s.
 127 626.2815, F.S.; authorizing the department to approve
 128 a certain number of elective continuing education
 129 credits for certain insurance licensees; providing an
 130 exception from a certain continuing education
 131 requirement for such licensees; amending s. 626.611,
 132 F.S.; deleting a condition for the involvement of
 133 moral turpitude in felonies or certain crimes in
 134 relation to compulsory disciplinary actions by the
 135 department against certain entities' licenses or
 136 appointments; conforming a cross-reference; amending
 137 s. 626.621, F.S.; revising grounds for the
 138 department's discretionary refusal, suspension, or
 139 revocation of the license or appointment of certain
 140 persons; amending s. 626.7845, F.S.; revising an
 141 exception to the prohibition against the unlicensed
 142 transaction of life insurance; conforming a cross-
 143 reference; amending s. 626.8305, F.S.; revising an
 144 exception to the prohibition against the unlicensed
 145 transaction of health insurance; conforming a cross-
 146 reference; amending s. 626.861, F.S.; authorizing
 147 certain insurer employees to adjust specified claim
 148 losses or damage; amending s. 626.9543, F.S.; removing
 149 the scheduled expiration of a requirement for insurers
 150 to permit claims from a Holocaust victim or certain

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151 related persons irrespective of certain conditions;
 152 removing the scheduled expiration of an exception from
 153 statutes of limitations or laches for certain actions
 154 brought by Holocaust victims or certain related
 155 persons; amending s. 633.516, F.S.; authorizing the
 156 Division of State Fire Marshal within the division to
 157 contract for studies of, rather than to make a
 158 continuous study of, occupational diseases of
 159 firefighters; adding persons in other fire-related
 160 fields to such studies; authorizing the division to
 161 release confidential information of an individual
 162 firefighter or a person in another fire-related field
 163 to certain parties under certain circumstances;
 164 amending s. 768.28, F.S.; providing exceptions in tort
 165 claims against a county from requirements that a
 166 claimant present the written claim to the department
 167 within a specified timeframe and serve process upon
 168 the department; amending ss. 288.706, 626.7315, and
 169 627.351, F.S.; conforming cross-references; providing
 170 an effective date.

171
 172 Be It Enacted by the Legislature of the State of Florida:

173
 174 Section 1. Section 17.575, Florida Statutes, is amended to
 175 read:

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176 17.575 Administration of funds; Treasury Investment
177 Council ~~Committee~~.—

178 (1) There is created a Treasury Investment Council
179 ~~Committee~~ within the Division of Treasury consisting of at least
180 five members, at least three of whom are professionals from the
181 private sector, who must possess special knowledge, experience,
182 and familiarity in finance, investments, or accounting. The
183 members of the council ~~committee~~ shall be appointed by and
184 serve at the pleasure of the Chief Financial Officer. Each
185 member shall serve a term of 4 years from the date of
186 appointment. The council ~~committee~~ shall annually elect a chair
187 and vice chair from among its members ~~membership~~.

188 (2) The council shall review the investments required by
189 s. 17.57; meet with staff of the Division of Treasury at least
190 biannually; and provide recommendations to the Division of
191 Treasury and the Chief Financial Officer regarding investment
192 policy, strategy, and procedures ~~The committee shall administer~~
193 ~~the Treasury Investment Program consistent with policies~~
194 ~~approved by the Chief Financial Officer for deposits and~~
195 ~~investments of public funds. The committee shall also make~~
196 ~~recommendations regarding investment policy to the Chief~~
197 ~~Financial Officer.~~

198 (3) Members of the council shall serve without additional
199 compensation or honorarium, but may receive per diem and
200 reimbursement for travel expenses as provided in s. 112.061 ~~The~~

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201 ~~committee shall submit an annual report outlining its activities~~
202 ~~and recommendations to the Chief Financial Officer and the Joint~~
203 ~~Legislative Auditing Committee. The report shall be submitted on~~
204 ~~August 15, 2009, and annually thereafter.~~

205 Section 2. Present subsections (14) through (16) of
206 section 215.422, Florida Statutes, are redesignated as
207 subsections (15) through (17), respectively, and a new
208 subsection (14) is added to that section, to read:

209 215.422 Payments, warrants, and invoices; processing time
210 limits; dispute resolution; agency or judicial branch
211 compliance.-

212 (14) All requirements set forth in this section apply to
213 payments made in accordance with s. 215.971.

214 Section 3. Section 554.1021, Florida Statutes, is
215 reordered and amended to read:

216 554.1021 Definitions.-As used in this chapter, the term
217 ~~ss. 554.1011-554.115:~~

218 (3)(1) "Boiler" means a closed vessel in which water or
219 other liquid is heated, steam or vapor is generated, steam is
220 superheated, or any combination of these functions is
221 accomplished, under pressure or vacuum, for use external to
222 itself, by the direct application of energy from the combustion
223 of fuels or from electricity or solar energy. The term "boiler"
224 includes fired units for heating or vaporizing liquids other
225 than water where these units are separate from processing

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226 systems and are complete within themselves. The varieties of
 227 boilers are as follows:

228 (f)~~(a)~~ "Power boiler" means a boiler in which steam or
 229 other vapor is generated at a pressure of more than 15 psig.

230 (b) "High pressure, high temperature water boiler" means a
 231 water boiler operating at pressures exceeding 160 psig or
 232 temperatures exceeding 250 °F.

233 (a)~~(e)~~ "Heating boiler" means a steam or vapor boiler
 234 operating at pressures not exceeding 15 psig, or a hot water
 235 boiler operating at pressures not exceeding 160 psig or
 236 temperatures not exceeding 250 °F.

237 (c)~~(d)~~ "Hot water supply boiler" means a boiler or a lined
 238 storage water heater supplying heated water for use external to
 239 itself operating at a pressure not exceeding 160 psig or
 240 temperature not exceeding 250 °F.

241 (g)~~(e)~~ "Secondhand boiler" means a boiler that has changed
 242 ownership and location subsequent to its original installation
 243 and use.

244 (d) "Inservice boiler" means a boiler placed in use after
 245 test firing and required inspections have been satisfactorily
 246 completed.

247 (e) "Operating boiler" means a boiler connected and ready
 248 for use.

249 (h) "Secured boiler" means a boiler that has been:
 250 1. Physically disconnected from the system, including

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251 disconnection from fuel, water, steam, electricity, and stack;
 252 or

253 2. Locked out and tagged out in accordance with the
 254 Occupational Safety and Health Administration's standard
 255 relating to the control of hazardous energy and lockout or
 256 tagout in 29 C.F.R. s. 1910.147, as adopted by rule of the
 257 department.

258 (9)(2) "Public assembly locations" includes ~~include~~
 259 schools, day care centers, community centers, churches,
 260 theaters, hospitals, nursing and convalescent homes, stadiums,
 261 amusement parks, and other locations open to the general public.

262 (5)(3) "Certificate inspection" means an inspection whose
 263 ~~the report of which~~ is used by the chief boiler inspector to
 264 determine whether or not a certificate of operation may be
 265 issued.

266 (7)(4) "Certificate of operation ~~compliance~~" means a
 267 document issued to the owner of a boiler which authorizes the
 268 owner to operate the boiler, subject to any restrictions
 269 endorsed thereon.

270 (6)(5) "Certificate of competency" means a document issued
 271 to a person who has satisfied the minimum competency
 272 requirements for boiler inspectors under this chapter ~~ss.~~
 273 ~~554.1011-554.115.~~

274 (8)(6) "Department" means the Department of Financial
 275 Services.

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276 (1) ~~(7)~~ "A.S.M.E." means the American Society of Mechanical
 277 Engineers.

278 (2) "Authorized inspection agency" means:

279 (a) Any county, municipality, town, or other governmental
 280 subdivision that has adopted into law the Boiler and Pressure
 281 Vessel Code of the A.S.M.E. and the National Board Inspection
 282 Code for the construction, installation, inspection,
 283 maintenance, and repair of boilers to regulate boilers in public
 284 assembly locations, and whose boiler inspectors hold valid
 285 certificates of competency in accordance with s. 554.104;

286 (b) An insurer authorized by a subsisting certificate of
 287 authority, issued by the Office of Insurance Regulation, to
 288 transact boiler and machinery insurance in this state, and whose
 289 boiler inspectors hold valid certificates of competency in
 290 accordance with s. 554.104; or

291 (c) An inspecting agency accredited in accordance with the
 292 National Board of Boiler and Pressure Vessel Inspector's program
 293 entitled "Accreditation of Authorized Inspection Agencies (AIA)
 294 Performing Inservice or Repair/Alteration Inspection
 295 Activities," document number NB-369, and whose boiler inspectors
 296 hold valid certificates of competency in accordance with s.
 297 554.104. The department shall by rule require an inspection
 298 agency authorized pursuant to this paragraph to maintain
 299 financial security adequate to indemnify the owner of the boiler
 300 if such agency's negligence or failure to inspect an uninsured

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301 boiler results in a loss. Such inspection agency may inspect
 302 uninsured boilers or, at the direction of an insurance company,
 303 may inspect a boiler insured by that insurance company.

304 (4) "Boiler insurance company" means a company authorized
 305 by a subsisting certificate of authority, issued by the Office
 306 of Insurance Regulation, to transact boiler and machinery
 307 insurance in this state.

308 Section 4. Section 554.103, Florida Statutes, is amended
 309 to read:

310 554.103 Boiler code.—The department shall adopt by rule a
 311 State Boiler Code for the safe construction, installation,
 312 inspection, maintenance, and repair of boilers in this state.
 313 The rules adopted shall be based upon and shall at all times
 314 follow generally accepted nationwide engineering standards,
 315 formulas, and practices pertaining to boiler construction and
 316 safety.

317 (1) The department shall adopt an existing code for new
 318 construction and installation known as the Boiler and Pressure
 319 Vessel Code of the American Society of Mechanical Engineers,
 320 including all amendments and interpretations ~~approved thereto by~~
 321 ~~the Council on Codes and Standards of A.S.M.E.~~ The department
 322 ~~may adopt amendments and interpretations~~ to the A.S.M.E. Boiler
 323 and Pressure Vessel Code approved by the A.S.M.E. Council on
 324 Codes and Standards subsequent to the adoption of the State
 325 Boiler Code, and when so adopted by the department, such

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326 amendments and interpretations ~~shall~~ become a part of the State
327 Boiler Code.

328 (2) The installer ~~owner~~ of any boiler placed in use in
329 this state after January 1, 2018, must, before installing the
330 boiler, apply on a form adopted by rule of the department for a
331 permit to install the boiler from the chief boiler inspector.
332 The application must include the boiler's A.S.M.E.
333 manufacturer's data report and other documents required by the
334 State Boiler Code before the boiler is placed in service. The
335 installer must contact the chief boiler inspector to schedule an
336 inspection for each boiler no later than 7 days before the
337 boiler is placed in service ~~after October 1, 1987, shall submit~~
338 ~~the A.S.M.E. manufacturer's data report on such boiler to the~~
339 ~~chief inspector not more than 90 days following the inservice~~
340 ~~date of the boiler.~~

341 (3) The maximum allowable working pressure of a boiler
342 carrying the A.S.M.E. code symbol must ~~shall~~ be determined by
343 the applicable sections of the code under which it was
344 constructed and stamped. Subject to the concurrence of the chief
345 boiler inspector, such boiler may be rerated in accordance with
346 the standards of the State Boiler Code.

347 (4) The maximum allowable working pressure of a boiler
348 that ~~which~~ does not carry the A.S.M.E. code symbol must ~~shall~~ be
349 computed in accordance with the standards of the State Boiler
350 Code.

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351 (5) This chapter may not ~~Nothing in ss. 554.1011-554.115~~
 352 ~~shall~~ be construed to in any way prevent the use, sale, or
 353 reinstallation of a boiler if such boiler has been made to
 354 conform to the applicable provisions of the State Boiler Code
 355 governing existing installations and if, upon inspection, the
 356 boiler has been found to be in a safe condition.

357 (6) The department, at its discretion, may authorize the
 358 construction, installation, and operation of boilers of special
 359 design or construction which do not meet the specific
 360 requirements of the State Boiler Code, but which are consistent
 361 with the intent of the safety objectives of the code.

362 (7) The department may adopt rules pursuant to ss.
 363 120.536(1) and 120.54 to administer this chapter. Such rules may
 364 include specifying the procedures and forms to be used to obtain
 365 an installation permit, an initial certificate, or a renewal
 366 certificate, and the submission of reports and notices required
 367 under this chapter.

368 Section 5. Section 554.104, Florida Statutes, is amended
 369 to read:

370 554.104 Certification of boiler inspectors required;
 371 application; qualifications; renewal ~~Boilers of special design.-~~
 372 ~~The department, at its discretion, may authorize the~~
 373 ~~construction, installation, and operation of boilers of special~~
 374 ~~design or construction that do not meet the specific~~
 375 ~~requirements of the State Boiler Code but are not inconsistent~~

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376 | ~~with the intent of the safety objectives of such code.~~

377 | (1) CERTIFICATE REQUIRED.—A person may not be, act as, or
 378 | advertise or hold himself or herself out to be an inspector of a
 379 | boiler that is subject to regulation by this chapter, unless he
 380 | or she currently holds a certificate of competency issued by the
 381 | department.

382 | (2) APPLICATION.—A person who desires to be certified to
 383 | inspect boilers that are subject to regulation by this chapter
 384 | must apply in writing to the department to take the
 385 | certification examination.

386 | (3) QUALIFICATIONS.—A person is qualified to take the
 387 | certification examination if the person:

388 | (a) Has submitted the application for examination together
 389 | with the fee required under s. 554.111(1) (a);

390 | (b) Is at least 18 years of age;

391 | (c) Has completed the 2-hour training course under
 392 | subsection (4) on the requirements of this chapter and any
 393 | related rules adopted by the department. The course must be
 394 | completed no later than 12 months before issuance of an initial
 395 | or renewal certificate; and

396 | (d) Has:

397 | 1. At least 3 years of experience in the construction,
 398 | installation, inspection, operation, maintenance, or repair of
 399 | high pressure, high temperature water boilers; or

400 | 2. Met the requirements to qualify as a commissioned

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401 inspector by the National Board of Boiler and Pressure Vessel
402 Inspectors as set forth in NB-263, RCI-1, Rules for Commissioned
403 Inspectors, as adopted by rule of the department.

404 (4) TRAINING COURSE.—The department shall adopt by rule a
405 2-hour training course on the requirements of this chapter and
406 any related rules adopted by the department. The department
407 shall make the training course available online and may make the
408 course available in a classroom setting. A boiler insurance
409 company may include the department's course as part of its in-
410 house training of a boiler inspector student, in lieu of the
411 student taking the online training course. A boiler insurance
412 company that includes the department's course in its in-house
413 training of a boiler inspector student must indicate that the
414 student completed the training on an application filed with the
415 department for certification of competency.

416 (5) EXAMINATION.—A person applying for a certificate of
417 competency must have successfully passed the examination
418 administered by the National Board of Boiler and Pressure Vessel
419 Inspectors and be eligible to obtain a National Board
420 commission.

421 (6) ISSUANCE OF CERTIFICATE.—The chief boiler inspector
422 must issue a certificate of competency to each person who is
423 qualified under this section and who holds a commission from the
424 National Board of Boiler and Pressure Vessel Inspectors.

425 (7) RENEWAL OF CERTIFICATE.—A certificate of competency

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426 | expires on December 31 of each year and may be renewed upon the
 427 | filing of a renewal application with the department. A secured
 428 | electronic application must be used, if available on the
 429 | department's website.

430 | (8) RULES.—The department may adopt rules necessary to
 431 | administer this section.

432 | Section 6. Section 554.105, Florida Statutes, is amended
 433 | to read:

434 | 554.105 Chief boiler inspector.—

435 | (1) The Chief Financial Officer shall appoint a chief
 436 | boiler inspector, who must have at least ~~shall have not less~~
 437 | ~~than~~ 5 years' experience in the construction, installation,
 438 | inspection, operation, maintenance, or repair of high pressure,
 439 | high temperature water boilers and who must ~~shall~~ hold a
 440 | commission from the National Board of Boiler and Pressure Vessel
 441 | Inspectors or a certificate of competency from the department.

442 | (2) The department, through the chief boiler inspector,
 443 | shall administer the state boiler inspection program, and shall:

444 | (a) Take all action necessary to enforce the State Boiler
 445 | Code and the rules adopted pursuant to this chapter ~~ss.~~
 446 | ~~554.1011–554.115.~~

447 | (b) Keep a complete record on all boilers at public
 448 | assembly locations. Such record must ~~shall~~ include the name of
 449 | each boiler owner or user and the location, type, ~~dimensions,~~
 450 | maximum allowable working pressure, age, ~~and~~ last recorded

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451 inspection of each boiler, and any other information necessary
 452 to expedite the certification process.

453 ~~(c) Publish and make available to anyone, upon request,~~
 454 ~~copies of the rules adopted pursuant to ss. 554.1011-554.115.~~

455 ~~(d)~~ Expend funds necessary to meet the expenses authorized
 456 by this chapter ss. 554.1011-554.115, including the necessary
 457 travel expenses of the chief boiler inspector and deputy boiler
 458 inspectors, and the expenses incident to the maintenance of this
 459 ~~his or her~~ office.

460 Section 7. Section 554.106, Florida Statutes, is amended
 461 to read:

462 554.106 Deputy boiler inspectors.—

463 (1) The department shall employ deputy boiler inspectors
 464 who shall be responsible to the chief boiler inspector ~~and who~~
 465 ~~shall each hold a certificate of competency from the department.~~

466 (2) A deputy boiler inspector shall perform inspections of
 467 uninsured boilers that are subject to regulation under this
 468 chapter, in accordance with the inspection frequency set forth
 469 in s. 554.108. A deputy boiler inspector may also engage in
 470 public outreach activities of the department and conduct other
 471 duties as assigned by the chief boiler inspector.

472 Section 8. Section 554.107, Florida Statutes, is amended
 473 to read:

474 554.107 Special boiler inspectors.—

475 (1) Upon application by any authorized inspection agency

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476 ~~company licensed to insure boilers in this state,~~ the chief
477 boiler inspector shall issue a certificate of competency as a
478 special boiler inspector to any inspector employed by the
479 authorized inspection agency ~~company, if provided that~~ such
480 boiler inspector satisfies the competency requirements for
481 inspectors as provided in s. 554.104 ~~s. 554.113~~. Special boiler
482 inspectors shall perform inspections of insured boilers in
483 accordance with the inspection frequency set forth in s.
484 554.108.

485 (2) The certificate of competency of a special boiler
486 inspector remains ~~shall remain~~ in effect only so long as the
487 special boiler inspector is employed by an authorized inspection
488 agency ~~a company licensed to insure boilers in this state~~. Upon
489 termination of employment with such company, such company ~~a~~
490 ~~special inspector~~ shall, in writing, notify the chief boiler
491 inspector of such special boiler inspector's termination. Such
492 notice must ~~shall~~ be given within 15 days following the date of
493 termination.

494 Section 9. Subsections (1), (2), (4), and (5) of section
495 554.108, Florida Statutes, are amended, and subsection (6) is
496 added to that section, to read:

497 554.108 Inspection.—

498 (1) The inspection requirements of this chapter apply only
499 to boilers located in public assembly locations. A potable hot
500 water supply boiler with a heat input of 200,000 British thermal

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501 units (Btu) per hour and above, up to a heat input not exceeding
 502 400,000 Btu per hour, is exempt from inspection, but must be
 503 stamped with the A.S.M.E. code symbol "HLW" and the boiler's
 504 A.S.M.E data report must be filed as required under s.
 505 554.103(2) ~~The only boilers required to be inspected under the~~
 506 ~~provisions of ss. 554.1011-554.115 are boilers located in public~~
 507 ~~assembly locations.~~

508 (2) Each inspection of a boiler conducted pursuant to this
 509 chapter must ~~ss. 554.1011-554.115 shall~~ be made by the chief
 510 boiler inspector, a deputy boiler inspector, or a special boiler
 511 inspector. An owner, or the owner's designee, shall perform all
 512 operation, testing, manipulation of boiler controls and safety
 513 devices, removal of lagging, and disassembly of boiler
 514 components to allow the chief boiler inspector, deputy boiler
 515 inspector, or special boiler inspector to conduct inspections as
 516 required by this section.

517 (4) Each boiler subject to inspection must be inspected
 518 within 30 days after expiration of the boiler's certificate of
 519 operation. However, an inspection report must be received by the
 520 chief boiler inspector no later than 30 days after the projected
 521 expiration date of the certificate of operation. If, upon
 522 inspection, the chief boiler inspector, deputy boiler inspector,
 523 or special boiler inspector finds that a boiler is in violation
 524 of any provision of the State Boiler Code, the inspector must
 525 promptly notify the owner or user and state what repairs or

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526 other corrective measures are needed. Deputy boiler inspectors
527 and special boiler inspectors shall file a written report, on a
528 form adopted by rule of the department, on each certificate
529 inspection with the chief boiler inspector within 15 days after
530 the following such inspection. A certificate inspection report
531 must list all violations of the State Boiler Code and any
532 conditions that may adversely affect the operation of the
533 boiler. The filing of reports of inspections, other than
534 statutorily required certificate inspections, is are not
535 required unless such inspections disclose that a boiler is in an
536 unsafe condition or unless the boiler has failed and requires
537 major repair or replacement. The inspection report must list the
538 extent of damage to the boiler, as well as the cause of the
539 failure, if known, and any other pertinent information. However,
540 an inspection report must be filed for any inspection performed
541 on a boiler with a previously identified code violation. The
542 report must indicate whether the violation has been corrected.
543 The agency responsible for conducting the inspection must
544 perform followup inspections, not more than every 6 months, of a
545 previously identified code violation until it is corrected.

546 (5) Upon a determination by the chief boiler inspector
547 determining that a boiler cannot be safely operated, is in an
548 unsafe condition and poses an imminent danger to the public
549 health, safety, and welfare, the chief inspector, a deputy
550 inspector, or a special inspector may immediately order the

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551 boiler must immediately ~~to~~ be shut down. The chief boiler
 552 inspector or a deputy boiler inspector shall attach a tag to the
 553 boiler indicating that the boiler has been shut down due to an
 554 unsafe condition. The boiler must ~~shall~~ remain shut down until a
 555 reinspection by the chief boiler inspector or a deputy boiler a
 556 ~~certified~~ inspector determines that ~~all violations have been~~
 557 ~~corrected,~~ that the boiler may be operated safely, ~~and that a~~
 558 ~~certificate of compliance has been issued.~~ A boiler that may not
 559 be safely operated, as determined by the chief boiler inspector,
 560 is deemed to constitute an imminent danger to the public health,
 561 safety, and welfare.

562 (6) The department may adopt rules necessary to administer
 563 this section.

564 Section 10. Section 554.1081, Florida Statutes, is created
 565 to read:

566 554.1081 Boiler inspections by insurance companies and
 567 local governmental agencies.—

568 (1) An insurance company insuring a boiler located in a
 569 public assembly location in this state shall inspect, or shall
 570 contract with an authorized inspection agency to inspect, the
 571 insured boiler. A boiler insurance company shall annually report
 572 to the department the name of any authorized inspection agency
 573 performing any required boiler inspections on its behalf and
 574 shall actively monitor insured boilers to ensure that
 575 inspections are conducted as required by this chapter.

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576 (2) A county, municipality, town, or other governmental
 577 subdivision that has adopted into law the Boiler and Pressure
 578 Vessel Code of the A.S.M.E. and the National Board Inspection
 579 Code for the construction, installation, inspection,
 580 maintenance, and repair of boilers to regulate boilers in public
 581 assembly locations may inspect such boilers. All boiler
 582 inspections must be conducted by special boiler inspectors in
 583 accordance with this chapter.

584 Section 11. Section 554.109, Florida Statutes, is amended
 585 to read:

586 554.109 Exemptions.—

587 ~~(1) Any insurance company insuring a boiler located in a~~
 588 ~~public assembly location in this state shall inspect such boiler~~
 589 ~~so insured, and any county, city, town, or other governmental~~
 590 ~~subdivision which has adopted into law the Boiler and Pressure~~
 591 ~~Vessel Code of the American Society of Mechanical Engineers and~~
 592 ~~the National Board Inspection Code for the construction,~~
 593 ~~installation, inspection, maintenance, and repair of boilers,~~
 594 ~~regulating such boilers in public assembly locations, shall~~
 595 ~~inspect such boilers so regulated; provided that such inspection~~
 596 ~~shall be conducted by a special inspector licensed pursuant to~~
 597 ~~ss. 554.1011-554.115. Upon filing of a report of satisfactory~~
 598 ~~inspection with the department, such boiler is exempt from~~
 599 ~~inspection by the department.~~

600 ~~(2) The provisions of This chapter does shall not apply to~~

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601 potable hot water supply boilers or lined storage water heaters
 602 that ~~which~~ are directly fired with oil, gas, electricity, or
 603 solar energy, provided that none of the following limitations is
 604 ~~are~~ exceeded:

- 605 (1) ~~(a)~~ Heat input of 400,000 Btu per hour.
- 606 (2) ~~(b)~~ Water temperature of 210 degrees Fahrenheit.
- 607 (3) ~~(c)~~ Nominal water-containing capacity of 120 gallons.

608
 609 ~~These exempt hot water supply boilers and lined storage water~~
 610 ~~heaters shall be equipped with safety relief valves conforming~~
 611 ~~to the requirements of the Boiler and Pressure Vessel Code of~~
 612 ~~the American Society of Mechanical Engineers and of the National~~
 613 ~~Board Inspection Code.~~

614 Section 12. Section 554.1101, Florida Statutes, is amended
 615 to read:

616 554.1101 Certificate of operation ~~compliance~~.—

617 (1) If an inspection report filed pursuant to s. 554.108
 618 shows a boiler to be in compliance with all applicable
 619 provisions of the State Boiler Code, the chief boiler inspector
 620 must ~~shall~~, upon receipt of the inspection fee, issue a
 621 certificate of operation ~~compliance~~ to the owner. Such
 622 certificate must ~~shall~~ bear the date of the inspection and
 623 specify the maximum pressure at which the boiler may be
 624 operated.

625 (2) The certificate for a power boiler or a high pressure,

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626 | high temperature water boiler is valid for a period of 12 months
 627 | from the date of the certificate inspection. The certificate for
 628 | a heating boiler or a hot water supply boiler is valid for a
 629 | period of 24 months from the date of the certificate inspection.
 630 | The certificate must ~~shall~~ be posted under glass, or be
 631 | similarly protected, in the room containing the boiler.

632 | (3) A boiler insurance company shall notify the chief
 633 | boiler inspector within 30 days after the issuance of a new or
 634 | renewal boiler and machinery insurance policy, or the
 635 | cancellation or nonrenewal of a boiler and machinery insurance
 636 | policy, covering places of public assembly in this state.

637 | (4) If the chief boiler inspector has knowledge that a
 638 | boiler regulated under this chapter was covered by a boiler and
 639 | machinery insurance policy after its most recent certification
 640 | inspection, the certificateholder must, upon the request of the
 641 | chief boiler inspector, submit its certificate of boiler and
 642 | machinery insurance for the boiler if the department has not
 643 | received the special boiler inspector's annual inspection report
 644 | within 30 days after its due date.

645 | Section 13. Section 554.111, Florida Statutes, is amended
 646 | to read:

647 | 554.111 Fees.—

648 | (1) The department shall charge the following fees:

649 | (a) For an applicant for a certificate of competency, the
 650 | initial application fee shall be \$50, and the annual renewal fee

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651 shall be \$30. The fee for examination shall be \$50.

652 (b) For certificate inspections conducted by the
653 department:

654 1. For power boilers and high pressure, high temperature
655 water boilers of:

656 4,000 square feet or less heating surface.....\$60

657 More than 4,000 square feet heating surface and less than 10,000
658 square feet of heating surface.....\$70

659 10,000 square feet or more heating surface.....\$90

660 2. For heating boilers:

661 Without a manhole.....\$40

662 With a manhole.....\$70

663 3. For hot water supply boilers.....\$40

664 (c) For issuance of a ~~compliance~~ certificate of operation
665 without a department inspection.....\$30

666 (d) Duplicate certificates or address
667 changes.....\$5

668 (e) An application for a boiler permit must include the
669 applicable certificate inspection fee provided in paragraph (b).

670 (2) Not more than an amount equal to one certificate
671 inspection fee may ~~shall~~ be charged or collected for any and all
672 boiler inspections in any inspection period, except as otherwise
673 provided in this chapter ~~ss. 554.1011-554.115~~.

674 (a) When it is necessary to make a special trip to observe
675 the application of a hydrostatic test, an additional fee equal

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676 | to the fee for a certificate inspection of the boiler must ~~shall~~
 677 | be charged.

678 | (b) All other inspections, including shop inspections,
 679 | surveys, and inspections of secondhand boilers made by the chief
 680 | boiler inspector or a deputy boiler inspector, must ~~shall~~ be
 681 | charged at the rate of not less than \$270 for one-half day of 4
 682 | hours, and \$500 for 1 full day of 8 hours, plus travel, hotel,
 683 | and incidental expenses in accordance with chapter 112.

684 | (3) The chief boiler inspector shall deposit all fees or
 685 | fines received pursuant to this chapter ~~ss. 554.1011-554.115~~
 686 | into the Insurance Regulatory Trust Fund.

687 | Section 14. Sections 554.112 and 554.113, Florida
 688 | Statutes, are repealed.

689 | Section 15. Section 554.114, Florida Statutes, is amended
 690 | to read:

691 | 554.114 Prohibitions; penalties.—

692 | (1) A person may not:

693 | (a) Operate a boiler at a public assembly location without
 694 | a valid certificate of operation ~~compliance~~ for that boiler;

695 | ~~(b) Give false or forged information to the department or~~
 696 | ~~an inspector for the purpose of obtaining a certificate of~~
 697 | ~~compliance;~~

698 | ~~(c)~~ Use a certificate of operation ~~compliance~~ for any
 699 | boiler other than for the boiler for which it was issued;

700 | (c) ~~(d)~~ Operate a boiler for which the certificate of

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701 operation compliance has been suspended, revoked, or not
702 renewed;

703 ~~(e) Give false or forged information to the department for~~
704 ~~the purpose of obtaining a certificate of competence; or~~

705 (d)(f) Inspect any boiler regulated under this chapter the
706 ~~provisions of ss. 554.1011-554.115~~ without having a valid
707 certificate of competency.

708 (2) A boiler insurance company that fails to inspect or to
709 have inspected, in accordance with this chapter, any boiler
710 insured by the company and regulated under this chapter is
711 subject to the penalties provided in subsection (4), unless the
712 failure to inspect was the result of an owner's or operator's
713 failure to provide reasonable access to the boiler ~~Any person~~
714 ~~who violates this section is guilty of a misdemeanor of the~~
715 ~~second degree, punishable by fine as provided in s. 775.083.~~

716 (3) An authorized inspection agency that is under contract
717 with a boiler insurance company and that fails to inspect, in
718 accordance with this chapter, any boiler insured by the company
719 and regulated under this chapter is subject to the penalties
720 provided in subsection (4), unless the failure to inspect was
721 the result of an owner's or operator's failure to provide
722 reasonable access to the boiler.

723 (4) A boiler insurance company, authorized inspection
724 agency, or other person in violation of this section for more
725 than 30 days shall pay a fine of \$10 per day for the first 10

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726 days of noncompliance, \$50 per day for the subsequent 20 days of
 727 noncompliance, and \$100 per day for each subsequent day over 20
 728 days of noncompliance.

729 Section 16. Section 554.115, Florida Statutes, is amended
 730 to read:

731 554.115 Disciplinary proceedings.—

732 (1) The department may deny, refuse to renew, suspend, or
 733 revoke a certificate of operation ~~compliance~~ upon proof that:

734 (a) The certificate has been obtained by fraud or
 735 misrepresentation;

736 (b) The boiler for which the certificate was issued cannot
 737 be operated safely; ~~or~~

738 (c) The person who received the certificate willfully or
 739 deliberately violated the State Boiler Code, this chapter, ~~or~~
 740 ~~ss. 554.1011-554.115~~ or any other rule adopted pursuant to this
 741 chapter; or ~~ss. 554.1011-554.115.~~

742 (d) The owner of a boiler:

743 1. Operated a boiler at a public assembly location without
 744 a valid certificate of operation for that boiler;

745 2. Used a certificate of operation for a boiler other than
 746 the boiler for which the certificate of operation was issued;

747 3. Gave false or forged information to the department, to
 748 an authorized inspection agency, or to another boiler inspector
 749 for the purpose of obtaining a certificate of operation;

750 4. Operated a boiler after the certificate of operation

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751 for the boiler expired, was not renewed, or was suspended or
 752 revoked;

753 5. Operated a boiler that is in an unsafe condition; or

754 6. Operated a boiler in a manner that is contrary to the
 755 requirements of this chapter or any rule adopted under this
 756 chapter.

757 (2) The department may deny, refuse to renew, suspend, or
 758 revoke a certificate of competency upon proof that:

759 (a) The certificate was obtained by fraud or
 760 misrepresentation;

761 (b) The inspector to whom the certificate was issued is no
 762 longer qualified under this chapter ~~ss. 554.1011-554.115~~ to
 763 inspect boilers; or

764 (c) The boiler inspector:

765 ~~1. Operated a boiler at a public assembly location without~~
 766 ~~a valid certificate of compliance for that boiler;~~

767 ~~2.~~ Gave false or forged information to the department, an
 768 authorized inspection agency, or to another boiler inspector for
 769 the purpose of obtaining a certificate of operation; or
 770 compliance;

771 ~~3. Used a certificate of compliance for any boiler other~~
 772 ~~than the boiler for which it was issued;~~

773 ~~4. Operated a boiler for which the certificate of~~
 774 ~~compliance has been suspended or revoked or has expired;~~

775 ~~2.5.~~ Inspected any boiler regulated under this chapter ~~ss.~~

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776 ~~554.1011-554.115~~ without having obtained a valid certificate of
 777 competency.~~†~~

778 ~~6. Operated a boiler that is in an unsafe condition; or~~

779 ~~7. Operated a boiler in a manner that is contrary to the~~
 780 ~~requirements of this chapter or any rule adopted under this~~
 781 ~~chapter.~~

782 (3) Each suspension of a certificate of operation
 783 ~~compliance~~ or certificate of competency shall continue in effect
 784 until all violations have been corrected and, for boiler safety
 785 violations, until the boiler has been inspected by an authorized
 786 inspector and shown to be in a safe working condition.

787 ~~(4) A person in violation of this section who does not~~
 788 ~~have a valid certificate of competency shall be reported by the~~
 789 ~~chief inspector to the appropriate state attorney.~~

790 ~~(5) A person in violation of this section who has a valid~~
 791 ~~certificate of competency is subject to administrative action by~~
 792 ~~the chief inspector.~~

793 ~~(4)(6)~~ A revocation of a certificate of competency is
 794 permanent, and a revoked certificate of competency may not be
 795 reinstated or a new certificate of competency issued to the same
 796 person. A suspension of a certificate of competency continues in
 797 effect until all violations have been corrected. ~~A suspension of~~
 798 ~~a certificate of compliance for any boiler safety violation~~
 799 ~~continues in effect until the boiler has been inspected by an~~
 800 ~~authorized inspector and shown to be in safe working condition.~~

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801 Section 17. Section 554.1151, Florida Statutes, is created
802 to read:

803 554.1151 Administrative fine in lieu of or in addition to
804 suspension, revocation, or refusal to renew a certificate of
805 operation or competency.—

806 (1) If the department finds that one or more grounds exist
807 for the suspension, revocation, or refusal to renew any
808 certificate of operation or certificate of competency issued
809 under this chapter, the department may, in its discretion, in
810 lieu of or in addition to suspension or revocation or in lieu of
811 refusal to renew, impose upon the certificateholder an
812 administrative penalty in an amount up to \$500, or, if the
813 department has found willful misconduct or willful violation on
814 the part of the certificateholder, in an amount up to \$3,500.

815 (2) The department may allow the certificateholder a
816 reasonable period, no more than 30 days, within which to pay to
817 the department the amount of the penalty so imposed. If the
818 certificateholder fails to pay the penalty in its entirety to
819 the department within the period so allowed, the certificate of
820 that person must be suspended until the penalty is paid. If the
821 certificateholder fails to pay the penalty in its entirety to
822 the department within 90 days after the period so allowed, the
823 certificate of that person must be revoked.

824 Section 18. Subsection (7) of section 624.307, Florida
825 Statutes, is amended to read:

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826 | 624.307 General powers; duties.—

827 | (7) The department and office, within existing resources,
 828 | may expend funds for the professional development of its
 829 | employees, including, but not limited to, professional dues for
 830 | employees who are required to be members of professional
 831 | organizations; examinations leading to professional designations
 832 | required for employment with the office; training courses and
 833 | examinations provided through, and to ensure compliance with,
 834 | the National Association of Insurance Commissioners; or other
 835 | training courses related to the regulation of insurance.

836 | Section 19. Present subsections (1), (2), and (3) and (4)
 837 | through (19) of section 626.015, Florida Statutes, are
 838 | redesignated as subsections (2), (3), and (4) and (6) through
 839 | (21), respectively, present subsection (8) is amended, and new
 840 | subsections (1) and (5) are added to that section, to read:

841 | 626.015 Definitions.—As used in this part:

842 | (1) "Active participant" means a member in good standing
 843 | of an association who attends 4 or more hours of association
 844 | meetings every year, not including any department-approved
 845 | continuing education course.

846 | (5) "Association" includes the Florida Association of
 847 | Insurance Agents (FAIA), the National Association of Insurance
 848 | and Financial Advisors (NAIFA), the Florida Association of
 849 | Health Underwriters (FAHU), the Latin American Association of
 850 | Insurance Agencies (LAAIA), the Florida Association of Public

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851 Insurance Adjusters (FAPIA), the Florida Bail Agents Association
 852 (FBAA), or the Professional Bail Agents of the United States
 853 (PBUS).

854 (10)~~(8)~~ "Insurance agency" means a business location at
 855 which an individual, firm, partnership, corporation,
 856 association, or other entity, other than an employee of the
 857 individual, firm, partnership, corporation, association, or
 858 other entity and other than an insurer as defined by s. 624.03
 859 or an adjuster as defined by subsection (2) ~~(1)~~, engages in any
 860 activity or employs individuals to engage in any activity which
 861 by law may be performed only by a licensed insurance agent.

862 Section 20. Section 626.207, Florida Statutes, is amended
 863 to read:

864 626.207 Disqualification of applicants and licensees;
 865 penalties against licensees; rulemaking authority.—

866 (1) For purposes of this section, the term or terms:

867 (a) "Applicant" means an individual applying for licensure
 868 or relicensure under this chapter, and an officer, director,
 869 majority owner, partner, manager, or other person who manages or
 870 controls an entity applying for licensure or relicensure under
 871 this chapter.

872 (c) "Financial services business" means any financial
 873 activity regulated by the Department of Financial Services, the
 874 Office of Insurance Regulation, or the Office of Financial
 875 Regulation.

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876 (b)(2) ~~For purposes of this section, the terms "Felony of~~
 877 ~~the first degree" and "capital felony" include all felonies~~
 878 ~~designated as such by the Florida Statutes, as well as any~~
 879 ~~felony so designated in the jurisdiction in which the plea is~~
 880 ~~entered or judgment is rendered.~~

881 (2)(3) An applicant who has been found guilty of or has
 882 pleaded guilty or nolo contendere to any of the following
 883 crimes, regardless of adjudication, is permanently barred from
 884 licensure under this chapter: ~~commits~~

885 (a) A felony of the first degree;

886 (b) A capital felony;

887 (c) A felony involving money laundering; ~~fraud, or~~

888 (d) A felony embezzlement; or

889 (e) A felony directly related to the financial services
 890 ~~business is permanently barred from applying for a license under~~
 891 ~~this part. This bar applies to convictions, guilty pleas, or~~
 892 ~~nolo contendere pleas, regardless of adjudication, by any~~
 893 ~~applicant, officer, director, majority owner, partner, manager,~~
 894 ~~or other person who manages or controls any applicant.~~

895 (3)(4) An applicant who has been found guilty of or has
 896 pleaded guilty or nolo contendere to a crime ~~For all other~~
 897 ~~crimes not included in subsection (2), regardless of~~
 898 adjudication, is subject to (3), ~~the department shall adopt~~
 899 ~~rules establishing the process and application of disqualifying~~
 900 ~~periods that include:~~

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901 (a) A 15-year disqualifying period for all felonies
 902 involving moral turpitude which ~~that~~ are not specifically
 903 included in the permanent bar contained in subsection (2) ~~(3)~~.

904 (b) A 7-year disqualifying period for all felonies to
 905 which neither the permanent bar in subsection (2) ~~(3)~~ nor the
 906 15-year disqualifying period in paragraph (a) applies.

907 (c) A 7-year disqualifying period for all misdemeanors
 908 directly related to the financial services business.

909 (4) ~~(5)~~ The department shall adopt rules to administer this
 910 section. The rules must provide ~~providing~~ for additional
 911 disqualifying periods due to the commitment of multiple crimes
 912 and may include other factors reasonably related to the
 913 applicant's criminal history. The rules shall provide for
 914 mitigating and aggravating factors. However, mitigation may not
 915 result in a period of disqualification of less than 7 years and
 916 may not mitigate the disqualifying periods in paragraphs (3) (b)
 917 and (c) ~~(4) (b) and (e)~~.

918 (5) ~~(6)~~ For purposes of this section, the disqualifying
 919 periods begin upon the applicant's final release from
 920 supervision or upon completion of the applicant's criminal
 921 sentence, ~~including payment of fines, restitution, and court~~
 922 ~~costs for the crime for which the disqualifying period applies.~~
 923 The department may not issue a license to an applicant unless
 924 all related fines, court costs and fees, and court-ordered
 925 restitution have been paid.

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926 ~~(6)-(7)~~ After the disqualifying period has expired ~~been~~
927 ~~met~~, the burden is on the applicant to demonstrate that the
928 applicant has been rehabilitated, does not pose a risk to the
929 insurance-buying public, is fit and trustworthy to engage in the
930 business of insurance pursuant to s. 626.611(1)(g), and is
931 otherwise qualified for licensure.

932 (7) Notwithstanding subsections (2) and (3), upon a grant
933 of a pardon or the restoration of civil rights pursuant to
934 chapter 940 and s. 8, Art. IV of the State Constitution with
935 respect to a finding of guilt or a plea under subsection (2) or
936 subsection (3), such finding or plea no longer bars or
937 disqualifies the applicant from licensure under this chapter
938 unless the clemency specifically excludes licensure in the
939 financial services business; however, a pardon or restoration of
940 civil rights does not require the department to award such
941 license.

942 (8) The department shall adopt rules establishing specific
943 penalties against licensees in accordance with ss. 626.641 and
944 626.651 for violations of s. 626.611, s. 626.621, s. 626.8437,
945 s. 626.844, s. 626.935, s. 634.181, s. 634.191, s. 634.320, s.
946 634.321, s. 634.422, s. 634.423, s. 642.041, or s. 642.043. The
947 purpose of the revocation or suspension is to provide a
948 sufficient penalty to deter future violations of the Florida
949 Insurance Code. The imposition of a revocation or the length of
950 suspension shall be based on the type of conduct and the

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951 probability that the propensity to commit further illegal
 952 conduct has been overcome at the time of eligibility for
 953 relicensure. The length of suspension may be adjusted based on
 954 aggravating or mitigating factors, established by rule and
 955 consistent with this purpose.

956 (9) Section 112.011 does not apply to any applicants for
 957 licensure under the Florida Insurance Code, including, but not
 958 limited to, agents, agencies, adjusters, adjusting firms,
 959 customer representatives, or managing general agents.

960 Section 21. Paragraph (j) of subsection (2) of section
 961 626.221, Florida Statutes, is amended to read:

962 626.221 Examination requirement; exemptions.—

963 (2) However, an examination is not necessary for any of
 964 the following:

965 (j) An applicant for license as an all-lines adjuster who
 966 has the designation of Accredited Claims Adjuster (ACA) from a
 967 regionally accredited postsecondary institution in this state,
 968 Associate in Claims (AIC) from the Insurance Institute of
 969 America, Professional Claims Adjuster (PCA) from the
 970 Professional Career Institute, Professional Property Insurance
 971 Adjuster (PPIA) from the HurriClaim Training Academy, Certified
 972 Adjuster (CA) from ALL LINES Training, ~~or~~ Certified Claims
 973 Adjuster (CCA) from AE21 Incorporated, or Universal Claims
 974 Certification (UCC) from Claims and Litigation Management
 975 Alliance (CLM) whose curriculum has been approved by the

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976 department and which includes comprehensive analysis of basic
 977 property and casualty lines of insurance and testing at least
 978 equal to that of standard department testing for the all-lines
 979 adjuster license. The department shall adopt rules establishing
 980 standards for the approval of curriculum.

981 Section 22. Present paragraphs (i) and (j) of subsection
 982 (7) of section 626.2815, Florida Statutes, are redesignated as
 983 paragraphs (j) and (k), respectively, and a new paragraph (i) is
 984 added to that subsection, to read:

985 626.2815 Continuing education requirements.—

986 (7) The following courses may be completed in order to
 987 meet the elective continuing education course requirements:

988 (i) Any part of the Claims and Litigation Management
 989 Alliance (CLM) Universal Claims Certification (UCC) professional
 990 designation: 19 hours of elective continuing education and 5
 991 hours of the continuing education required under subsection (3).

992 Section 23. Paragraph (b) of subsection (1) of section
 993 626.8734, Florida Statutes, is amended to read:

994 626.8734 Nonresident all-lines adjuster license
 995 qualifications.—

996 (1) The department shall issue a license to an applicant
 997 for a nonresident all-lines adjuster license upon determining
 998 that the applicant has paid the applicable license fees required
 999 under s. 624.501 and:

1000 (b) Has passed to the satisfaction of the department a

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1001 written Florida all-lines adjuster examination of the scope
 1002 prescribed in s. 626.241(6); however, the requirement for the
 1003 examination does not apply to:

1004 1. An applicant who is licensed as an all-lines adjuster
 1005 in his or her home state if that state has entered into a
 1006 reciprocal agreement with the department; ~~or~~

1007 2. An applicant who is licensed as a nonresident all-lines
 1008 adjuster in a state other than his or her home state and a
 1009 reciprocal agreement with the appropriate official of the state
 1010 of licensure has been entered into with the department; or

1011 3. An applicant who holds a certification set forth in s.
 1012 626.221(2)(j).

1013 Section 24. Section 626.9954, Florida Statutes, is amended
 1014 to read:

1015 626.9954 Disqualification from registration.—

1016 (1) As used in this section, the terms "felony of the
 1017 first degree" and "capital felony" include all felonies so
 1018 designated by the laws of this state, as well as any felony so
 1019 designated in the jurisdiction in which the plea is entered or
 1020 judgment is rendered.

1021 (2) An applicant who has been found guilty of or has
 1022 pleaded guilty or nolo contendere to the following crimes,
 1023 regardless of adjudication, is permanently disqualified from
 1024 registration under this part: ~~commits~~

1025 (a) A felony of the first degree;

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1026 (b) A capital felony;
 1027 (c) A felony involving money laundering; ~~fraud, or~~
 1028 (d) A felony embezzlement; or
 1029 (e) A felony directly related to the financial services
 1030 business ~~is permanently barred from applying for registration~~
 1031 ~~under this part. This bar applies to convictions, guilty pleas,~~
 1032 ~~or nolo contendere pleas, regardless of adjudication, by an~~
 1033 ~~applicant.~~

1034 (3) An applicant who has been found guilty of or has
 1035 pleaded guilty or nolo contendere to a crime ~~For all other~~
 1036 ~~crimes~~ not described in subsection (2), regardless of
 1037 adjudication, is subject to the department may adopt rules
 1038 ~~establishing the process and application of disqualifying~~
 1039 ~~periods including:~~

1040 (a) A 15-year disqualifying period for all felonies
 1041 involving moral turpitude which are not specifically included in
 1042 subsection (2).

1043 (b) A 7-year disqualifying period for all felonies not
 1044 specifically included in subsection (2) or paragraph (a).

1045 (c) A 7-year disqualifying period for all misdemeanors
 1046 directly related to the financial services business.

1047 (4) The department may adopt rules to administer this
 1048 section. The rules must provide for ~~providing~~ additional
 1049 disqualifying periods due to the commitment of multiple crimes
 1050 and may include other factors reasonably related to the

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1051 applicant's criminal history. The rules must provide for
 1052 mitigating and aggravating factors. However, mitigation may not
 1053 result in a disqualifying period of less than 7 years and may
 1054 not mitigate the disqualifying periods in paragraph (3) (b) or
 1055 paragraph (3) (c).

1056 (5) For purposes of this section, the disqualifying
 1057 periods begin upon the applicant's final release from
 1058 supervision or upon completion of the applicant's criminal
 1059 sentence, ~~including the payment of fines, restitution, and court~~
 1060 ~~costs for the crime for which the disqualifying period applies.~~
 1061 The department may not issue a registration to an applicant
 1062 unless all related fines, court costs and fees, and court-
 1063 ordered restitution have been paid.

1064 (6) After the disqualifying period has expired ~~been met~~,
 1065 the burden is on the applicant to demonstrate to the
 1066 satisfaction of the department that he or she has been
 1067 rehabilitated and does not pose a risk to the insurance-buying
 1068 public and is otherwise qualified for registration.

1069 (7) Notwithstanding subsections (2) and (3), upon a grant
 1070 of a pardon or the restoration of civil rights pursuant to
 1071 chapter 940 and s. 8, Art. IV of the State Constitution with
 1072 respect to a finding of guilt or a plea under subsection (2) or
 1073 subsection (3), such finding or plea no longer bars or
 1074 disqualifies the applicant from applying for registration under
 1075 this part unless the clemency specifically excludes licensure or

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1076 specifically excludes registration in the financial services
 1077 business; however, a pardon or restoration of civil rights does
 1078 not require the department to award such registration.

1079 ~~(8)~~-(7) Section 112.011 does not apply to an applicant for
 1080 registration as a navigator.

1081 Section 25. Paragraph (a) of subsection (3) of section
 1082 626.2815, Florida Statutes, is amended, and paragraph (j) is
 1083 added to that subsection, to read:

1084 626.2815 Continuing education requirements.—

1085 (3) Each licensee except a title insurance agent must
 1086 complete a 5-hour update course every 2 years which is specific
 1087 to the license held by the licensee. The course must be
 1088 developed and offered by providers and approved by the
 1089 department. The content of the course must address all lines of
 1090 insurance for which examination and licensure are required and
 1091 include the following subject areas: insurance law updates,
 1092 ethics for insurance professionals, disciplinary trends and case
 1093 studies, industry trends, premium discounts, determining
 1094 suitability of products and services, and other similar
 1095 insurance-related topics the department determines are relevant
 1096 to legally and ethically carrying out the responsibilities of
 1097 the license granted. A licensee who holds multiple insurance
 1098 licenses must complete an update course that is specific to at
 1099 least one of the licenses held. Except as otherwise specified,
 1100 any remaining required hours of continuing education are

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1101 elective and may consist of any continuing education course
 1102 approved by the department under this section.

1103 (a) Except as provided in paragraphs (b), (c), (d), (e),
 1104 ~~and~~ (i), and (j), each licensee must also complete 19 hours of
 1105 elective continuing education courses every 2 years.

1106 (j) For a licensee who is an active participant in an
 1107 association, 2 hours of elective continuing education credit per
 1108 calendar year may be approved by the department, if properly
 1109 reported by the association.

1110 Section 26. Paragraph (n) of subsection (1) and subsection
 1111 (2) of section 626.611, Florida Statutes, are amended to read:

1112 626.611 Grounds for compulsory refusal, suspension, or
 1113 revocation of agent's, title agency's, adjuster's, customer
 1114 representative's, service representative's, or managing general
 1115 agent's license or appointment.—

1116 (1) The department shall deny an application for, suspend,
 1117 revoke, or refuse to renew or continue the license or
 1118 appointment of any applicant, agent, title agency, adjuster,
 1119 customer representative, service representative, or managing
 1120 general agent, and it shall suspend or revoke the eligibility to
 1121 hold a license or appointment of any such person, if it finds
 1122 that as to the applicant, licensee, or appointee any one or more
 1123 of the following applicable grounds exist:

1124 (n) Having been found guilty of or having pleaded guilty
 1125 or nolo contendere to a felony or a crime punishable by

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1126 imprisonment of 1 year or more under the law of the United
 1127 States of America or of any state thereof or under the law of
 1128 any other country ~~which involves moral turpitude~~, without regard
 1129 to whether a judgment of conviction has been entered by the
 1130 court having jurisdiction of such cases.

1131 (2) The department shall, upon receipt of information or
 1132 an indictment, immediately temporarily suspend a license or
 1133 appointment issued under this chapter when the licensee is
 1134 charged with a felony enumerated in s. 626.207(2) ~~s. 626.207(3)~~.
 1135 Such suspension shall continue if the licensee is found guilty
 1136 of, or pleads guilty or nolo contendere to, the crime,
 1137 regardless of whether a judgment or conviction is entered,
 1138 during a pending appeal. A person may not transact insurance
 1139 business after suspension of his or her license or appointment.

1140 Section 27. Subsection (8) of section 626.621, Florida
 1141 Statutes, is amended, and a new subsection (15) is added to that
 1142 section, to read:

1143 626.621 Grounds for discretionary refusal, suspension, or
 1144 revocation of agent's, adjuster's, customer representative's,
 1145 service representative's, or managing general agent's license or
 1146 appointment.—The department may, in its discretion, deny an
 1147 application for, suspend, revoke, or refuse to renew or continue
 1148 the license or appointment of any applicant, agent, adjuster,
 1149 customer representative, service representative, or managing
 1150 general agent, and it may suspend or revoke the eligibility to

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1151 hold a license or appointment of any such person, if it finds
 1152 that as to the applicant, licensee, or appointee any one or more
 1153 of the following applicable grounds exist under circumstances
 1154 for which such denial, suspension, revocation, or refusal is not
 1155 mandatory under s. 626.611:

1156 ~~(8) Having been found guilty of or having pleaded guilty~~
 1157 ~~or nolo contendere to a felony or a crime punishable by~~
 1158 ~~imprisonment of 1 year or more under the law of the United~~
 1159 ~~States of America or of any state thereof or under the law of~~
 1160 ~~any other country, without regard to whether a judgment of~~
 1161 ~~conviction has been entered by the court having jurisdiction of~~
 1162 ~~such cases.~~

1163 (15) Denial, suspension, or revocation of, or any other
 1164 adverse administrative action against, a license to practice or
 1165 conduct any regulated profession, business, or vocation by this
 1166 state, any other state, any nation, any possession or district
 1167 of the United States, any court, or any lawful agency thereof.

1168 Section 28. Subsection (2) of section 626.7845, Florida
 1169 Statutes, is amended to read:

1170 626.7845 Prohibition against unlicensed transaction of
 1171 life insurance.—

1172 (2) Except as provided in s. 626.112(6), with respect to
 1173 any line of authority specified in s. 626.015(12) ~~s.~~
 1174 ~~626.015(10)~~, an ~~no~~ individual may not ~~shall~~, unless licensed as
 1175 a life agent:

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1176 (a) Solicit insurance or annuities or procure
 1177 applications;
 1178 (b) In this state, engage or hold himself or herself out
 1179 as engaging in the business of analyzing or abstracting
 1180 insurance policies or of counseling or advising or giving
 1181 opinions to persons relative to insurance or insurance
 1182 contracts, unless the individual is ~~other than:~~
 1183 1. ~~As~~ A consulting actuary advising insurers ~~an insurer;~~
 1184 or
 1185 2. An employee ~~As to the counseling and advising of a~~
 1186 labor union, association, employer, or other business entity
 1187 ~~labor unions, associations, trustees, employers, or other~~
 1188 ~~business entities, or~~ the subsidiaries and affiliates of each,
 1189 who counsels and advises such entity or entities relative to
 1190 their interests and those of their members or employees under
 1191 insurance benefit plans; or
 1192 3. A trustee advising a settlor, a beneficiary, or a
 1193 person regarding his or her interests in a trust, relative to
 1194 insurance benefit plans; or
 1195 (c) In this state, from this state, or with a resident of
 1196 this state, offer or attempt to negotiate on behalf of another
 1197 person a viatical settlement contract as defined in s. 626.9911.
 1198 Section 29. Section 626.8305, Florida Statutes, is amended
 1199 to read:
 1200 626.8305 Prohibition against the unlicensed transaction of

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1201 health insurance.—Except as provided in s. 626.112(6), with
 1202 respect to any line of authority specified in s. 626.015(8) ~~s.~~
 1203 ~~626.015(6)~~, an ~~no~~ individual may not ~~shall~~, unless licensed as a
 1204 health agent:

1205 (1) Solicit insurance or procure applications; or
 1206 (2) In this state, engage or hold himself or herself out
 1207 as engaging in the business of analyzing or abstracting
 1208 insurance policies or of counseling or advising or giving
 1209 opinions to persons relative to insurance contracts, unless the
 1210 individual is ~~other than~~:

1211 (a) ~~As~~ A consulting actuary advising insurers; ~~or~~
 1212 (b) An employee ~~As to the counseling and advising of a~~
 1213 labor union, association, employer, or other business entity
 1214 ~~labor unions, associations, trustees, employers, or other~~
 1215 ~~business entities, or~~ the subsidiaries and affiliates of each,
 1216 who counsels and advises such entity or entities relative to
 1217 their interests and those of their members or employees under
 1218 insurance benefit plans; or—
 1219 (c) A trustee advising a settlor, a beneficiary, or a
 1220 person regarding his or her interests in a trust, relative to
 1221 insurance benefit plans.

1222 Section 30. Subsection (1) of section 626.861, Florida
 1223 Statutes, is amended to read:

1224 626.861 Insurer's officers, insurer's employees,
 1225 reciprocal insurer's representatives; adjustments by.—

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1226 (1) This part may not ~~Nothing in this part shall~~ be
 1227 construed to prevent an executive officer of any insurer, ~~or~~ a
 1228 regularly salaried employee of an insurer handling claims with
 1229 respect to health insurance, a regular employee of an insurer
 1230 handling claims with respect to residential property when the
 1231 sublimit coverage does not exceed \$500, or the duly designated
 1232 attorney or agent authorized and acting for subscribers to
 1233 reciprocal insurers, from adjusting any claim loss or damage
 1234 under any insurance contract of such insurer.

1235 Section 31. Paragraph (c) of subsection (5) and subsection
 1236 (6) of section 626.9543, Florida Statutes, are amended to read:

1237 626.9543 Holocaust victims.—

1238 (5) PROOF OF A CLAIM.—Any insurer doing business in this
 1239 state, in receipt of a claim from a Holocaust victim or from a
 1240 beneficiary, descendant, or heir of a Holocaust victim, shall:

1241 (c) Permit claims irrespective of any statute of
 1242 limitations or notice requirements imposed by any insurance
 1243 policy issued, ~~provided the claim is submitted on or before July~~
 1244 ~~1, 2018.~~

1245 (6) STATUTE OF LIMITATIONS.—Notwithstanding any law or
 1246 agreement among the parties to an insurance policy to the
 1247 contrary, any action brought by Holocaust victims or by a
 1248 beneficiary, heir, or a descendant of a Holocaust victim seeking
 1249 proceeds of an insurance policy issued or in effect between 1920
 1250 and 1945, inclusive, may ~~shall~~ not be dismissed for failure to

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1251 comply with the applicable statute of limitations or laches
 1252 ~~provided the action is commenced on or before July 1, 2018.~~

1253 Section 32. Section 633.516, Florida Statutes, is amended
 1254 to read:

1255 633.516 Studies of Division to make study of firefighter
 1256 ~~employee~~ occupational diseases of firefighters or persons in
 1257 other fire-related fields.—The division may contract for
 1258 studies, subject to the availability of funding, of shall make a
 1259 ~~continuous study of firefighter employee~~ occupational diseases
 1260 of firefighters or persons in other fire-related fields and the
 1261 ways and means for the their control and prevention of such
 1262 occupational diseases. When such a study or another study that
 1263 is wholly or partly funded under an agreement, including a
 1264 contract or grant, with the department tracks a disease of an
 1265 individual firefighter or a person in another fire-related
 1266 field, the division may, with associated security measures,
 1267 release the confidential information, including a social
 1268 security number, of that individual to a party who has entered
 1269 into an agreement with the department and shall adopt rules
 1270 ~~necessary for such control and prevention. For this purpose, the~~
 1271 ~~division is authorized to cooperate with firefighter employers,~~
 1272 ~~firefighter employees, and insurers and with the Department of~~
 1273 ~~Health.~~

1274 Section 33. Paragraph (a) of subsection (6) and subsection
 1275 (7) of section 768.28, Florida Statutes, are amended to read:

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1276 768.28 Waiver of sovereign immunity in tort actions;
 1277 recovery limits; limitation on attorney fees; statute of
 1278 limitations; exclusions; indemnification; risk management
 1279 programs.—

1280 (6) (a) An action may not be instituted on a claim against
 1281 the state or one of its agencies or subdivisions unless the
 1282 claimant presents the claim in writing to the appropriate
 1283 agency, and also, except as to any claim against a municipality,
 1284 county, or the Florida Space Authority, presents such claim in
 1285 writing to the Department of Financial Services, within 3 years
 1286 after such claim accrues and the Department of Financial
 1287 Services or the appropriate agency denies the claim in writing;
 1288 except that, if:

1289 1. Such claim is for contribution pursuant to s. 768.31,
 1290 it must be so presented within 6 months after the judgment
 1291 against the tortfeasor seeking contribution has become final by
 1292 lapse of time for appeal or after appellate review or, if there
 1293 is no such judgment, within 6 months after the tortfeasor
 1294 seeking contribution has either discharged the common liability
 1295 by payment or agreed, while the action is pending against her or
 1296 him, to discharge the common liability; or

1297 2. Such action is for wrongful death, the claimant must
 1298 present the claim in writing to the Department of Financial
 1299 Services within 2 years after the claim accrues.

1300 (7) In actions brought pursuant to this section, process

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1301 shall be served upon the head of the agency concerned and also,
 1302 except as to a defendant municipality, county, or the Florida
 1303 Space Authority, upon the Department of Financial Services; and
 1304 the department or the agency concerned shall have 30 days within
 1305 which to plead thereto.

1306 Section 34. Subsections (3) and (4) and paragraph (e) of
 1307 subsection (5) of section 288.706, Florida Statutes, are amended
 1308 to read:

1309 288.706 Florida Minority Business Loan Mobilization
 1310 Program.—

1311 (3) Notwithstanding ss. 215.422(15) and 216.181(16) ~~ss.~~
 1312 ~~215.422(14) and 216.181(16)~~, and pursuant to s. 216.351, under
 1313 the Florida Minority Business Loan Mobilization Program, a state
 1314 agency may disburse up to 10 percent of the base contract award
 1315 amount to assist a minority business enterprise vendor that is
 1316 awarded a state agency contract for goods or services in
 1317 obtaining working capital financing as provided in subsection
 1318 (5).

1319 (4) Notwithstanding ss. 215.422(15) and 216.181(16) ~~ss.~~
 1320 ~~215.422(14) and 216.181(16)~~, and pursuant to s. 216.351, in lieu
 1321 of applying for participation in the Florida Minority Business
 1322 Loan Mobilization Program, a minority business enterprise vendor
 1323 awarded a state agency contract for the performance of
 1324 professional services may apply with that contracting state
 1325 agency for up to 5 percent of the base contract award amount.

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1326 The contracting state agency may award such advance in order to
 1327 facilitate the performance of that contract.

1328 (5) The following Florida Minority Business Loan
 1329 Mobilization Program procedures apply to minority business
 1330 enterprise vendors for contracts awarded by a state agency for
 1331 construction or professional services or for the provision of
 1332 goods or services:

1333 (e) The following procedures shall apply when the minority
 1334 business enterprise is the prime contract vendor to the
 1335 contracting state agency:

1336 1. Pursuant to s. 216.351, ss. 215.422(15) and 216.181(16)
 1337 ~~the provisions of ss. 215.422(14) and 216.181(16)~~ do not apply
 1338 to this paragraph.

1339 2. For construction contracts, the designated loan
 1340 mobilization payment shall be disbursed when:

1341 a. The minority business enterprise prime contract vendor
 1342 requests disbursement in the first application for payment.

1343 b. The contracting state agency has issued a notice to
 1344 proceed and has approved the first application for payment.

1345 3. For contracts other than construction contracts, the
 1346 designated loan mobilization payment shall be disbursed when:

1347 a. The minority business enterprise prime contract vendor
 1348 requests disbursement by letter delivered to the contracting
 1349 state agency after the execution of the contract but prior to
 1350 the commencement of work.

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1351 b. The contracting state agency has approved the minority
1352 business enterprise prime contract vendor's letter of request.

1353 4. The designated loan mobilization payment may be paid by
1354 the contracting state agency prior to the commencement of work.
1355 In order to ensure that the contract time provisions do not
1356 commence until the minority business enterprise prime contract
1357 vendor has adequate working capital, the contract documents may
1358 provide that the contract shall commence at such time as the
1359 contracting state agency releases the designated loan
1360 mobilization payment to the minority business enterprise prime
1361 contract vendor and participating financial institution pursuant
1362 to the working capital agreement.

1363 Section 35. Section 626.7315, Florida Statutes, is amended
1364 to read:

1365 626.7315 Prohibition against the unlicensed transaction of
1366 general lines insurance.—With respect to any line of authority
1367 as defined in s. 626.015(7) ~~s. 626.015(5)~~, no individual shall,
1368 unless licensed as a general lines agent:

- 1369 (1) Solicit insurance or procure applications therefor;
- 1370 (2) In this state, receive or issue a receipt for any
1371 money on account of or for any insurer, or receive or issue a
1372 receipt for money from other persons to be transmitted to any
1373 insurer for a policy, contract, or certificate of insurance or
1374 any renewal thereof, even though the policy, certificate, or
1375 contract is not signed by him or her as agent or representative

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1376 | of the insurer, except as provided in s. 626.0428(1);

1377 | (3) Directly or indirectly represent himself or herself to
 1378 | be an agent of any insurer or as an agent, to collect or forward
 1379 | any insurance premium, or to solicit, negotiate, effect,
 1380 | procure, receive, deliver, or forward, directly or indirectly,
 1381 | any insurance contract or renewal thereof or any endorsement
 1382 | relating to an insurance contract, or attempt to effect the
 1383 | same, of property or insurable business activities or interests,
 1384 | located in this state;

1385 | (4) In this state, engage or hold himself or herself out
 1386 | as engaging in the business of analyzing or abstracting
 1387 | insurance policies or of counseling or advising or giving
 1388 | opinions, other than as a licensed attorney at law, relative to
 1389 | insurance or insurance contracts, for fee, commission, or other
 1390 | compensation, other than as a salaried bona fide full-time
 1391 | employee so counseling and advising his or her employer relative
 1392 | to the insurance interests of the employer and of the
 1393 | subsidiaries or business affiliates of the employer;

1394 | (5) In any way, directly or indirectly, make or cause to
 1395 | be made, or attempt to make or cause to be made, any contract of
 1396 | insurance for or on account of any insurer;

1397 | (6) Solicit, negotiate, or in any way, directly or
 1398 | indirectly, effect insurance contracts, if a member of a
 1399 | partnership or association, or a stockholder, officer, or agent
 1400 | of a corporation which holds an agency appointment from any

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1401 insurer; or

1402 (7) Receive or transmit applications for suretyship, or
 1403 receive for delivery bonds founded on applications forwarded
 1404 from this state, or otherwise procure suretyship to be effected
 1405 by a surety insurer upon the bonds of persons in this state or
 1406 upon bonds given to persons in this state.

1407 Section 36. Paragraph (c) of subsection (6) of section
 1408 627.351, Florida Statutes, is amended to read:

1409 627.351 Insurance risk apportionment plans.—

1410 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

1411 (c) The corporation's plan of operation:

1412 1. Must provide for adoption of residential property and
 1413 casualty insurance policy forms and commercial residential and
 1414 nonresidential property insurance forms, which must be approved
 1415 by the office before use. The corporation shall adopt the
 1416 following policy forms:

1417 a. Standard personal lines policy forms that are
 1418 comprehensive multiperil policies providing full coverage of a
 1419 residential property equivalent to the coverage provided in the
 1420 private insurance market under an HO-3, HO-4, or HO-6 policy.

1421 b. Basic personal lines policy forms that are policies
 1422 similar to an HO-8 policy or a dwelling fire policy that provide
 1423 coverage meeting the requirements of the secondary mortgage
 1424 market, but which is more limited than the coverage under a
 1425 standard policy.

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1426 c. Commercial lines residential and nonresidential policy
 1427 forms that are generally similar to the basic perils of full
 1428 coverage obtainable for commercial residential structures and
 1429 commercial nonresidential structures in the admitted voluntary
 1430 market.

1431 d. Personal lines and commercial lines residential
 1432 property insurance forms that cover the peril of wind only. The
 1433 forms are applicable only to residential properties located in
 1434 areas eligible for coverage under the coastal account referred
 1435 to in sub-subparagraph (b)2.a.

1436 e. Commercial lines nonresidential property insurance
 1437 forms that cover the peril of wind only. The forms are
 1438 applicable only to nonresidential properties located in areas
 1439 eligible for coverage under the coastal account referred to in
 1440 sub-subparagraph (b)2.a.

1441 f. The corporation may adopt variations of the policy
 1442 forms listed in sub-subparagraphs a.-e. which contain more
 1443 restrictive coverage.

1444 g. Effective January 1, 2013, the corporation shall offer
 1445 a basic personal lines policy similar to an HO-8 policy with
 1446 dwelling repair based on common construction materials and
 1447 methods.

1448 2. Must provide that the corporation adopt a program in
 1449 which the corporation and authorized insurers enter into quota
 1450 share primary insurance agreements for hurricane coverage, as

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1451 defined in s. 627.4025(2)(a), for eligible risks, and adopt
1452 property insurance forms for eligible risks which cover the
1453 peril of wind only.

1454 a. As used in this subsection, the term:

1455 (I) "Quota share primary insurance" means an arrangement
1456 in which the primary hurricane coverage of an eligible risk is
1457 provided in specified percentages by the corporation and an
1458 authorized insurer. The corporation and authorized insurer are
1459 each solely responsible for a specified percentage of hurricane
1460 coverage of an eligible risk as set forth in a quota share
1461 primary insurance agreement between the corporation and an
1462 authorized insurer and the insurance contract. The
1463 responsibility of the corporation or authorized insurer to pay
1464 its specified percentage of hurricane losses of an eligible
1465 risk, as set forth in the agreement, may not be altered by the
1466 inability of the other party to pay its specified percentage of
1467 losses. Eligible risks that are provided hurricane coverage
1468 through a quota share primary insurance arrangement must be
1469 provided policy forms that set forth the obligations of the
1470 corporation and authorized insurer under the arrangement,
1471 clearly specify the percentages of quota share primary insurance
1472 provided by the corporation and authorized insurer, and
1473 conspicuously and clearly state that the authorized insurer and
1474 the corporation may not be held responsible beyond their
1475 specified percentage of coverage of hurricane losses.

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1476 (II) "Eligible risks" means personal lines residential and
1477 commercial lines residential risks that meet the underwriting
1478 criteria of the corporation and are located in areas that were
1479 eligible for coverage by the Florida Windstorm Underwriting
1480 Association on January 1, 2002.

1481 b. The corporation may enter into quota share primary
1482 insurance agreements with authorized insurers at corporation
1483 coverage levels of 90 percent and 50 percent.

1484 c. If the corporation determines that additional coverage
1485 levels are necessary to maximize participation in quota share
1486 primary insurance agreements by authorized insurers, the
1487 corporation may establish additional coverage levels. However,
1488 the corporation's quota share primary insurance coverage level
1489 may not exceed 90 percent.

1490 d. Any quota share primary insurance agreement entered
1491 into between an authorized insurer and the corporation must
1492 provide for a uniform specified percentage of coverage of
1493 hurricane losses, by county or territory as set forth by the
1494 corporation board, for all eligible risks of the authorized
1495 insurer covered under the agreement.

1496 e. Any quota share primary insurance agreement entered
1497 into between an authorized insurer and the corporation is
1498 subject to review and approval by the office. However, such
1499 agreement shall be authorized only as to insurance contracts
1500 entered into between an authorized insurer and an insured who is

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1501 already insured by the corporation for wind coverage.

1502 f. For all eligible risks covered under quota share
1503 primary insurance agreements, the exposure and coverage levels
1504 for both the corporation and authorized insurers shall be
1505 reported by the corporation to the Florida Hurricane Catastrophe
1506 Fund. For all policies of eligible risks covered under such
1507 agreements, the corporation and the authorized insurer must
1508 maintain complete and accurate records for the purpose of
1509 exposure and loss reimbursement audits as required by fund
1510 rules. The corporation and the authorized insurer shall each
1511 maintain duplicate copies of policy declaration pages and
1512 supporting claims documents.

1513 g. The corporation board shall establish in its plan of
1514 operation standards for quota share agreements which ensure that
1515 there is no discriminatory application among insurers as to the
1516 terms of the agreements, pricing of the agreements, incentive
1517 provisions if any, and consideration paid for servicing policies
1518 or adjusting claims.

1519 h. The quota share primary insurance agreement between the
1520 corporation and an authorized insurer must set forth the
1521 specific terms under which coverage is provided, including, but
1522 not limited to, the sale and servicing of policies issued under
1523 the agreement by the insurance agent of the authorized insurer
1524 producing the business, the reporting of information concerning
1525 eligible risks, the payment of premium to the corporation, and

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1526 arrangements for the adjustment and payment of hurricane claims
1527 incurred on eligible risks by the claims adjuster and personnel
1528 of the authorized insurer. Entering into a quota sharing
1529 insurance agreement between the corporation and an authorized
1530 insurer is voluntary and at the discretion of the authorized
1531 insurer.

1532 3. May provide that the corporation may employ or
1533 otherwise contract with individuals or other entities to provide
1534 administrative or professional services that may be appropriate
1535 to effectuate the plan. The corporation may borrow funds by
1536 issuing bonds or by incurring other indebtedness, and shall have
1537 other powers reasonably necessary to effectuate the requirements
1538 of this subsection, including, without limitation, the power to
1539 issue bonds and incur other indebtedness in order to refinance
1540 outstanding bonds or other indebtedness. The corporation may
1541 seek judicial validation of its bonds or other indebtedness
1542 under chapter 75. The corporation may issue bonds or incur other
1543 indebtedness, or have bonds issued on its behalf by a unit of
1544 local government pursuant to subparagraph (q)2. in the absence
1545 of a hurricane or other weather-related event, upon a
1546 determination by the corporation, subject to approval by the
1547 office, that such action would enable it to efficiently meet the
1548 financial obligations of the corporation and that such
1549 financings are reasonably necessary to effectuate the
1550 requirements of this subsection. The corporation may take all

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1551 actions needed to facilitate tax-free status for such bonds or
1552 indebtedness, including formation of trusts or other affiliated
1553 entities. The corporation may pledge assessments, projected
1554 recoveries from the Florida Hurricane Catastrophe Fund, other
1555 reinsurance recoverables, policyholder surcharges and other
1556 surcharges, and other funds available to the corporation as
1557 security for bonds or other indebtedness. In recognition of s.
1558 10, Art. I of the State Constitution, prohibiting the impairment
1559 of obligations of contracts, it is the intent of the Legislature
1560 that no action be taken whose purpose is to impair any bond
1561 indenture or financing agreement or any revenue source committed
1562 by contract to such bond or other indebtedness.

1563 4. Must require that the corporation operate subject to
1564 the supervision and approval of a board of governors consisting
1565 of nine individuals who are residents of this state and who are
1566 from different geographical areas of the state, one of whom is
1567 appointed by the Governor and serves solely to advocate on
1568 behalf of the consumer. The appointment of a consumer
1569 representative by the Governor is deemed to be within the scope
1570 of the exemption provided in s. 112.313(7)(b) and is in addition
1571 to the appointments authorized under sub-subparagraph a.

1572 a. The Governor, the Chief Financial Officer, the
1573 President of the Senate, and the Speaker of the House of
1574 Representatives shall each appoint two members of the board. At
1575 least one of the two members appointed by each appointing

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1576 officer must have demonstrated expertise in insurance and be
1577 deemed to be within the scope of the exemption provided in s.
1578 112.313(7)(b). The Chief Financial Officer shall designate one
1579 of the appointees as chair. All board members serve at the
1580 pleasure of the appointing officer. All members of the board are
1581 subject to removal at will by the officers who appointed them.
1582 All board members, including the chair, must be appointed to
1583 serve for 3-year terms beginning annually on a date designated
1584 by the plan. However, for the first term beginning on or after
1585 July 1, 2009, each appointing officer shall appoint one member
1586 of the board for a 2-year term and one member for a 3-year term.
1587 A board vacancy shall be filled for the unexpired term by the
1588 appointing officer. The Chief Financial Officer shall appoint a
1589 technical advisory group to provide information and advice to
1590 the board in connection with the board's duties under this
1591 subsection. The executive director and senior managers of the
1592 corporation shall be engaged by the board and serve at the
1593 pleasure of the board. Any executive director appointed on or
1594 after July 1, 2006, is subject to confirmation by the Senate.
1595 The executive director is responsible for employing other staff
1596 as the corporation may require, subject to review and
1597 concurrence by the board.

1598 b. The board shall create a Market Accountability Advisory
1599 Committee to assist the corporation in developing awareness of
1600 its rates and its customer and agent service levels in

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1601 relationship to the voluntary market insurers writing similar
 1602 coverage.

1603 (I) The members of the advisory committee consist of the
 1604 following 11 persons, one of whom must be elected chair by the
 1605 members of the committee: four representatives, one appointed by
 1606 the Florida Association of Insurance Agents, one by the Florida
 1607 Association of Insurance and Financial Advisors, one by the
 1608 Professional Insurance Agents of Florida, and one by the Latin
 1609 American Association of Insurance Agencies; three
 1610 representatives appointed by the insurers with the three highest
 1611 voluntary market share of residential property insurance
 1612 business in the state; one representative from the Office of
 1613 Insurance Regulation; one consumer appointed by the board who is
 1614 insured by the corporation at the time of appointment to the
 1615 committee; one representative appointed by the Florida
 1616 Association of Realtors; and one representative appointed by the
 1617 Florida Bankers Association. All members shall be appointed to
 1618 3-year terms and may serve for consecutive terms.

1619 (II) The committee shall report to the corporation at each
 1620 board meeting on insurance market issues which may include rates
 1621 and rate competition with the voluntary market; service,
 1622 including policy issuance, claims processing, and general
 1623 responsiveness to policyholders, applicants, and agents; and
 1624 matters relating to depopulation.

1625 5. Must provide a procedure for determining the

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1626 eligibility of a risk for coverage, as follows:

1627 a. Subject to s. 627.3517, with respect to personal lines

1628 residential risks, if the risk is offered coverage from an

1629 authorized insurer at the insurer's approved rate under a

1630 standard policy including wind coverage or, if consistent with

1631 the insurer's underwriting rules as filed with the office, a

1632 basic policy including wind coverage, for a new application to

1633 the corporation for coverage, the risk is not eligible for any

1634 policy issued by the corporation unless the premium for coverage

1635 from the authorized insurer is more than 15 percent greater than

1636 the premium for comparable coverage from the corporation.

1637 Whenever an offer of coverage for a personal lines residential

1638 risk is received for a policyholder of the corporation at

1639 renewal from an authorized insurer, if the offer is equal to or

1640 less than the corporation's renewal premium for comparable

1641 coverage, the risk is not eligible for coverage with the

1642 corporation. If the risk is not able to obtain such offer, the

1643 risk is eligible for a standard policy including wind coverage

1644 or a basic policy including wind coverage issued by the

1645 corporation; however, if the risk could not be insured under a

1646 standard policy including wind coverage regardless of market

1647 conditions, the risk is eligible for a basic policy including

1648 wind coverage unless rejected under subparagraph 8. However, a

1649 policyholder removed from the corporation through an assumption

1650 agreement remains eligible for coverage from the corporation

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1651 until the end of the assumption period. The corporation shall
 1652 determine the type of policy to be provided on the basis of
 1653 objective standards specified in the underwriting manual and
 1654 based on generally accepted underwriting practices.

1655 (I) If the risk accepts an offer of coverage through the
 1656 market assistance plan or through a mechanism established by the
 1657 corporation other than a plan established by s. 627.3518, before
 1658 a policy is issued to the risk by the corporation or during the
 1659 first 30 days of coverage by the corporation, and the producing
 1660 agent who submitted the application to the plan or to the
 1661 corporation is not currently appointed by the insurer, the
 1662 insurer shall:

1663 (A) Pay to the producing agent of record of the policy for
 1664 the first year, an amount that is the greater of the insurer's
 1665 usual and customary commission for the type of policy written or
 1666 a fee equal to the usual and customary commission of the
 1667 corporation; or

1668 (B) Offer to allow the producing agent of record of the
 1669 policy to continue servicing the policy for at least 1 year and
 1670 offer to pay the agent the greater of the insurer's or the
 1671 corporation's usual and customary commission for the type of
 1672 policy written.

1673
 1674 If the producing agent is unwilling or unable to accept
 1675 appointment, the new insurer shall pay the agent in accordance

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1676 with sub-sub-sub-subparagraph (A).

1677 (II) If the corporation enters into a contractual
 1678 agreement for a take-out plan, the producing agent of record of
 1679 the corporation policy is entitled to retain any unearned
 1680 commission on the policy, and the insurer shall:

1681 (A) Pay to the producing agent of record, for the first
 1682 year, an amount that is the greater of the insurer's usual and
 1683 customary commission for the type of policy written or a fee
 1684 equal to the usual and customary commission of the corporation;
 1685 or

1686 (B) Offer to allow the producing agent of record to
 1687 continue servicing the policy for at least 1 year and offer to
 1688 pay the agent the greater of the insurer's or the corporation's
 1689 usual and customary commission for the type of policy written.

1690
 1691 If the producing agent is unwilling or unable to accept
 1692 appointment, the new insurer shall pay the agent in accordance
 1693 with sub-sub-sub-subparagraph (A).

1694 b. With respect to commercial lines residential risks, for
 1695 a new application to the corporation for coverage, if the risk
 1696 is offered coverage under a policy including wind coverage from
 1697 an authorized insurer at its approved rate, the risk is not
 1698 eligible for a policy issued by the corporation unless the
 1699 premium for coverage from the authorized insurer is more than 15
 1700 percent greater than the premium for comparable coverage from

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1701 the corporation. Whenever an offer of coverage for a commercial
1702 lines residential risk is received for a policyholder of the
1703 corporation at renewal from an authorized insurer, if the offer
1704 is equal to or less than the corporation's renewal premium for
1705 comparable coverage, the risk is not eligible for coverage with
1706 the corporation. If the risk is not able to obtain any such
1707 offer, the risk is eligible for a policy including wind coverage
1708 issued by the corporation. However, a policyholder removed from
1709 the corporation through an assumption agreement remains eligible
1710 for coverage from the corporation until the end of the
1711 assumption period.

1712 (I) If the risk accepts an offer of coverage through the
1713 market assistance plan or through a mechanism established by the
1714 corporation other than a plan established by s. 627.3518, before
1715 a policy is issued to the risk by the corporation or during the
1716 first 30 days of coverage by the corporation, and the producing
1717 agent who submitted the application to the plan or the
1718 corporation is not currently appointed by the insurer, the
1719 insurer shall:

1720 (A) Pay to the producing agent of record of the policy,
1721 for the first year, an amount that is the greater of the
1722 insurer's usual and customary commission for the type of policy
1723 written or a fee equal to the usual and customary commission of
1724 the corporation; or

1725 (B) Offer to allow the producing agent of record of the

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1726 | policy to continue servicing the policy for at least 1 year and
 1727 | offer to pay the agent the greater of the insurer's or the
 1728 | corporation's usual and customary commission for the type of
 1729 | policy written.

1730 |
 1731 | If the producing agent is unwilling or unable to accept
 1732 | appointment, the new insurer shall pay the agent in accordance
 1733 | with sub-sub-sub-subparagraph (A).

1734 | (II) If the corporation enters into a contractual
 1735 | agreement for a take-out plan, the producing agent of record of
 1736 | the corporation policy is entitled to retain any unearned
 1737 | commission on the policy, and the insurer shall:

1738 | (A) Pay to the producing agent of record, for the first
 1739 | year, an amount that is the greater of the insurer's usual and
 1740 | customary commission for the type of policy written or a fee
 1741 | equal to the usual and customary commission of the corporation;
 1742 | or

1743 | (B) Offer to allow the producing agent of record to
 1744 | continue servicing the policy for at least 1 year and offer to
 1745 | pay the agent the greater of the insurer's or the corporation's
 1746 | usual and customary commission for the type of policy written.

1747 |
 1748 | If the producing agent is unwilling or unable to accept
 1749 | appointment, the new insurer shall pay the agent in accordance
 1750 | with sub-sub-sub-subparagraph (A).

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1751 c. For purposes of determining comparable coverage under
1752 sub-subparagraphs a. and b., the comparison must be based on
1753 those forms and coverages that are reasonably comparable. The
1754 corporation may rely on a determination of comparable coverage
1755 and premium made by the producing agent who submits the
1756 application to the corporation, made in the agent's capacity as
1757 the corporation's agent. A comparison may be made solely of the
1758 premium with respect to the main building or structure only on
1759 the following basis: the same coverage A or other building
1760 limits; the same percentage hurricane deductible that applies on
1761 an annual basis or that applies to each hurricane for commercial
1762 residential property; the same percentage of ordinance and law
1763 coverage, if the same limit is offered by both the corporation
1764 and the authorized insurer; the same mitigation credits, to the
1765 extent the same types of credits are offered both by the
1766 corporation and the authorized insurer; the same method for loss
1767 payment, such as replacement cost or actual cash value, if the
1768 same method is offered both by the corporation and the
1769 authorized insurer in accordance with underwriting rules; and
1770 any other form or coverage that is reasonably comparable as
1771 determined by the board. If an application is submitted to the
1772 corporation for wind-only coverage in the coastal account, the
1773 premium for the corporation's wind-only policy plus the premium
1774 for the ex-wind policy that is offered by an authorized insurer
1775 to the applicant must be compared to the premium for multiperil

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1776 coverage offered by an authorized insurer, subject to the
1777 standards for comparison specified in this subparagraph. If the
1778 corporation or the applicant requests from the authorized
1779 insurer a breakdown of the premium of the offer by types of
1780 coverage so that a comparison may be made by the corporation or
1781 its agent and the authorized insurer refuses or is unable to
1782 provide such information, the corporation may treat the offer as
1783 not being an offer of coverage from an authorized insurer at the
1784 insurer's approved rate.

1785 6. Must include rules for classifications of risks and
1786 rates.

1787 7. Must provide that if premium and investment income for
1788 an account attributable to a particular calendar year are in
1789 excess of projected losses and expenses for the account
1790 attributable to that year, such excess shall be held in surplus
1791 in the account. Such surplus must be available to defray
1792 deficits in that account as to future years and used for that
1793 purpose before assessing assessable insurers and assessable
1794 insureds as to any calendar year.

1795 8. Must provide objective criteria and procedures to be
1796 uniformly applied to all applicants in determining whether an
1797 individual risk is so hazardous as to be uninsurable. In making
1798 this determination and in establishing the criteria and
1799 procedures, the following must be considered:

1800 a. Whether the likelihood of a loss for the individual

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1801 risk is substantially higher than for other risks of the same
1802 class; and

1803 b. Whether the uncertainty associated with the individual
1804 risk is such that an appropriate premium cannot be determined.

1805

1806 The acceptance or rejection of a risk by the corporation shall
1807 be construed as the private placement of insurance, and the
1808 provisions of chapter 120 do not apply.

1809 9. Must provide that the corporation make its best efforts
1810 to procure catastrophe reinsurance at reasonable rates, to cover
1811 its projected 100-year probable maximum loss as determined by
1812 the board of governors.

1813 10. The policies issued by the corporation must provide
1814 that if the corporation or the market assistance plan obtains an
1815 offer from an authorized insurer to cover the risk at its
1816 approved rates, the risk is no longer eligible for renewal
1817 through the corporation, except as otherwise provided in this
1818 subsection.

1819 11. Corporation policies and applications must include a
1820 notice that the corporation policy could, under this section, be
1821 replaced with a policy issued by an authorized insurer which
1822 does not provide coverage identical to the coverage provided by
1823 the corporation. The notice must also specify that acceptance of
1824 corporation coverage creates a conclusive presumption that the
1825 applicant or policyholder is aware of this potential.

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1826 12. May establish, subject to approval by the office,
1827 different eligibility requirements and operational procedures
1828 for any line or type of coverage for any specified county or
1829 area if the board determines that such changes are justified due
1830 to the voluntary market being sufficiently stable and
1831 competitive in such area or for such line or type of coverage
1832 and that consumers who, in good faith, are unable to obtain
1833 insurance through the voluntary market through ordinary methods
1834 continue to have access to coverage from the corporation. If
1835 coverage is sought in connection with a real property transfer,
1836 the requirements and procedures may not provide an effective
1837 date of coverage later than the date of the closing of the
1838 transfer as established by the transferor, the transferee, and,
1839 if applicable, the lender.

1840 13. Must provide that, with respect to the coastal
1841 account, any assessable insurer with a surplus as to
1842 policyholders of \$25 million or less writing 25 percent or more
1843 of its total countrywide property insurance premiums in this
1844 state may petition the office, within the first 90 days of each
1845 calendar year, to qualify as a limited apportionment company. A
1846 regular assessment levied by the corporation on a limited
1847 apportionment company for a deficit incurred by the corporation
1848 for the coastal account may be paid to the corporation on a
1849 monthly basis as the assessments are collected by the limited
1850 apportionment company from its insureds, but a limited

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1851 apportionment company must begin collecting the regular
 1852 assessments not later than 90 days after the regular assessments
 1853 are levied by the corporation, and the regular assessments must
 1854 be paid in full within 15 months after being levied by the
 1855 corporation. A limited apportionment company shall collect from
 1856 its policyholders any emergency assessment imposed under sub-
 1857 subparagraph (b)3.d. The plan must provide that, if the office
 1858 determines that any regular assessment will result in an
 1859 impairment of the surplus of a limited apportionment company,
 1860 the office may direct that all or part of such assessment be
 1861 deferred as provided in subparagraph (q)4. However, an emergency
 1862 assessment to be collected from policyholders under sub-
 1863 subparagraph (b)3.d. may not be limited or deferred.

1864 14. Must provide that the corporation appoint as its
 1865 licensed agents only those agents who throughout such
 1866 appointments also hold an appointment as defined in s. 626.015
 1867 ~~s. 626.015(3)~~ by an insurer who is authorized to write and is
 1868 actually writing or renewing personal lines residential property
 1869 coverage, commercial residential property coverage, or
 1870 commercial nonresidential property coverage within the state.

1871 15. Must provide a premium payment plan option to its
 1872 policyholders which, at a minimum, allows for quarterly and
 1873 semiannual payment of premiums. A monthly payment plan may, but
 1874 is not required to, be offered.

1875 16. Must limit coverage on mobile homes or manufactured

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1876 homes built before 1994 to actual cash value of the dwelling
 1877 rather than replacement costs of the dwelling.

1878 17. Must provide coverage for manufactured or mobile home
 1879 dwellings. Such coverage must also include the following
 1880 attached structures:

1881 a. Screened enclosures that are aluminum framed or
 1882 screened enclosures that are not covered by the same or
 1883 substantially the same materials as those of the primary
 1884 dwelling;

1885 b. Carports that are aluminum or carports that are not
 1886 covered by the same or substantially the same materials as those
 1887 of the primary dwelling; and

1888 c. Patios that have a roof covering that is constructed of
 1889 materials that are not the same or substantially the same
 1890 materials as those of the primary dwelling.

1891
 1892 The corporation shall make available a policy for mobile homes
 1893 or manufactured homes for a minimum insured value of at least
 1894 \$3,000.

1895 18. May provide such limits of coverage as the board
 1896 determines, consistent with the requirements of this subsection.

1897 19. May require commercial property to meet specified
 1898 hurricane mitigation construction features as a condition of
 1899 eligibility for coverage.

1900 20. Must provide that new or renewal policies issued by

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1901 the corporation on or after January 1, 2012, which cover
 1902 sinkhole loss do not include coverage for any loss to
 1903 appurtenant structures, driveways, sidewalks, decks, or patios
 1904 that are directly or indirectly caused by sinkhole activity. The
 1905 corporation shall exclude such coverage using a notice of
 1906 coverage change, which may be included with the policy renewal,
 1907 and not by issuance of a notice of nonrenewal of the excluded
 1908 coverage upon renewal of the current policy.

1909 21. As of January 1, 2012, must require that the agent
 1910 obtain from an applicant for coverage from the corporation an
 1911 acknowledgment signed by the applicant, which includes, at a
 1912 minimum, the following statement:

1913
 1914 ACKNOWLEDGMENT OF POTENTIAL SURCHARGE
 1915 AND ASSESSMENT LIABILITY:
 1916

1917 1. AS A POLICYHOLDER OF CITIZENS PROPERTY INSURANCE
 1918 CORPORATION, I UNDERSTAND THAT IF THE CORPORATION SUSTAINS A
 1919 DEFICIT AS A RESULT OF HURRICANE LOSSES OR FOR ANY OTHER REASON,
 1920 MY POLICY COULD BE SUBJECT TO SURCHARGES, WHICH WILL BE DUE AND
 1921 PAYABLE UPON RENEWAL, CANCELLATION, OR TERMINATION OF THE
 1922 POLICY, AND THAT THE SURCHARGES COULD BE AS HIGH AS 45 PERCENT
 1923 OF MY PREMIUM, OR A DIFFERENT AMOUNT AS IMPOSED BY THE FLORIDA
 1924 LEGISLATURE.

1925 2. I UNDERSTAND THAT I CAN AVOID THE CITIZENS POLICYHOLDER

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1926 SURCHARGE, WHICH COULD BE AS HIGH AS 45 PERCENT OF MY PREMIUM,
 1927 BY OBTAINING COVERAGE FROM A PRIVATE MARKET INSURER AND THAT TO
 1928 BE ELIGIBLE FOR COVERAGE BY CITIZENS, I MUST FIRST TRY TO OBTAIN
 1929 PRIVATE MARKET COVERAGE BEFORE APPLYING FOR OR RENEWING COVERAGE
 1930 WITH CITIZENS. I UNDERSTAND THAT PRIVATE MARKET INSURANCE RATES
 1931 ARE REGULATED AND APPROVED BY THE STATE.

1932 3. I UNDERSTAND THAT I MAY BE SUBJECT TO EMERGENCY
 1933 ASSESSMENTS TO THE SAME EXTENT AS POLICYHOLDERS OF OTHER
 1934 INSURANCE COMPANIES, OR A DIFFERENT AMOUNT AS IMPOSED BY THE
 1935 FLORIDA LEGISLATURE.

1936 4. I ALSO UNDERSTAND THAT CITIZENS PROPERTY INSURANCE
 1937 CORPORATION IS NOT SUPPORTED BY THE FULL FAITH AND CREDIT OF THE
 1938 STATE OF FLORIDA.

1939
 1940 a. The corporation shall maintain, in electronic format or
 1941 otherwise, a copy of the applicant's signed acknowledgment and
 1942 provide a copy of the statement to the policyholder as part of
 1943 the first renewal after the effective date of this subparagraph.

1944 b. The signed acknowledgment form creates a conclusive
 1945 presumption that the policyholder understood and accepted his or
 1946 her potential surcharge and assessment liability as a
 1947 policyholder of the corporation.

1948 Section 37. This act shall take effect July 1, 2017.