

<b>Tab 1</b>	<b>CS/SB 286</b> by <b>RI, Perry</b> ; (Identical to CS/H 00137) Fire Sprinklers						
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<b>Tab 2</b>	<b>SB 534</b> by <b>Gibson (CO-INTRODUCERS) Thurston</b> ; (Identical to H 00467) Insurance Representative Examination Requirements						
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<b>Tab 3</b>	<b>CS/SB 686</b> by <b>JU, Brandes</b> ; (Similar to H 01533) Offers of Judgment						
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938316	A	S	UNFAV	BI, Rouson	Delete L.51 - 62.	03/10	12:26 PM
787724	A	S	RCS	BI, Brandes	Delete L.58 - 59:	03/10	12:26 PM

<b>Tab 4</b>	<b>SB 742</b> by <b>Perry</b> ; (Identical to H 00815) Insurance						
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194946	A	S	RCS	BI, Perry	Delete L.133 - 554:	03/10	12:27 PM
<del>335766</del> —AA	AA	S	WD	BI, Taddeo	Delete L.409 - 438.	03/10	12:27 PM

<b>Tab 5</b>	<b>SB 1024</b> by <b>Brodeur (CO-INTRODUCERS) Rouson</b> ; (Compare to CS/H 00701) Increasing Access to Mental Health Care						
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976652	A	S	RCS	BI, Brodeur	Delete L.22 - 46:	03/10	12:27 PM
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<b>Tab 6</b>	<b>SB 1408</b> by <b>Burgess</b> ; (Similar to H 01209) Department of Financial Services						
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918012	A	S	RCS	BI, Burgess	Delete L.190 - 944:	03/10	12:27 PM
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**The Florida Senate**  
**COMMITTEE MEETING EXPANDED AGENDA**

**BANKING AND INSURANCE**  
**Senator Boyd, Chair**  
**Senator Broxson, Vice Chair**

**MEETING DATE:** Wednesday, March 10, 2021  
**TIME:** 8:00—10:00 a.m.  
**PLACE:** *Pat Thomas Committee Room, 412 Knott Building*

**MEMBERS:** Senator Boyd, Chair; Senator Broxson, Vice Chair; Senators Brandes, Burgess, Gruters, Passidomo, Rodrigues, Rouson, Stargel, Stewart, Taddeo, and Thurston

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
PUBLIC TESTIMONY WILL BE RECEIVED FROM ROOM A3 AT THE DONALD L. TUCKER CIVIC CENTER, 505 W PENSACOLA STREET, TALLAHASSEE, FL 32301			
1	<b>CS/SB 286</b> Regulated Industries / Perry (Identical CS/H 137, Compare H 1209, S 1408)	Fire Sprinklers; Revising the definition of the term "Contractor V"; authorizing certain fire protection system contractors to design certain systems; revising the definition of the term "fire protection system", etc.  RI     03/01/2021 Fav/CS BI     03/10/2021 Favorable RC	Favorable Yeas 12 Nays 0
2	<b>SB 534</b> Gibson (Identical H 467)	Insurance Representative Examination Requirements; Exempting certain applicants for licensure as an all lines adjuster from a required examination, etc.  BI     03/10/2021 Favorable JU RC	Favorable Yeas 11 Nays 0
3	<b>CS/SB 686</b> Judiciary / Brandes (Similar H 1533)	Offers of Judgment; Authorizing parties to serve offers of judgment that make certain stipulations relating to attorney fees and costs; authorizing certain offerings of judgment relating to jointly owned property to require both individuals to either accept or reject the offer; providing requirements relating to grounds for challenging the validity of offers, etc.  JU     02/15/2021 Fav/CS BI     03/10/2021 Fav/CS RC	Fav/CS Yeas 8 Nays 3

**COMMITTEE MEETING EXPANDED AGENDA**

Banking and Insurance

Wednesday, March 10, 2021, 8:00—10:00 a.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
4	<b>SB 742</b> Perry (Identical H 815, Compare H 1209, S 1408)	Insurance; Redefining the term "covered policy" under the Florida Hurricane Catastrophe Fund in relation to certain collateral protection insurance policies; specifying when service of process is valid and binding upon insurers; specifying the entities that must receive requests for loss run statements; limiting loss run statement requests with respect to group health insurance policies to group policyholders; authorizing, rather than requiring, rate filings for certain residential property insurance to include certain rate factors, etc.  BI 03/10/2021 Fav/CS JU AP	Fav/CS Yeas 9 Nays 2
5	<b>SB 1024</b> Brodeur (Compare H 701)	Increasing Access to Mental Health Care; Requiring the Department of Financial Services, in collaboration with the Agency for Health Care Administration, to establish a system for tracking and monitoring complaints made to the Division of Consumer Services of the department regarding coverage and access to mental health services; requiring that insurers and health maintenance organizations provide written notice to certain persons which includes specified information, etc.  BI 03/10/2021 Fav/CS AEG AP	Fav/CS Yeas 11 Nays 0
6	<b>SB 1408</b> Burgess (Similar H 1209, Compare CS/H 137, H 415, H 587, CS/H 717, H 815, CS/H 823, CS/S 286, CS/S 360, S 742, S 998, S 1902)	Department of Financial Services; Specifying powers and duties of the Division of Public Assistance Fraud; specifying a condition that must be met before certain firefighter cancer-related benefits may be paid from the State Risk Management Trust Fund; specifying a criminal penalty for the willful and knowing dissemination of a sexual harassment victim's personal identifying information, except under certain circumstances; prohibiting persons from acting as or advertising themselves as being funeral directors, embalmers, direct disposers, or preneed sales agents unless they are so licensed; extending a deadline for certain buildings to comply with a minimum radio signal strength requirement under the Florida Fire Prevention Code, etc.  BI 03/10/2021 Fav/CS JU AEG AP	Fav/CS Yeas 11 Nays 0

Other Related Meeting Documents

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Banking and Insurance

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BILL: CS/SB 286

INTRODUCER: Regulated Industries Committee and Senator Perry

SUBJECT: Fire Sprinklers

DATE: March 8, 2021

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Kraemer</u>	<u>Imhof</u>	<u>RI</u>	<u>Fav/CS</u>
2.	<u>Schrader</u>	<u>Knudson</u>	<u>BI</u>	<u>Favorable</u>
3.	_____	_____	<u>RC</u>	_____

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**Please see Section IX. for Additional Information:**

PLEASE MAKE SELECTION

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**I. Summary:**

CS/SB 286, relating to fire sprinklers, revises the scope of fire protection system work for persons certified as a contractor by the Division of State Fire Marshal (Division) within the Department of Financial Services.

Under the bill, a Contractor I or a Contractor II as defined in ch. 633, F.S., relating to Fire Prevention and Control, is authorized to design new fire protection systems of 49 or fewer sprinklers. A Contractor I and II would also be allowed to design the alteration of an existing system regardless of the size of the system, if the alteration relocates or deletes 249 or fewer sprinklers. Such authorization is conditioned, however, on that occupancy and water demand, as defined in applicable codes, must be unchanged, and the occupancy hazard classification must be reduced or unchanged. The bill eliminates the authorization for a Contractor IV to similarly design or alter such fire protection systems.

The bill clarifies that a Contractor I, Contractor II, or Contractor IV is authorized to design a new fire protection system, or design the alteration of an existing fire sprinkler system, when the system meets a specified standard for installation in a one-family, two-family, or manufactured home.

The bill revises the work authorized to be undertaken by a person certified as a Contractor V. Under the bill, a Contractor V would be authorized to inspect underground piping for a water-based fire protection system only under the direction of a Contractor I or Contractor II. A

Contractor V may continue to fabricate, install, alter, repair, and service the underground piping for a water-based fire protection system.

The bill clarifies that fire protection systems include tanks providing water supply or pump fuel, and piping for such tanks.

The bill has no impact on state or local government.

The bill is effective July 1, 2021.

## II. Present Situation:

### Florida Fire Prevention Code

The State Fire Marshal, by rule, adopts the Florida Fire Prevention Code (FFPC), which contains all fire safety laws and rules that pertain to the design, construction, erection, alteration, modification, repair, and demolition of public and private buildings, structures, and facilities, and the enforcement of such fire safety laws and rules.<sup>1</sup> The State Fire Marshal adopts a new edition of the FFPC every three years.<sup>2</sup> When adopting a new edition of the FFPC, the State Fire Marshal must adopt the most recent version of the National Fire Protection Association (NFPA) Standard 1, Fire Prevention Code, and the NFPA 101 Life Safety Code.<sup>3</sup> The 7th edition of the FFPC took effect on December 31, 2020.<sup>4</sup>

Current law requires local governments to enforce the FFPC and the Florida Building Code including permitting, inspecting, and approving the installation of a fire protection system.<sup>5</sup> Owners of fire protection systems are responsible for the maintenance of their fire protection systems, and must contract with a certified fire protection system contractor to regularly inspect such systems.<sup>6</sup>

### Fire Sprinkler Systems

A licensed fire protection engineer or architect, with fire protection design experience, may design any type of fire protection system.<sup>7</sup> A fire protection system is “a system individually designed to protect the interior or exterior of a specific building or buildings, structure, or other special hazard from fire.”<sup>8</sup>

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<sup>1</sup> See generally Fla. Admin. Code Ch. 69A-60 (2021).

<sup>2</sup> Section 633.202, F.S. The State Fire Marshal maintains a list of local amendments to the FFPC, available at <https://www.myfloridacfo.com/Division/SFM/bfp/LocalAmendments.htm> (last visited Feb. 23, 2021).

<sup>3</sup> *Id.* The NFPA shares information through more than 300 consensus codes and standards, research, training, education, outreach and advocacy, and by partnering with others. See the NFPA website, available at [NFPA](https://www.nfpa.org) (last visited Feb. 23, 2021).

<sup>4</sup> See Florida Fire Prevention Code, available at [Florida Fire Prevention Code Page \(myfloridacfo.com\)](https://www.myfloridacfo.com/Florida-Fire-Prevention-Code) (last visited Feb. 23, 2021).

<sup>5</sup> See generally the Florida Building Code, part IV of ch. 553, F.S., and ch. 633, F.S., relating to Fire Prevention and Control; 10.1.2 and 10.1.3 of the 7th edition of the Florida Fire Prevention Code (NFPA Standard 1).

<sup>6</sup> Section 633.312 (4), F.S.; see also 10.2.7 of the 7th edition of the Florida Fire Prevention Code (NFPA Standard 1), which provides minimum inspection frequency requirements.

<sup>7</sup> Section 633.102(3), F.S. As provided in s. 471.031, F.S., the title “fire protection engineer” may be used only by persons holding an active license as an engineer in Florida, unless exempt from licensing.

<sup>8</sup> Section 633.102(11), F.S.

The State Fire Marshal is also responsible for licensing and regulating fire system protection contractors in the state.<sup>9</sup> In order to engage in the business of laying out, fabricating, installing, inspecting, altering, repairing, or servicing a fire protection system in Florida, a person must be certified as a fire protection system contractor.

Fire protection systems are designed by licensed engineers and architects. Such systems include, but are not limited to:

- Water sprinkler and spray systems;
- Foam-water sprinkler and spray systems;
- Carbon dioxide, foam extinguishing, and dry chemical systems;
- Halon and other chemical systems used for fire protection;
- Overhead and underground fire mains;
- Fire hydrants and hydrant mains;
- Standpipes and hoses connected to sprinkler systems;
- Sprinkler tank heaters, air lines, and thermal systems; and
- Tanks and pumps connected to fire sprinkler systems.<sup>10</sup>

### **Fire Protection System Contractors**

Fire protection system contractors may be certified under ch. 633, F.S., in five categories that have distinct areas of authorized work which may be undertaken by contractors certified in a particular category. In order to sit for the examination for certification as a contractor, a person must be 18 years of age, be of good moral character, and have the following respective experience:

- A Contractor I must have four years of proven experience while employed by a Contractor I, or a combination of equivalent education and experience in both water-based and chemical fire suppression systems.
- A Contractor II must have four years of verifiable employment experience with a fire protection system as a Contractor I or Contractor II, or a combination of equivalent education and experience in water-based fire suppression systems.
- A Contractor III must have four years of verifiable employment experience with a fire protection system as a Contractor I or Contractor II, or a combination of equivalent education and experience in chemical fire suppression systems.
- A Contractor IV must be licensed as a certified plumbing contractor under ch. 489, F.S., and successfully complete a training program acceptable to the State Fire Marshal of not less than 40 contact hours regarding the applicable installation standard used by the Contractor IV as described in NFPA 13D.
- A Contractor V must have been licensed as a certified underground utility and excavation contractor or certified plumbing contractor pursuant to ch. 489, F.S., have verification by a certified utility contractor or certified plumbing contractor pursuant to ch. 489, F.S., that the applicant has four years' proven experience while employed by a certified underground utility and excavation contractor or certified plumbing contractor, or have a combination of

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<sup>9</sup> Division of State Fire Marshall, *Regulatory Licensing*, <https://www.myfloridacfo.com/Division/SFM/BFP/RegulatoryLicensing/default.htm> (last visited March 7, 2021).

<sup>10</sup> Section 633.102(11), F.S.

education and experience equivalent to four years' proven experience while employed by a certified underground utility and excavation contractor or certified plumbing contractor.<sup>11</sup>

The design of fire protection systems of 49 or fewer sprinklers, and the alteration of an existing fire sprinkler system, notwithstanding the size of the system, provided that no more than 49 sprinklers are relocated, added, or deleted,<sup>12</sup> may be undertaken by persons certified as a:

- Contractor I, who have the authority to lay out, fabricate, install, inspect, alter, repair, and service all types of fire protection systems, excluding pre-engineered systems;<sup>13</sup>
- Contractor II, who have the authority to lay out, fabricate, install, inspect, alter, repair, and service water sprinkler and spray systems, foam-water sprinkler and spray systems, standpipes, and sprinkler risers, all piping integral to the system, sprinkler tank heaters, air lines, thermal systems used in connection with sprinklers, and connected tanks and pumps, excluding pre-engineered systems);<sup>14</sup> or
- Contractor IV, who have the authority to lay out, fabricate, install, inspect, alter, repair, and service automatic fire sprinkler systems for detached one-family dwellings, detached two-family dwellings, and mobile homes, excluding pre-engineered systems, and excluding single-family homes in cluster units, such as apartments, condominiums, and assisted living facilities or any building that is connected to other dwellings.<sup>15</sup>

Under current law, a person certified as a Contractor V is limited to the ability to fabricate, install, inspect, alter, repair, and service the underground piping for a water-based fire protection system using water as the extinguishing agent beginning at the point of service as defined in this act and ending no more than one foot above the finished floor.<sup>16</sup>

One category of fire protection system contractors, Contractor III, does not engage in work involving fire sprinklers. Instead, a Contractor III is limited to the execution of contracts requiring the ability to fabricate, install, inspect, alter, repair, and service carbon dioxide systems, foam extinguishing systems, dry chemical systems, and Halon and other chemical systems, excluding pre-engineered systems.<sup>17</sup>

### **III. Effect of Proposed Changes:**

The bill revises the scope of fire protection system work for persons certified as a contractor by the Division.

The bill revises the work authorized to be undertaken by a person certified as a Contractor V. Under the bill, a Contractor V may only inspect, alter, repair, and service underground piping for a water-based fire protection system when under the direction of a Contractor I or Contractor II. The bill maintains current law allowing a Contractor V to fabricate, install, alter, repair, and

<sup>11</sup> Section 633.318(3), F.S. *See also* Fla. Admin. Code R. 69A-46.010 (2021).

<sup>12</sup> Section 633.102(3), F.S.

<sup>13</sup> Section 633.102(3)(a), F.S.

<sup>14</sup> Section 633.102(3)(b), F.S.

<sup>15</sup> Section 633.102(3)(d), F.S.

<sup>16</sup> Section 633.102(3)(3), F.S.

<sup>17</sup> *See s.* 633.102(3)(c), F.S.

service the underground piping for a water-based fire protection system from the point of service to one foot above the finished floor of a building.<sup>18</sup>

The bill also creates a new authorization for a Contractor I or a Contractor II to design the alteration of an existing system, if said alteration:

- Entails the relocation or deletion of 249 or fewer sprinklers, notwithstanding the size of the existing system;
- Requires no change in occupancy, as defined in the Florida Building Code and the FFPC,<sup>19</sup> and no change in water demand as defined in National Fire Protection Association Publication (NFPA) No. 13;<sup>20</sup> and
- The occupancy hazard classification, as defined in NFPA No. 13,<sup>21</sup> is reduced or remains the same after the alteration.

The bill eliminates the authorization in current law for a Contractor IV to design fire protection systems of not more than 49 sprinklers, and to design the alteration of an existing fire sprinkler system when the alteration relocates, adds, or deletes not more than 49 sprinklers.

The bill clarifies that a Contractor I, Contractor II, or Contractor IV is authorized to design a new fire protection system, or design the alteration of an existing fire protection system, the scope of which complies with NFPA 13D, “Standard for the Installation of Sprinkler Systems in One and Two-Family Dwellings and Manufactured Homes,” as adopted by the State Fire Marshal, notwithstanding the number of fire sprinklers.

The bill amends the definition of “fire protection system” to include tanks providing water supply or pump fuel, including piping for such tanks. This would allow fire sprinkler contractors to install fuel supply pumping for fire pumps.

The bill is effective July 1, 2021.

#### **IV. Constitutional Issues:**

##### **A. Municipality/County Mandates Restrictions:**

None.

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<sup>18</sup> Section 633.102(3)(e), F.S.

<sup>19</sup> See International Code Counsel, *Florida Building Code* ch. 3, available at: <https://codes.iccsafe.org/content/FLBC2020P1/chapter-3-use-and-occupancy-classification> (last visited March 7, 2021), and Division of State Fire Marshal, *Florida Fire Prevention Code* ch. 20 available at <https://www.nfpa.org/codes-and-standards/all-codes-and-standards/codes-and-standards/free-access?mode=view> (last visited March 7, 2021).

<sup>20</sup> NFPA 13 is titled “Standard for the Installation of Sprinkler Systems” and is available for download here: <https://www.nfpa.org/codes-and-standards/all-codes-and-standards/list-of-codes-and-standards/detail?code=13> (last visited March 7, 2021, registration required).

<sup>21</sup> See NFPA, *Step 1 How Much Water is Needed*, available at [https://www.nfpa.org/assets/gallery/firewise/operationWater/step1\\_3.htm](https://www.nfpa.org/assets/gallery/firewise/operationWater/step1_3.htm) (last visited Feb. 23, 2021), indicating an occupancy hazard classification is calculated as part of determining the minimum water needed to fight a structural fire. No hazard classification is assigned when a building has a properly installed automatic sprinkler system.



**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**D. State Tax or Fee Increases:**

None.

**E. Other Constitutional Issues:**

None.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

The bill authorizes persons certified as a Contractor I or Contractor II to design the alteration of an existing system regardless of the size of the system, if the alteration relocates or delete 249 or fewer sprinklers. The authorization to do this type of work is expanded for persons certified as a Contractor I or Contractor II, which may impact others who have previously undertaken such design work, such as engineers and architects.

Under the bill, persons certified as a Contractor V may contract for work involving the inspection, alteration, repair, and servicing of underground piping for a fire protection system only if they are under the direction of persons certified as a Contractor I or Contractor II. The requirement imposed by the bill may result in decreased opportunities for work for a Contractor V.

**C. Government Sector Impact:**

According to the Department of Financial Services, there is no impact to state or local government.<sup>22</sup>

**VI. Technical Deficiencies:**

None.

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<sup>22</sup> See 2021 Agency Legislative Bill Analysis (Department of Financial Services) for SB 286, Feb. 8, 2021 (on file with Senate Committee on Regulated Industries) at page 2.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 633.102 of the Florida Statutes.

**IX. Additional Information:****A. Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by Regulated Industries on March 1, 2021:**

The committee substitute:

- Provides that a Contractor I or a Contractor II may design a new fire protection system and design an alteration to an existing system provided:
  - 249 or fewer sprinklers will be relocated or deleted;
  - Occupancy requirements in the Florida Building Code or the Florida Fire Protection Code remain unchanged; and
  - The occupancy hazard code classification is reduced or remains the same;
- Clarifies that a Contractor I or Contractor II is authorized to design a new fire protection system, or design the alteration of an existing fire sprinkler system, when the system meets a specified standard for installation in a one-family, two-family, or manufactured home;
- Eliminates the authorization in current law for a Contractor IV to design fire protection systems, and to design the alteration of an existing system, with 49 or fewer sprinklers;
- Requires a Contractor V to be under the direction of a Contractor I or a Contractor II for inspection of underground piping for a water-based fire protection system; and
- Clarifies that fire protection systems include tanks providing water supply or pump fuel, and piping for such tanks, to allow fire sprinkler contractors to install fuel supply pumping for fire pumps.

**B. Amendments:**

None.

By the Committee on Regulated Industries; and Senator Perry

580-02308-21

2021286c1

1 A bill to be entitled  
 2 An act relating to fire sprinklers; amending s.  
 3 633.102, F.S.; revising the definition of the term  
 4 "Contractor V"; authorizing certain fire protection  
 5 system contractors to design certain systems; revising  
 6 the definition of the term "fire protection system";  
 7 providing an effective date.  
 8  
 9 Be It Enacted by the Legislature of the State of Florida:  
 10  
 11 Section 1. Subsections (3) and (11) of section 633.102,  
 12 Florida Statutes, are amended to read:  
 13 633.102 Definitions.—As used in this chapter, the term:  
 14 (3) (a) "Contractor I" means a contractor whose business  
 15 includes the execution of contracts requiring the ability to lay  
 16 out, fabricate, install, inspect, alter, repair, and service all  
 17 types of fire protection systems, excluding preengineered  
 18 systems.  
 19 (b) "Contractor II" means a contractor whose business is  
 20 limited to the execution of contracts requiring the ability to  
 21 lay out, fabricate, install, inspect, alter, repair, and service  
 22 water sprinkler systems, water spray systems, foam-water  
 23 sprinkler systems, foam-water spray systems, standpipes,  
 24 combination standpipes and sprinkler risers, all piping that is  
 25 an integral part of the system beginning at the point of service  
 26 as defined in this section, sprinkler tank heaters, air lines,  
 27 thermal systems used in connection with sprinklers, and tanks  
 28 and pumps connected thereto, excluding preengineered systems.  
 29 (c) "Contractor III" means a contractor whose business is

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**CODING:** Words ~~stricken~~ are deletions; words underlined are additions.

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30 limited to the execution of contracts requiring the ability to  
 31 fabricate, install, inspect, alter, repair, and service carbon  
 32 dioxide systems, foam extinguishing systems, dry chemical  
 33 systems, and Halon and other chemical systems, excluding  
 34 preengineered systems.  
 35 (d) "Contractor IV" means a contractor whose business is  
 36 limited to the execution of contracts requiring the ability to  
 37 lay out, fabricate, install, inspect, alter, repair, and service  
 38 automatic fire sprinkler systems for detached one-family  
 39 dwellings, detached two-family dwellings, and mobile homes,  
 40 excluding preengineered systems and excluding single-family  
 41 homes in cluster units, such as apartments, condominiums, and  
 42 assisted living facilities or any building that is connected to  
 43 other dwellings. A Contractor IV is limited to the scope of  
 44 practice specified in NFPA 13D.  
 45 (e) "Contractor V" means a contractor whose business is  
 46 limited to the execution of contracts requiring the ability to  
 47 fabricate, install, ~~inspect~~, alter, repair, and service the  
 48 underground piping for a fire protection system using water as  
 49 the extinguishing agent beginning at the point of service as  
 50 defined in this act and ending no more than 1 foot above the  
 51 finished floor. A Contractor V may inspect underground piping  
 52 for a water-based fire protection system under the direction of  
 53 a Contractor I or Contractor II.  
 54  
 55 ~~The definitions in~~ This subsection may not be construed to  
 56 include engineers or architects within the defined terms and  
 57 does not limit or prohibit a licensed fire protection  
 58 engineer or architect with fire protection design experience

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59 from designing any type of fire protection system. A distinction  
 60 is made between system design concepts prepared by the design  
 61 professional and system layout as defined in this section and  
 62 typically prepared by the contractor. However, a person  
 63 certified under this chapter as a Contractor I ~~or~~ Contractor  
 64 II, ~~or Contractor IV under this chapter~~ may design new fire  
 65 protection systems of 49 or fewer sprinklers; ~~and~~ may design  
 66 the alteration of an existing fire sprinkler system if the  
 67 alteration consists of the relocation, addition, or deletion of  
 68 ~~not more than 49 or fewer~~ 49 or fewer sprinklers, notwithstanding the size  
 69 of the existing fire sprinkler system; or may design the  
 70 alteration of an existing fire sprinkler system if the  
 71 alteration consists of the relocation or deletion of 249 or  
 72 fewer sprinklers, notwithstanding the size of the existing fire  
 73 sprinkler system, if there is no change of occupancy of the  
 74 affected areas, as defined in the Florida Building Code and the  
 75 Florida Fire Prevention Code, and there is no change in the  
 76 water demand as defined in NFPA 13, "Standard for the  
 77 Installation of Sprinkler Systems," and if the occupancy hazard  
 78 classification as defined in NFPA 13 is reduced or remains the  
 79 same as a result of the alteration. A person certified as a  
 80 Contractor I, Contractor II, or Contractor IV may design a new  
 81 fire protection system or design the alteration of an existing  
 82 fire protection system, the scope of which complies with NFPA  
 83 13D, "Standard for the Installation of Sprinkler Systems in One-  
 84 and Two-Family Dwellings and Manufactured Homes," as adopted by  
 85 the State Fire Marshal, notwithstanding the number of fire  
 86 sprinklers. Contractor-developed plans may not be required by  
 87 any local permitting authority to be sealed by a registered

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

580-02308-21

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88 professional engineer.  
 89 (11) "Fire protection system" means a system individually  
 90 designed to protect the interior or exterior of a specific  
 91 building or buildings, structure, or other special hazard from  
 92 fire. Such systems include, but are not limited to, water  
 93 sprinkler systems, water spray systems, foam-water sprinkler  
 94 systems, foam-water spray systems, carbon dioxide systems, foam  
 95 extinguishing systems, dry chemical systems, and Halon and other  
 96 chemical systems used for fire protection use. Such systems also  
 97 include any overhead and underground fire mains, fire hydrants  
 98 and hydrant mains, standpipes and hoses connected to sprinkler  
 99 systems, sprinkler tank heaters, air lines, thermal systems used  
 100 in connection with fire sprinkler systems, ~~and~~ tanks providing  
 101 water supply or pump fuel, including piping for such tanks, and  
 102 pumps connected to fire sprinkler systems.  
 103 Section 2. This act shall take effect July 1, 2021.

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**THE FLORIDA SENATE**  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/10/21  
Meeting Date

286  
Bill Number (if applicable)

Topic Fire Sprinklers

Amendment Barcode (if applicable)

Name Edward Briggs

Job Title Dir. of Gov't + Community Affairs

Address 235 W. Braden Blvd. Ste. 640  
Street

Phone 850-933-5994

Braden FL 33511  
City State Zip

Email edward@rsacconsul.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing American Fire Sprinkler Association - FL Chapter

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

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Duplicate

**THE FLORIDA SENATE**  
**APPEARANCE RECORD**

3/10/2021

Meeting Date

SB 286

Bill Number (if applicable)

Topic Regulated Industries - Fire Spinklers

Amendment Barcode (if applicable)

Name Karl Rasmussen

Job Title Lobbyist

Address PO Box 11247

Phone 850425400

Street

Tallahassee

FL

32302

Email karl@meenanlawfirm.com

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Florida Fire Sprinkler Association

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

***This form is part of the public record for this meeting.***

S-001 (10/14/14)

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**THE FLORIDA SENATE**

**APPEARANCE RECORD**

3/9/21

Meeting Date

286

Bill Number (if applicable)

Topic Fire Sprinklers

Amendment Barcode (if applicable)

Name Eric Prutsman

Job Title Lobbyist

Address 537 E Park Ave

Phone 8502241900

Street

Tallahassee

FL

32301

Email eric@teamjlb.com

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
*(The Chair will read this information into the record.)*

Representing Alarm Associations of Florida

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

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**YOU MUST PRINT AND DELIVER THIS FORM TO THE ASSIGNED TESTIMONY ROOM**

**THE FLORIDA SENATE**

**APPEARANCE RECORD**

3/9/21

*Meeting Date*

286

*Bill Number (if applicable)*

Topic Fire Sprinklers

*Amendment Barcode (if applicable)*

Name Eric Prutsman

Job Title Lobbyist

Address 537 E Park Ave

Phone 8502241900

*Street*

Tallahassee

FL

32301

Email eric@teamjb.com

*City*

*State*

*Zip*

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
*(The Chair will read this information into the record.)*

Representing Alarm Associations of Florida

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

***This form is part of the public record for this meeting.***

S-001 (10/14/14)





The Florida Senate

## Committee Agenda Request

**To:** Senator Jim Boyd, Chair  
Committee on Banking and Insurance

**Subject:** Committee Agenda Request

**Date:** March 4, 2021

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I respectfully request that **Senate Bill #286**, relating to Fire Sprinklers, be placed on the:

- committee agenda at your earliest possible convenience.
- next committee agenda.

A handwritten signature in black ink that reads "W. Keith Perry".

---

Senator Keith Perry  
Florida Senate, District 8

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

---

Prepared By: The Professional Staff of the Committee on Banking and Insurance

---

BILL: SB 534

INTRODUCER: Senator Gibson

SUBJECT: Insurance Representative Examination Requirements

DATE: March 8, 2021

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Schrader	Knudson	BI	<b>Favorable</b>
2.			JU	
3.			RC	

---

**I. Summary:**

SB 534 amends s. 626.221, F.S., to add a category of persons to the list of individuals who are not required to take the examination to become an all-lines insurance adjuster—namely a person certified as an Accredited Insurance Claims Specialist (AICS) from Encore Claim Services (Encore).

**II. Present Situation:**

An adjuster is an individual employed by an insurer to evaluate losses and settle policyholder claims.<sup>1</sup> An adjuster may be licensed as either an “all-lines adjuster” or a “public adjuster.”<sup>2</sup> An all-lines adjuster “is a person who, for money, commission, or any other thing of value, directly or indirectly undertakes on behalf of a public adjuster or an insurer to ascertain and determine the amount of any claim, loss, or damage payable under an insurance contract or undertakes to effect settlement of such claim, loss, or damage.”<sup>3</sup> Subject to certain exceptions, a public adjuster is someone that is paid by an insured to prepare and file a claim against his or her insurer.<sup>4</sup>

Among other requirements, an applicant must pass an examination to obtain an adjuster’s license; however, the examination requirement is waived if the applicant has attained certain professional designations that document their successful completion of professional education coursework.<sup>5</sup>

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<sup>1</sup> INSURANCE INFORMATION INSTITUTE, GLOSSARY (defining “adjuster”), <https://www.iii.org/resource-center/iii-glossary/A> (last visited March 7, 2021).

<sup>2</sup> Section 626.864, F.S.

<sup>3</sup> Sections 626.015(2) and 626.8548, F.S.

<sup>4</sup> Section 626.854, F.S.

<sup>5</sup> Section 626.221, F.S.

An examination is not required for all-lines adjuster applicants with the following professional designations:

- Accredited of Accredited Claims Adjuster (ACA) from a regionally accredited postsecondary institution in this state.
- Associate in Claims (AIC) from the Insurance Institute of America.
- Professional Claims Adjuster (PCA) from the Professional Career Institute.
- Professional Property Insurance Adjuster (PPIA) from the HurriClaim Training Academy.
- Certified Adjuster (CA) from ALL LINES Training, Certified Claims Adjuster (CCA) from AE21 Incorporated.
- Claims Adjuster Certified Professional (CACP) from WebCE, Inc.
- Universal Claims Certification (UCC) from Claims and Litigation Management Alliance (CLM).

The DFS must approve the curriculum, which must include comprehensive analysis of basic property and casualty lines of insurance and testing at least equal to that of standard department testing for the all-lines adjuster license.<sup>6</sup> The DFS rules state that the curriculum must include 40 hours of instruction covering all of the topics in the all-lines adjuster Examination Content Outline adopted by the DFS.<sup>7</sup>

Encore provides training for individuals in the insurance industry<sup>8</sup> and offers a 40-hour online course to assist individuals applying for all-lines adjuster licenses.<sup>9</sup> Encore is subsidiary of JYM Associates Group Inc., a Florida for-profit corporation based in Jacksonville.<sup>10</sup>

### III. Effect of Proposed Changes:

**Section 1** of the bill amends s. 626.221, F.S., to exempt a person who receives an Accredited Insurance Claims Specialist (AICS) from Encore Claim Services, from the all-lines adjuster licensing exam requirement. However, Encore's curriculum still must be approved by the DFS, pursuant to s. 626.221(2)(j), F.S., and Rule 69B-227.320, F.A.C., before such exemption would apply.

**Section 2** of the bill reenacts s. 626.8734, F.S., to incorporate the amendments to s. 626.221, F.S.

**Section 3** of the bill provides and effective date of July 1, 2021.

<sup>6</sup> Section 626.221(2)(j), F.S.

<sup>7</sup> Rule 69B-227.320, F.A.C.

<sup>8</sup> *About us*, Encore Claim Services, <https://encoreclaimservices.com/aboutus/#> (last visited March 7, 2021).

<sup>9</sup> *Encore Claim Services 40-hour Online Claim Adjuster Training*, Encore Claim Services, <https://encoreclaimservices.teachable.com/p/florida-all-lines-adjuster-final-exam> (last visited March 7, 2021).

<sup>10</sup> *Supra* note 8; *Detail by Entity Name: JYM Associates Group Inc.*, Division of Corporations: Sunbiz.org, <http://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&searchNameOrder=JYMASSOCIATESGROUP%20P190000278530&aggregateId=domp-p19000027853-2eb71327-7ed7-4dea-9b5c-0c37bbe3e227&searchTerm=JYM%20ASSOCIATES%20GROUP%20INC.&listNameOrder=JYMASSOCIATESGROUP%20P190000278530> (last visited March 7, 2021).

**IV. Constitutional Issues:**

## A. Municipality/County Mandates Restrictions:

None.

## B. Public Records/Open Meetings Issues:

None.

## C. Trust Funds Restrictions:

None.

## D. State Tax or Fee Increases:

None.

## E. Other Constitutional Issues:

None.

**V. Fiscal Impact Statement:**

## A. Tax/Fee Issues:

None.

## B. Private Sector Impact:

The bill may reduce licensure fees for some applicants who have the AICS designation by eliminating their need to pay the examination fee.

## C. Government Sector Impact:

The bill may cause the DFS to incur some cost in reviewing and approving the AICS curriculum offered by Encore to confirm that said curriculum comports with the requirements of Section 626.221(2)(j), F.S., and Rule 69B-227.320, F.A.C.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends s. 626.221 of the Florida Statutes.

This bill reenacts s. 626.8734 of the Florida Statutes.

**IX. Additional Information:**

A. **Committee Substitute – Statement of Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. **Amendments:**

None.

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This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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By Senator Gibson

6-00285-21

2021534\_\_

1 A bill to be entitled  
 2 An act relating to insurance representative  
 3 examination requirements; amending s. 626.221, F.S.;  
 4 exempting certain applicants for licensure as an all-  
 5 lines adjuster from a required examination; reenacting  
 6 s. 626.8734, F.S., relating to nonresident all-lines  
 7 adjuster license qualifications, to incorporate the  
 8 amendment made to s. 626.221, F.S., in a reference  
 9 thereto; providing an effective date.

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

11  
 12  
 13 Section 1. Paragraph (j) of subsection (2) of section  
 14 626.221, Florida Statutes, is amended to read:  
 15 626.221 Examination requirement; exemptions.—  
 16 (2) However, an examination is not necessary for any of the  
 17 following:  
 18 (j) An applicant for license as an all-lines adjuster who  
 19 has the designation of Accredited Claims Adjuster (ACA) from a  
 20 regionally accredited postsecondary institution in this state,  
 21 Associate in Claims (AIC) from the Insurance Institute of  
 22 America, Professional Claims Adjuster (PCA) from the  
 23 Professional Career Institute, Professional Property Insurance  
 24 Adjuster (PPIA) from the HurriClaim Training Academy, Certified  
 25 Adjuster (CA) from ALL LINES Training, Certified Claims Adjuster  
 26 (CCA) from AE21 Incorporated, Claims Adjuster Certified  
 27 Professional (CACP) from WebCE, Inc., Accredited Insurance  
 28 Claims Specialist (AICS) from Encore Claim Services, or  
 29 Universal Claims Certification (UCC) from Claims and Litigation

Page 1 of 3

**CODING:** Words ~~stricken~~ are deletions; words underlined are additions.

6-00285-21

2021534\_\_

30 Management Alliance (CLM) whose curriculum has been approved by  
 31 the department and which includes comprehensive analysis of  
 32 basic property and casualty lines of insurance and testing at  
 33 least equal to that of standard department testing for the all-  
 34 lines adjuster license. The department shall adopt rules  
 35 establishing standards for the approval of curriculum.

36 Section 2. For the purpose of incorporating the amendment  
 37 made by this act to section 626.221, Florida Statutes, in a  
 38 reference thereto, paragraph (b) of subsection (1) of section  
 39 626.8734, Florida Statutes, is reenacted to read:  
 40 626.8734 Nonresident all-lines adjuster license  
 41 qualifications.—  
 42 (1) The department shall issue a license to an applicant  
 43 for a nonresident all-lines adjuster license upon determining  
 44 that the applicant has paid the applicable license fees required  
 45 under s. 624.501 and:  
 46 (b) Has passed to the satisfaction of the department a  
 47 written Florida all-lines adjuster examination of the scope  
 48 prescribed in s. 626.241(6); however, the requirement for the  
 49 examination does not apply to:  
 50 1. An applicant who is licensed as an all-lines adjuster in  
 51 his or her home state if that state has entered into a  
 52 reciprocal agreement with the department;  
 53 2. An applicant who is licensed as a nonresident all-lines  
 54 adjuster in a state other than his or her home state and a  
 55 reciprocal agreement with the appropriate official of the state  
 56 of licensure has been entered into with the department; or  
 57 3. An applicant who holds a certification set forth in s.  
 58 626.221(2)(j).

Page 2 of 3

**CODING:** Words ~~stricken~~ are deletions; words underlined are additions.

6-00285-21

2021534\_\_

59

Section 3. This act shall take effect July 1, 2021.

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Judiciary

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BILL: CS/CS/SB 686

INTRODUCER: Banking and Insurance Committee, Judiciary Committee, and Senator Brandes

SUBJECT: Offers of Judgment

DATE: March 11, 2021

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Davis</u>	<u>Cibula</u>	<u>JU</u>	<u><b>Fav/CS</b></u>
2.	<u>Schrader</u>	<u>Knudson</u>	<u>BI</u>	<u><b>Fav/CS/CS</b></u>
3.	_____	_____	<u>RC</u>	_____

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**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/CS/SB 686 revises and expands the statute that governs settlement offers in civil litigation. These offers of judgment and demands for judgment encourage settlements by providing a mechanism to shift significant attorney fees and costs to a party who does not accept an offer that will ultimately be assessed as a reasonable settlement offer.

The bill creates an additional settlement mechanism in statute. The bill permits a party to make an offer of judgment that compensates someone solely for their harm or loss. It does not include an offer to compensate for the potentially more complicated and contentious issues of awarding attorney fees and costs.

The bill permits an offer of judgment that is served on joint owners of real property who are insureds to require that both insureds either accept or reject the offer.

Finally, the bill requires a party served with a settlement offer to notify the party making the offer, within 30 days, of any grounds for challenging the validity of the offer. The notice must be in writing and state with specificity the grounds for challenging the validity of the offer. The right to challenge the validity of the offer is waived if not objected to in the proper timeframe.

The bill takes effect July 1, 2021.



## II. Present Situation:

### Offers of Judgment

#### *Background*

In 1986, the Legislature adopted an “offer of judgment and demand for judgment” statute to serve as a tool to encourage civil litigation settlements.<sup>1</sup> In United States common law, each party to a lawsuit is generally required to pay its own attorney fees, but this statute is a partial repeal of that principle.<sup>2</sup> The statute creates the potential to shift the expense of costs and attorney fees to the opposing party in a lawsuit. In general terms, if a specially designated settlement offer is made and rejected and the damages awarded are less favorable by 25 percent of the offer, the offer to settle becomes the tool that shifts the burden of paying costs and attorney fees to the rejecting party.<sup>3</sup> This effectively applies pressure and creates risks for an opposing party.<sup>4</sup>

#### *Purpose*

Several appellate courts have offered explanations for the purposes of the offer-of-judgment statute. One court noted that the purpose of the statute was to encourage the settlement of lawsuits.<sup>5</sup> Another court stated that the purpose was to reduce litigation costs, not create more.<sup>6</sup> Yet another reason that the purpose of the statute was to deter parties from rejecting reasonable settlement offers by permitting the imposition of sanctions in the form of costs and attorney fees.<sup>7</sup>

#### *An Offer of Judgment and a Demand for Judgment*

##### A Defendant’s Offer of Judgment

In a civil action for damages, if a defendant files an offer of judgment which is not accepted by the plaintiff within 30 days, the defendant is entitled to recover reasonable costs and attorney fees incurred by her or him, or on the defendant’s behalf,<sup>8</sup> from the date of filing the offer, if the judgment is:

- One of no liability; or
- The judgment obtained by the plaintiff is at least 25 percent less than the offer.

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<sup>1</sup> Chapter 86-160, s. 58, Laws of Fla.

<sup>2</sup> *Anderson v. Hilton Hotels Corp.*, 202 So. 3d 846, 852 (Fla. 2016).

<sup>3</sup> See also Fla.R.Civ.P. Rule 1.442, the Proposal for Settlement rule which applies to all proposals for settlement authorized by Florida law.

<sup>4</sup>Ellen Koehler Lyons, Carlton Fields Law Firm, *Understanding Proposals for Settlement* at 8 (2006)

<https://www.carltonfields.com/files/Publication/C93C8D17-3532-4F25-A1FB-65366405D522/Presentation/PublicationAttachment/E2F69B42-8754-42A7-B087-2E37794E4818/Understanding%20Offers%20of%20Judgment.pdf>.

<sup>5</sup> *Wilcox v. Neville*, 283 So. 3d 878, 881 (Fla. 1st DCA 2019).

<sup>6</sup> *Diecidue v. Lewis*, 223 So. 3d 1015, 1019 (Fla. 2d DCA 2017).

<sup>7</sup> *Diamond Aircraft Industries, Inc. v. Horowitch*, 107 So. 3d 362, 372 (Fla. 2013).

<sup>8</sup> This is premised on the assumption that there is a policy of liability insurance or some other contract.

The court must set off the costs and attorney fees against the award. If the costs and attorney fees total more than the judgment, the court must enter judgment for the defendant against the plaintiff for the amount of the costs and fees, less the amount of the plaintiff's award.<sup>9</sup>

#### A Plaintiff's Demand for Judgment

If a plaintiff files a demand for judgment that is rejected by the defendant within 30 days and the plaintiff recovers a judgment in an amount at least 25 percent greater than the offer, the plaintiff is entitled to recover reasonable costs and attorney fees incurred from the date of the filing of the demand.<sup>10</sup>

#### Rejected Offers

If either an offer of judgment or a demand for judgment is rejected, neither is admissible in future litigation, except for the purpose of pursuing penalties set forth in the statute.<sup>11</sup> If an offer is not accepted, that does not preclude a party from making a subsequent offer.<sup>12</sup> If an offer is not accepted, the date that the offer is served on the offeree is the date upon which the fees that may be shifted start accruing.

#### Contents of an Offer

An offer must:

- Be in writing and state that it is being made pursuant to s. 768.79, F.S.
- Name the party making the offer and name the party to whom the offer is made.
- State the particular amount that is being offered to settle a claim for punitive damages, if any.
- State the total amount of the offer.<sup>13</sup>

The offer must be construed as including all damages which may be awarded in a final judgment.<sup>14</sup> The offer must be served upon the party to whom it is made, but the offer may not be filed unless it is accepted or if it is necessary to file the offer to enforce an accepted offer or to determine the imposition of sanctions.<sup>15</sup>

#### *Acceptance of an Offer*

An offer is accepted by filing a written acceptance with the court within 30 days after the offer is served.<sup>16</sup>

#### *Enforcement by the Court*

After a judgment or after a voluntary or involuntary dismissal is entered, the offeror has 30 days to file a motion with the court to enforce the terms of the offer. As mentioned above, if a defendant's offer is not accepted and the plaintiff's judgment is at least 25 percent less than the amount of the offer, the defendant will be awarded reasonable costs, which include investigative

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<sup>9</sup> Section 768.79(1), F.S.

<sup>10</sup> *Id.*

<sup>11</sup> *Id.*

<sup>12</sup> Section 768.79(2), F.S.

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

<sup>15</sup> Section 768.79(3), F.S.; Section 768.79(8), F.S.

<sup>16</sup> Section 768.79(4), F.S.

expenses, and attorney fees calculated in accordance with Supreme Court guidelines. These costs, fees, and expenses are calculated from the date the offer was served.<sup>17</sup>

Similarly, if a plaintiff's offer is not accepted and the plaintiff's judgment is at least 25 percent more than the amount of the offer, the plaintiff will be awarded reasonable costs, including investigative expenses, and attorney fees calculated from the date the offer was served.<sup>18</sup>

If a court determines that a party, entitled to costs and fees, did not make the offer to settle in good faith, the court may disallow the award of costs and attorney fees.<sup>19</sup>

### ***Interpretations of the Phrase "Judgment Obtained"***

The phrase "judgment obtained" occurs several times in s. 768.69, F.S., and has been the subject of much conjecture and controversy. The judgment obtained is the financial amount a court uses as the benchmark to determine whether a party has met the settlement amount stated in an offer of judgment which entitles a party to receive costs and attorney fees. What constitutes the components of a judgment obtained is not clear. The statute and case law do not appear to be in agreement.

#### Statute Definition

As discussed above, the term "judgment obtained" is defined slightly differently for a defendant's offer of judgment and a plaintiff's demand for judgment. When a defendant serves an offer on a plaintiff, and the offer is rejected, a judgment obtained includes:

- The amount of the net judgment entered;
- Plus any postoffer collateral source payments received or due as of the date of the judgment; and
- Plus any postoffer settlement amounts<sup>20</sup> by which the verdict was reduced.<sup>21</sup>

When a plaintiff serves a proposal for settlement on a defendant and the offer is rejected, a judgment obtained includes:

- The amount of the net judgment entered; and
- Plus any postoffer settlement amounts by which the verdict was reduced.<sup>22</sup>

#### Florida Supreme Court Definition

In contrast to the statutory language, the Florida Supreme Court has interpreted the phrase "judgment obtained" much more broadly. In *White v. Steak and Ale of Florida, Inc.*, the Court held that a judgment obtained is not limited solely to the amount of the judgment for damages.<sup>23</sup> Two district courts of appeal had earlier determined that the phrase was limited to the amount of the judgment for damages awarded by the jury. Two other district courts of appeal disagreed and

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<sup>17</sup> Section 768.29(6)(a), F.S.

<sup>18</sup> Section 768.79(6)(b), F.S.

<sup>19</sup> Section 768.79(7)(a), F.S.

<sup>20</sup> Postoffer settlement is not defined in statute. However, the First District Court of Appeal recently determined that a postoffer settlement is a "settlement reached any time after the service of the offer." *Wilcox v. Neville*, 283 So. 3d 878, 882 (Fla. 1st DCA 2019).

<sup>21</sup> Section 768.79(6), F.S.

<sup>22</sup> *Id.*

<sup>23</sup> *White v. Steak & Ale of Florida, Inc.*, 816 So. 2d 546, 550 (Fla. 2002).

determined that a judgment obtained included taxable costs incurred up until the time of the offer for purposes of determining the entitlement to attorney fees and costs.<sup>24</sup> The Court held that the judgment obtained means the net judgment for damages plus any attorney fees and taxable costs that could have been included in a final judgment if the final judgment had been entered on the date of the offer.<sup>25</sup> The terms supplied by the Court, however, do not appear in the statute's definition.

Regarding the issue of how prejudgment interest is to be calculated in an offer of judgment, the Florida Supreme Court has accepted review of the case *CCM Condominium Association, Inc., v. Petri Positive Pest Control, Inc.* Oral argument was held in October, 2020, but a decision has yet to be rendered.<sup>26</sup> In the lower court decision, the Fourth District Court of Appeal noted, "we are troubled by how far the formula created in *White* strays from what we believe is the plain meaning of the statute."<sup>27</sup>

### ***Current Practice of Making Settlement Offers for Damages Only***

Rule 1.442(c)(2)(F) of the Florida Rules of Civil Procedure states that a proposal for settlement must "state whether the proposal includes attorneys' fees and whether attorneys' fees are part of the legal claim." Because litigators recognize the complexity that calculating attorney fees and costs present when making proposals for settlement, some litigants have chosen to offer proposals for damages only. With such offers, there is an understanding that attorney fees and costs will be resolved at a later time. While some practitioners might read the current statute and believe that offers for damages only are not prohibited, others might conclude that the statute is silent as to whether someone can offer a proposal for damages only, and choose not to participate in that type of offer.

A practical example would be a defendant who serves a proposal for a settlement for \$50,000. The proposal is rejected and the plaintiff recovers \$10,000 at trial. The defendant's position is that the plaintiff did not meet the 75 percent threshold of recovering \$37,500; therefore, the defendant is entitled to recover its costs and attorney fees incurred from the date of the offer, pursuant to the language of the statute. The plaintiff then counter-argues that, in order to arrive at the correct figure to determine whether the plaintiff met the 75 percent threshold, you must add the plaintiff's fees and costs in to make a correct comparison. Because attorney fees and costs often far eclipse the damages judgment, the plaintiff's fees and costs generally exceed the amount needed to reach the \$37,500 threshold. Therefore, the proposal for settlement is not enforced. Using this rationale, it may be difficult to recover attorney fees and costs because they are added in to the damages, thereby substantially raising the threshold that must be met.

### ***Enforcing Offers with "Ambiguities"***

It appears from a review of appellate cases that enforcing proposals for settlement can, at times, be problematic. The party who does not prevail and is looking at the possibility of paying costs and attorney fees often argues that the proposal contained ambiguities and is not enforceable. In

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<sup>24</sup> *Id.* at 549-550.

<sup>25</sup> *Id.* at 550.

<sup>26</sup> *CCM Condominium Association, Inc., v. Petri Positive Pest Control, Inc.*, 271 So. 3d 1001 (Fla. 4th DCA 2019) *review granted*, SC 19-861, 2019 WL 5704171 (Fla., Nov. 5, 2019).

<sup>27</sup> *Petri Positive Pest Control, Inc. v. CCM Condominium Association, Inc.*, 271 So. 3d 1001, 1006 (Fla. 4th DCA 2019).

an effort to bring clarity to this argument, the Florida Supreme Court has noted that a proposal must be sufficiently clear and free from ambiguities so that the recipient has an opportunity to fully consider the proposal. The Court expounded on this concept and said that it has not required that every ambiguity be eliminated, only the reasonable ambiguities. The Court stated:

We recognize that, given the nature of language, it may be impossible to eliminate all ambiguity. The rule does not demand the impossible. It merely requires that the settlement proposal be sufficiently clear and definite to allow the offeree to make an informed decision without needing clarification. If ambiguity within the proposal could reasonably affect the offeree’s decision, the proposal will not satisfy the particularity requirement [of Rule 1.442(c)(2)(C)-(D)]<sup>28</sup>

The Court concluded by noting that courts are discouraged from “nitpicking” settlement proposals in search of an ambiguity.<sup>29</sup>

***Offers in Insurance Litigation***

Insurance litigation is subject to both s. 627.428, F.S., and s. 768.79, F.S.<sup>30</sup> Section 627.428, F.S., allows an insured to recover his or her own attorney fees if the insured prosecutes a lawsuit to enforce an insurance policy. Florida courts will apply both statutes to the same litigation with s. 627.428, F.S. governing the award of attorney fees prior to the insurer making an offer of judgment, while both s. 627.428, F.S., or s. 768.79, F.S., apply to the award of attorney fees after an offer of judgment is made, depending on how much the insured recovers. The Florida Supreme Court in *State Farm Mut. Auto Ins. Co. v. Nichols* explained how the two statutes interact in different circumstances by including the following chart in its opinion:<sup>31</sup>

<b>If the judgment is:</b>	<b>The insured receives:</b>	<b>The insurer receives:</b>
No liability	No fees	Post-offer fees under the offer of judgment statute.
75 percent or less of the insurer’s offer	Pre-offer fees under s. 627.428, F.S.	Post-offer fees under the offer of judgment statute.
More than 75 percent of the insurer’s offer, but not more than 100 percent	Pre-offer fees under s. 627.428, F.S.	No fees.
More than the insurer’s offer	All fees under s. 627.428, F.S.	No fees.

***Offers to Joint Property Owners***

The Florida Supreme Court rendered a decision in 2010 that addressed the imposition of attorney fees pursuant to a joint offer of settlement involving joint property owners. The issue before the Court was whether a joint offer or proposal for settlement that is conditioned on the mutual

<sup>28</sup> *Anderson v. Hilton Hotels Corp.*, 202 So. 3d 846, 853 (Fla. 2016).

<sup>29</sup> *Id.*

<sup>30</sup> See *Pennsylvania Lumbermans Mut. Ins. Co. v. Sunrise Club Inc.*, 711 So.2d 593 (Fla. 3rd DCA 1998).

<sup>31</sup> *State Farm Mut. Auto. Ins. Co. v. Nichols*, 932 So. 2d 1067, 1074 (Fla. 2006).

acceptance of all joint offerees is valid and enforceable. The Court determined that the joint offer was “invalid and unenforceable because it is conditioned such that neither offeree can independently evaluate or settle his or her respective claim by accepting the proposal.”<sup>32</sup>

### **III. Effect of Proposed Changes:**

#### **Offer of Judgment Exclusive of Attorney Fees and Costs**

The bill revises s. 768.79, F.S., to further encourage settlements. The revision allows a litigant to limit the financial scope of what may be included in an offer of judgment or a demand for judgment. The offer must still include the “total amount of indemnity or damages” that may be awarded in a final judgment. However, the provision specifically allows attorney fees and costs to not be included. By removing the often contentious issues of what constitutes valid attorney fees and reasonable costs, the underlying claim for damages may be easier to reconcile. The bill also removes any doubt as to whether proposals for damages only are authorized by statute.

The bill, in proposed new subsection (3,) specifies that a party who serves an offer of judgment for damages only is not required to specify an amount being offered for attorney fees and costs. In essence, when a party serves this offer of judgment, the party is saying that the offer is only being made for a specific damage amount and *does not* include the additional costs and attorney fees that are currently included in an offer. In theory, the process will be bifurcated. The attorneys would likely resolve the amount of fees and costs due among themselves or hold a hearing before the court at some later time to resolve what constitutes reasonable costs and attorney fees.

#### **An Offer for People Who Jointly Own Property**

The bill also includes a new provision that if an action involves damages to real property that is jointly owned by two individuals who are insured, an offer of judgment which is served on both insureds may require that both insured people either accept or reject the offer. In other words, one person cannot accept the offer and the other person reject the offer. This would effectively negate the Court’s finding on the issue in *Attorneys’ Title Insurance Fund*.

#### **Details for Challenging the Validity of an Offer**

Under current law, an offer is accepted by filing a written acceptance with the court within 30 days after service of the offer. For an offer to be withdrawn, it must be in writing and served before the date a written acceptance is filed. Once an offer is withdrawn, the offer is void.<sup>33</sup> However, when an offer and acceptance are filed, a court has full jurisdiction to enforce the settlement agreement.<sup>34</sup>

The bill provides a mechanism and a time frame for challenging the validity of an offer. Within 30 days after an offer of judgment is served, the offeree must notify the offeror of any grounds for challenging the validity of the offer. The basis for challenging the validity of the offer must

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<sup>32</sup> *Attorneys’ Title Insurance Fund, Inc. v. Gorka*, 36 So. 3d 646, 647 (Fla. 2010).

<sup>33</sup> Section 768.79(5), F.S.

<sup>34</sup> Section 768.79(4), F.S.

be in writing and stated with specificity. If the recipient of the offer fails to timely notify the offeror in writing of the grounds for challenging the validity of the offer, the offeree waives the right to later object to the validity of the offer. By placing this mechanism in statute, the validity or invalidity of the offer must be raised and addressed promptly where it can be resolved, instead of, for example, waiting for an opposing party raise the issue as a defense once the court has determined that a the other party is entitled to costs and fees, pursuant to s. 768.79.<sup>35</sup>

The bill takes effect July 1, 2021.

#### **IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

#### **V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill may reduce litigation costs and fees that would otherwise be incurred if the action were not resolved more promptly by an offer of judgment.

C. Government Sector Impact:

None.

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<sup>35</sup> See present 768.79(7)(a), F.S., which states that “if a party is entitled to costs and fees pursuant to the provisions of this section, the court may, in its discretion, determine that an offer was not made in good faith. In such case, the court may disallow an award of costs and attorney’s fees.”

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends section 768.79, Florida Statutes.

**IX. Additional Information:**

- A. **Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by Judiciary on February 15, 2021:**

The committee substitute does not differ substantially from the underlying bill. The phrase “exclusive offer of judgment” is removed but the concept remains that a party may make an offer of judgment that identifies only the total amount of indemnity or damages and stipulates that attorney fees and costs will be established at a later time by the parties or the court.

The committee substitute deletes the phrase “or paragraph (b)” referring to what the term “judgment obtained” means when a plaintiff serves an offer which is not accepted by the defendant. Additionally, the word “interest” is deleted from the underlying bill when referring to what is excluded from an offer of judgment made to a plaintiff.

**CS/CS by Banking and Insurance on March 10, 2021:**

The committee substitute deletes the bill’s requirement that, when an offeree challenges an offer of settlement, the specificity required must be sufficient to enable the offeror to reevaluate the offer and make corrections.

- B. **Amendments:**

None.





938316

LEGISLATIVE ACTION

Senate	.	House
Comm: UNFAV	.	
03/10/2021	.	
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	.	

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The Committee on Banking and Insurance (Rouson) recommended the following:

**Senate Amendment (with directory and title amendments)**

Delete lines 51 - 62.

===== **D I R E C T O R Y C L A U S E A M E N D M E N T**=====

And the directory clause is amended as follows:

Delete line 20

and insert:

subsections (3) and (6) of that section are amended, to

10



938316

11 ===== T I T L E A M E N D M E N T =====

12 And the title is amended as follows:

13       Delete lines 8 - 9

14 and insert:

15       the offer; defining the



787724

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/10/2021	.	
	.	
	.	
	.	

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The Committee on Banking and Insurance (Brandes) recommended the following:

**Senate Amendment**

Delete lines 58 - 59  
and insert:  
writing and stated with specificity. If the

By the Committee on Judiciary; and Senator Brandes

590-02141-21

2021686c1

A bill to be entitled

An act relating to offers of judgment; amending s. 768.79, F.S.; authorizing parties to serve offers of judgment that make certain stipulations relating to attorney fees and costs; authorizing certain offerings of judgment relating to jointly owned property to require both individuals to either accept or reject the offer; providing requirements relating to grounds for challenging the validity of offers; defining the term "judgment obtained" as it relates to certain offers of judgment; providing applicability; providing an effective date.

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

Section 1. Present subsections (3) through (8) of section 768.79, Florida Statutes, are redesignated as subsections (5) through (10), respectively, new subsections (3) and (4) are added to that section, and subsection (2) and present subsections (3), (4), and (6) of that section are amended, to read:

768.79 Offer of judgment and demand for judgment.—

(2) The making of an offer of settlement which is not accepted does not preclude the making of a subsequent offer.

(3) A party may make an offer of judgment that identifies only the total amount of indemnity or damages and stipulates that entitlement to attorney fees and costs will be established at a later time by the parties or the court. An offer of judgment is not required to specify an amount for attorney fees

Page 1 of 4

**CODING:** Words ~~stricken~~ are deletions; words underlined are additions.

590-02141-21

2021686c1

and costs.

(4) An offer must:

(a) Be in writing and state that it is being made pursuant to this section.

(b) Name the party making it and the party to whom it is being made.

(c) State with particularity the amount offered to settle a claim for punitive damages, if any.

(d) State its total amount.

The offer shall be construed as including all damages which may be awarded in a final judgment unless it is an offer of judgment that stipulates that entitlement to attorney fees and costs will be established at a later time by the parties or the court.

(5)(3) An ~~The~~ offer shall be served upon the party to whom it is made, but it may shall not be filed unless it is accepted or unless filing is necessary to enforce the provisions of this section. In an action relating to damages to real property that is jointly owned by two individuals who are insureds, an offer of judgment which is served on both insureds may require that both insureds either accept or reject the offer.

(6)(4) An offer shall be accepted by filing a written acceptance with the court within 30 days after service. Upon filing of both the offer and acceptance, the court has full jurisdiction to enforce the settlement agreement. Within 30 days after an offer is served, the offeree must notify the offeror of any grounds for challenging the validity of the offer. The grounds for challenging the validity of the offer must be in writing and stated with specificity to enable the offeror to

Page 2 of 4

**CODING:** Words ~~stricken~~ are deletions; words underlined are additions.

590-02141-21 2021686c1

59 reevaluate the offer and make corrections, if warranted. If the  
 60 offeree fails to timely notify the offeror in writing of the  
 61 grounds for challenging the validity of the offer, the offeree  
 62 waives the right to object to the validity of the offer.

63 ~~(8)(6)~~ Upon motion made by the offeror within 30 days after  
 64 the entry of judgment or after voluntary or involuntary  
 65 dismissal, the court shall determine the following:

66 (a) If a defendant serves an offer which is not accepted by  
 67 the plaintiff, and if the judgment obtained by the plaintiff is  
 68 at least 25 percent less than the amount of the offer, the  
 69 defendant shall be awarded reasonable costs, including  
 70 investigative expenses, and attorney ~~attorney's~~ fees, calculated  
 71 in accordance with the guidelines promulgated by the Supreme  
 72 Court, incurred from the date the offer was served, and the  
 73 court shall set off such costs in attorney ~~attorney's~~ fees  
 74 against the award. When such costs and attorney ~~attorney's~~ fees  
 75 total more than the amount of the judgment, the court shall  
 76 enter judgment for the defendant against the plaintiff for the  
 77 amount of the costs and fees, less the amount of the award to  
 78 the plaintiff.

79 (b) If a plaintiff serves an offer which is not accepted by  
 80 the defendant, and if the judgment obtained by the plaintiff is  
 81 at least 25 percent more than the amount of the offer, the  
 82 plaintiff shall be awarded reasonable costs, including  
 83 investigative expenses, and attorney ~~attorney's~~ fees, calculated  
 84 in accordance with the guidelines promulgated by the Supreme  
 85 Court, incurred from the date the offer was served.

86  
 87 For purposes of the determination required by paragraph (a), the

Page 3 of 4

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590-02141-21 2021686c1

88 term "judgment obtained" means the amount of the net judgment  
 89 entered, plus any postoffer collateral source payments received  
 90 or due as of the date of the judgment, plus any postoffer  
 91 settlement amounts by which the verdict was reduced. For  
 92 purposes of the determination required by paragraph (b), the  
 93 term "judgment obtained" means the amount of the net judgment  
 94 entered, plus any postoffer settlement amounts by which the  
 95 verdict was reduced. For purposes of the determination required  
 96 by paragraph (a) for an offer of judgment that stipulates that  
 97 entitlement to attorney fees and costs will be established at a  
 98 later time by the parties or the court, the term "judgment  
 99 obtained" means the total amount of damages, if any, but does  
 100 not include any amount awarded for attorney fees and costs.

101 Section 2. This act applies to all offers of judgment  
 102 served on or after July 1, 2021.

103 Section 3. This act shall take effect July 1, 2021.

Page 4 of 4

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

**YOU MUST PRINT AND DELIVER THIS FORM TO THE ASSIGNED TESTIMONY ROOM**

**THE FLORIDA SENATE**

**APPEARANCE RECORD**

3/10/20

*Meeting Date*

SB 686

*Bill Number (if applicable)*

Topic Offers of Judgment

*Amendment Barcode (if applicable)*

Name Tiffany Faddis

Job Title Attorney

Address 7335 West Sand Lake Road, Suite 300

Phone 407-845-1756

*Street*

Orlando

FL

32819

Email tiffany.faddis@newlinlaw.com

*City*

*State*

*Zip*

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
*(The Chair will read this information into the record.)*

Representing Florida Justice Association

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

***This form is part of the public record for this meeting.***

S-001 (10/14/14)

YOU MUST PRINT **AND DELIVER** THIS FORM TO THE ASSIGNED TESTIMONY ROOM

THE FLORIDA SENATE

**APPEARANCE RECORD**

3/10/2021

Meeting Date

SB 686

Bill Number (if applicable)

Topic Insurance

Amendment Barcode (if applicable)

Name Jeffrey Carter

Job Title Attorney

Address 2808 W. 23rd Street

Phone 850-290-5940

Street

Panama City

FL

32406

Email JCarter@merlinlawgroup.com

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Merlin Law Group

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE

**APPEARANCE RECORD**

3/10/2021

Meeting Date

SB 686

Bill Number (if applicable)

938316

Topic Insurance

Amendment Barcode (if applicable)

Name Jeffrey Carter

Job Title Attorney

Address 2808 W. 23rd Street

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Email JCarter@merlinlawgroup.com

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(The Chair will read this information into the record.)

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S-001 (10/14/14)



**YOU MUST PRINT AND DELIVER THIS FORM TO THE ASSIGNED TESTIMONY ROOM**

**THE FLORIDA SENATE**

**APPEARANCE RECORD**

3/10/20

*Meeting Date*

SB 686

*Bill Number (if applicable)*

938316

*Amendment Barcode (if applicable)*

Topic Offers of Judgment

Name Tiffany Faddis

Job Title Attorney

Address 7335 West Sand Lake Road, Suite 300

Phone 407-845-1756

*Street*

Orlando

FL

32819

Email tiffany.faddis@newlinlaw.com

*City*

*State*

*Zip*

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
*(The Chair will read this information into the record.)*

Representing Florida Justice Association

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

***This form is part of the public record for this meeting.***

S-001 (10/14/14)

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Banking and Insurance

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BILL: CS/SB 742

INTRODUCER: Banking and Insurance Committee and Senator Perry

SUBJECT: Insurance

DATE: March 11, 2021

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Arnold</u>	<u>Knudson</u>	<u>BI</u>	<u>Fav/CS</u>
2.	_____	_____	<u>JU</u>	_____
3.	_____	_____	<u>AP</u>	_____

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**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/SB 742 amends several insurance-related statutes. Specifically, the bill:

- Directs the Florida Hurricane Catastrophe Fund to provide reimbursement for a loss under collateral protection insurance if the coverage is in an amount equal to the coverage amount for the dwelling in place under the lapsed homeowner's policy, equal to the coverage amount that the homeowner has been notified of, or equal to the coverage amount that the homeowner requests from the collateral protection insurer.
- Provides that service of process is valid and binding on an insurer upon delivery of the process documents to the insurer or upon the insurer receiving notice that the information is available on a secured network.
- Authorizes associations, trusts, and pools formed to provide self-insurance for public entities to establish quorum and conduct public business through electronic or virtual means.
- Provides that the designation of Insurance Customer Service Representative (ICSR) from Statewide Insurance Associates, LLC is an acceptable qualification for the purpose of customer representative licensure.
- Provides that an all-lines adjuster who is appointed and employed by an insurer's affiliate may serve as a company employee adjuster for the purpose of adjusting claims.
- Requires an admitted and nonadmitted group health insurer's loss run statement to include certain information, requires an admitted and nonadmitted personal lines insurer to provide loss run statements within 15 days of an insured's request after first providing information on

how to obtain a loss run statement from a consumer reporting agency, and authorizes an exemption for admitted and nonadmitted life insurers under the section.

- Allows a residential property insurer's rate filing to estimate projected hurricane losses by using a weighted or straight average of two or more methods or models approved by the Florida Commission on Hurricane Loss Projection Methodology.
- Provides residential property insurers with discretion regarding whether to include positive and negative rate factors based on building code enforcement in rate filings for residential property insurance.
- Authorizes a residential property insurer to file premium discounts, credits, and other rate differentials based on windstorm construction standards developed by an independent, not-for-profit, scientific research organization.
- Authorizes a property insurer to require a policyholder who is constructing or retrofitting a structure to provide evidence of compliance with windstorm mitigation standards prior to receiving premium discounts, credits, or rate reductions allowed under the rating plan.
- Provides that past loss experience and prospective loss experience for insolvent insurers must be used in the determination and fixing of workers' compensation rates, and that data previously reported by insolvent insurers may be used to assess the impact on rates.
- Provides Citizens with discretion to offer wind-only policies to condominium associations when 50 percent or more of their units are rented more than eight times per year for a period of less than 30 days.
- Allows the electronic transmission of all policy documents and claims communications by an insurer when the policy is sold in a wholly electronic manner, provided the insurer provides the policyholder with a disclosure at the time of sale.
- Provides that the applicable laws and ordinances for purposes of determining law and ordinance coverage are those enacted on or before the date of the loss.
- Provides that an agent may export a flood insurance policy or endorsement to an eligible surplus lines insurer without first making a diligent effort to seek coverage from three or more authorized insurers.
- Provides that s. 627.7152, F.S., governing assignment agreements, applies to instruments that assign or transfer post-loss benefits to a service provider that provides scopes of service or provides inspection services.
- Provides that the term "assignment agreement" does not include fees collected by a public adjuster.
- Provides that an insurer may designate a name, mailing address, and email address to receive a notice to initiate litigation from an assignee.
- Requires that an automobile policy that does not provide coverage for bodily injury liability and property damage liability include notice accompanying the declarations page that the policy does not provide such coverages and does not comply with any financial responsibility laws. Such policies generally cover antique motor vehicles.
- Authorizes the exemption of licensed personal lines and general lines agent from salesperson licensing requirements to solicit, negotiate, advertise, or sell motor vehicle service agreements, home warranty contracts, and service agreement contracts.

The bill takes effect July 1, 2021, except as otherwise provided.

## II. Present Situation:

### The Florida Hurricane Catastrophe Fund (FHCF)

The FHCF is a tax-exempt<sup>1</sup> fund created in 1993<sup>2</sup> after Hurricane Andrew<sup>3</sup> as a form of mandatory reinsurance for residential property insurers. The FHCF is administered by the State Board of Administration (SBA)<sup>4</sup> and is a tax-exempt source of reimbursement to property insurers for a selected percentage (45, 75, or 90 percent)<sup>5</sup> of hurricane losses above the insurer's retention (deductible). The FHCF provides insurers an additional source of reinsurance that is less expensive than what is available in the private market, enabling insurers to generally write more residential property insurance in the state than would otherwise be written. Because of the low cost of coverage from the FHCF, the fund acts to lower residential property insurance premiums for consumers.

All insurers admitted to do business in this state writing residential property insurance, that includes wind coverage, must buy reimbursement coverage (reinsurance) on their residential property exposure through the FHCF.<sup>6</sup> The FHCF is authorized by statute to sell \$17 billion of mandatory layer coverage.<sup>7</sup> Each insurer that purchases coverage may receive up to its proportional share of the \$17 billion mandatory layer of coverage based upon the insurer's share of the actual premium paid for the contract year, multiplied by the claims paying capacity of the fund. Each insurer may select a reimbursement contract wherein the FHCF promises to reimburse the insurer for 45 percent, 75 percent, or 90 percent of covered losses, plus 10 percent<sup>8</sup> of the reimbursed losses for loss adjustment expenses.<sup>9</sup>

The FHCF must charge insurers the actuarially indicated premium<sup>10</sup> for the coverage provided, based on hurricane loss projection models found acceptable by the Florida Commission on Hurricane Loss Projection Methodology.<sup>11</sup> The actuarially indicated premium is an amount determined by the principles of actuarial science to be adequate to pay current and future obligations and expenses of the fund.<sup>12</sup> In practice, each insurer pays the FHCF annual reimbursement premiums that are proportionate to each insurer's share of the FHCF's risk exposure. Historically, FHCF coverage generally costs less than private reinsurance because the fund is a tax-exempt non-profit corporation and does not charge a risk load as it relates to overhead and operating expenses incurred by other private insurers.<sup>13</sup>

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<sup>1</sup> Section 215.555(1)(f), F.S.

<sup>2</sup> Ch. 93-409, Laws of Fla.

<sup>3</sup> Ed Rappaport, *Preliminary Report, Hurricane Andrew* (updated Dec. 10, 1993; addendum Feb. 7, 2005), <https://www.nhc.noaa.gov/1992andrew.html>.

<sup>4</sup> State Board of Administration of Florida, *About the SBA*, <https://www.sbafla.com/fsb/> (last visited March 8, 2021).

<sup>5</sup> Section 215.555(2)(e), F.S.

<sup>6</sup> *See* s. 215.555(4)(a), F.S.

<sup>7</sup> Section 215.555(4)(c)1., F.S.

<sup>8</sup> Section 215.555(4)(b)1., F.S.

<sup>9</sup> Loss adjustment expenses are costs incurred by insurers when investigating, adjusting, and processing a claim.

<sup>10</sup> Section 215.555(5)(a), F.S.

<sup>11</sup> *See, Florida Commission on Hurricane Loss Methodology*, <https://www.sbafla.com/method/> (last visited March 8, 2021).

<sup>12</sup> Section 215.555(2)(a), F.S.

<sup>13</sup> [State Board of Administration of Florida, Florida Hurricane Catastrophe Fund, 2016 Annual Report, https://www.sbafla.com/fhcf/Portals/FHCF/Content/Reports/Annual/20170606\\_FHCF\\_2016\\_AnnualReport\\_A.pdf?ver=2017-07-06-085215-943](https://www.sbafla.com/fhcf/Portals/FHCF/Content/Reports/Annual/20170606_FHCF_2016_AnnualReport_A.pdf?ver=2017-07-06-085215-943) (last visited March 8, 2021).

When the moneys in the FHCF are or will be insufficient to cover losses, the law<sup>14</sup> authorizes the FHCF to issue revenue bonds funded by emergency assessments on all lines of insurance except medical malpractice and workers compensation.<sup>15</sup> Emergency assessments may be levied up to 6 percent of premium for losses attributable to any one contract year, and up to 10 percent of premium for aggregate losses from multiple years. The FHCF's broad-based assessment authority is one of the reasons the FHCF was able to obtain an exemption from federal taxation from the Internal Revenue Service as an integral part of state government.<sup>16</sup>

### ***Reimbursement of Collateral Protection Insurance***

Collateral protection insurance, sometimes referred to as “lender-placed” or “force-placed” insurance, is insurance that is placed by a lender, at the expense of the borrower, to protect the lender's security interest in property pursuant to a loan, such as a home mortgage. Collateral protection insurance is placed by the lender when it deems the homeowners' insurance insufficient, usually because the borrower's insurance policy is lapsed or cancelled. The FHCF covers policies of collateral protection insurance if the collateral protection insurance covers a personal residence and protects both the borrower's and the lender's financial interests in an amount at least equal to the coverage for the dwelling in place under the lapsed homeowners policy.<sup>17</sup>

### **Service of Process**

Florida's Chief Financial Officer<sup>18</sup> (CFO) is the agent for service of process on all insurers applying for authority to transact insurance in this state, all licensed nonresident insurance agents, all nonresident disability insurance agents licensed pursuant to s. 626.835, F.S., any unauthorized insurer under s. 626.906, F.S. or s. 626.937, F.S., domestic reciprocal insurers, fraternal benefit societies under chapter 632, F.S., warranty associations under chapter 634, F.S., prepaid limited health service organizations under chapter 636, F.S., and persons required to file statements under s. 628.461, F.S.<sup>19</sup>

Service of process on the CFO is made by mail, personal service, or internet-based transmission system created by the Department of Financial Services (DFS).<sup>20</sup> Upon receiving service of process, the CFO retains a record copy in paper or electronic form and promptly forwards one copy of the process documents to the insurer's designated process agent by registered or certified mail.<sup>21</sup> The CFO may also make the process documents available from a securing website

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<sup>14</sup> Section 215.555(6), F.S.

<sup>15</sup> Section 215.555(6)(b), F.S.

<sup>16</sup> The U.S. Internal Revenue Service has, by a Private Letter Ruling, authorized the FHCF to issue tax-exempt bonds. The initial ruling was granted on March 27, 1998, for 5 years until June 30, 2003. On May 28, 2008, the Internal Revenue Service issued a private letter ruling holding that the prior exemption, which was to expire on June 30, 2008, could continue to be relied upon on a permanent basis. See Florida Hurricane Catastrophe Fund, *Fiscal Year 2009-2010 Annual Report*, [https://www.sbafla.com/fhcf/Portals/FHCF/Content/Reports/Annual/SBA\\_CATF\\_Annual\\_ReportFHCF\\_Final.pdf?ver=2016-06-08-121900-647](https://www.sbafla.com/fhcf/Portals/FHCF/Content/Reports/Annual/SBA_CATF_Annual_ReportFHCF_Final.pdf?ver=2016-06-08-121900-647) (last visited March 8, 2021).

<sup>17</sup> Section 215.555(2)(c), F.S.

<sup>18</sup> The CFO's assistant, deputy, or another person in charge of the office may also serve as the agent for service of process.

<sup>19</sup> Section 48.151(3), F.S.

<sup>20</sup> Id.

<sup>21</sup> Section 624.423(1), F.S.

created by DFS and provide notice of availability and retrieval instructions to the insurer's designated process agent under s. 624.307(9), F.S.

Under current law, service of process is considered valid and binding service on the insurer at such time as the process documents are served on the CFO and sent or made available to the insurer pursuant to s. 624.307(9), F.S., rather than at such time the process documents are received by the insurer.<sup>22</sup>

### **Electronic Meetings for Public Self-Insurers**

Florida law authorizes two or more local governmental entities to enter into an interlocal agreement (fund) for the purpose of securing workers' compensation payments, or insuring or self-insuring real or personal property of every kind and every interest in such property against loss or damage from any hazard or cause and against any loss consequential to such loss or damage.<sup>23</sup>

For any fund created after October 1, 2004, the fund is subject to the requirements of group self-insurance funds for the first 5 years of its existence,<sup>24</sup> including participation in the Florida Self-Insurance Guaranty Association.<sup>25</sup> The Florida Self-Insurers Guaranty Association is exempt from certain public record requirements under s. 119.07(1), F.S., related to claims and minutes meetings, and certain public meeting requirements under s. 286.011, F.S.,<sup>26</sup> related to discussion to claims and other confidential information.

### **Florida's Public Records Law**

Section 286.011, F.S., makes all meetings of any board or commission of any state agency or authority or of any agency or authority of any county, municipal corporation, or political subdivision, except as otherwise provided in the Constitution, including meetings with or attended by any person elected to such board or commission, but who has not yet taken office, at which official acts are to be taken are declared to be public meetings open to the public at all times. Any resolution, rule, or formal action taken in contravention of this provision is not considered binding.<sup>27</sup>

### **Customer Representatives**

Florida law requires all customer representatives to be licensed by the Department of Financial Services (DFS)<sup>28</sup> and appointed by a general lines agent or general lines insurance agency.<sup>29</sup> Licensure requirements include age, residency, and one of the statutorily specified designations, accreditations, or educational degrees obtained from a list of approved institutions.<sup>30</sup>

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<sup>22</sup> Section 624.423(3), F.S.

<sup>23</sup> Section 624.4622(1), F.S.

<sup>24</sup> Section 624.4622(3), F.S.

<sup>25</sup> Section 624.4621(9).

<sup>26</sup> Section 440.3851, F.S.

<sup>27</sup> Section 286.011, F.S.

<sup>28</sup> Section 626.7351, F.S.

<sup>29</sup> Section 626.7353(1), F.S.

<sup>30</sup> See note 28.

## Insurance Adjusters

Florida law requires all insurance adjusters to be licensed by DFS and appointed by the appropriate entity or person<sup>31</sup> in order to adjust claims. General requirements for licensure include submitting an application; paying required fees; satisfying pre-licensing examination requirements, when applicable; complying with requirements as to knowledge, experience, or instruction; and submitting fingerprints.<sup>32</sup>

Under s. 626.864, F.S., there are both public adjusters and all-lines adjuster license types, with all-lines appointments further divided into independent adjusters,<sup>33</sup> company employee adjusters,<sup>34</sup> and public adjuster apprentices.<sup>35</sup> The same adjuster may not be concurrently licensed as a public adjuster and an all-lines adjuster.<sup>36</sup> In the case of an all-lines adjuster, the adjuster may be appointed as an independent adjuster, company employee adjuster, or public adjuster apprentice, but not more than one concurrently.<sup>37</sup>

A public adjuster is any person, other than a licensed attorney, who, for compensation, prepares, completes, or files an insurance claim form for an insured or third-party claimant in negotiating or settling an insurance claim on behalf of an insured or third party.<sup>38</sup> Public adjusters operate independently and are not affiliated with any insurer.

An all-lines adjuster is any person who, for compensation, ascertains and determines the amount of any claim, loss, or damage payable under an insurance contract or settles such claim, loss, or damage on behalf of a public adjuster or insurer.<sup>39</sup>

An independent adjuster is any person who is self-employed or employed by an independent adjusting firm and who works for an insurer to ascertain and determine the amount of an insurance claim, loss, or damage, or to settle an insurance claim under an insurance contract.<sup>40</sup>

A company employee adjuster is any person employed in-house by an insurer, or a wholly owned subsidiary of the insurer, who ascertains and determines the amount of an insurance claim, loss, or damage, or settles such claim, loss or damage.<sup>41</sup>

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<sup>31</sup> See s. 626.015(4), F.S., defining “appointment” as the authority given by an insurer or employer to a licensee to adjust claims on behalf of an insurer or employer.

<sup>32</sup> Section 626.171, F.S.

<sup>33</sup> Section 626.855, F.S.

<sup>34</sup> Section 626.856, F.S.

<sup>35</sup> Section 626.8561, F.S.

<sup>36</sup> Section 626.864(2), F.S.

<sup>37</sup> Section 626.864(3), F.S.

<sup>38</sup> Section 626.854(1), F.S.

<sup>39</sup> Section 626.8548, F.S.

<sup>40</sup> Section 626.855, F.S.

<sup>41</sup> Section 626.856, F.S.

## **Loss Run Statements**

Loss run statements are reports produced by an insurer or consumer reporting agency containing the claims history of a policyholder with an authorized or unauthorized insurer for the preceding 5 years or, if the claims history is less than 5 years, a complete claims history with the insurer.<sup>42</sup> Under Florida law, the reports must contain the policy number, period of coverage, number of claims, the paid losses on all claims, and the date of each loss.<sup>43</sup> Reports are not required to include supporting claims file documentation such as copies of claim files, investigation reports, evaluation statements, insureds' statements, and documents protected by a common law or statutory privilege.<sup>44</sup> Upon receipt of the policyholder's written request, the insurer has 15 days to provide the loss run statement of information on how to obtain the loss run statement at no cost through a consumer reporting agency.<sup>45</sup>

## ***Release of Claims Experience Under Group Health Insurance Policies***

In addition to the statutory provisions governing loss run statements described above, group health insurers must also provide the policyholder with claims experience information required for bid for the previous 3 years or for the entire period of coverage.<sup>46</sup> Required information includes, but is not limited to, claim experience, premiums paid, number of insureds on a monthly basis, and dependent status. The insurer is not required to disclose any information deemed confidential by law.<sup>47</sup> Upon receipt of the policyholder's written request, the insurer has 21 days to provide the claims experience.

## **Regulation of Property Insurance Rates**

Part I of ch. 627, F.S., is the Rating Law<sup>48</sup> governing property, casualty, and surety insurance that covers subjects of insurance resident, located, or to be performed in this state.<sup>49</sup> The Rating Law provides that the rates for all classes of insurance it governs may not be excessive, inadequate, or unfairly discriminatory.<sup>50</sup> Though the terms "rate" and "premium" are often used interchangeably, the rating law specifies that "rate" is the unit charge that is multiplied by the measure of exposure or amount of insurance specified in the policy to determine the premium, which is the consideration paid by the consumer.<sup>51</sup>

All insurers or rating organizations must file rates with the OIR either 90 days before the proposed effective date of a new rate, which is considered a "file and use" rate filing, or 30 days after the effective date of a new rate, which is considered a "use and file" rate filing.

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<sup>42</sup> See sections 626.9202 and 627.444, F.S.

<sup>43</sup> Sections 626.9202(1) and 627.444(1), F.S.

<sup>44</sup> *Id.*

<sup>45</sup> Sections 626.9202(2) and 627.444(2), F.S.

<sup>46</sup> Section 627.6647(1), F.S.

<sup>47</sup> Section 627.6647(2), F.S.

<sup>48</sup> Section 627.011, F.S.

<sup>49</sup> Section 627.021, F.S.

<sup>50</sup> Section 627.062(1), F.S.

<sup>51</sup> Section 627.041, F.S.



Upon receiving a rate filing, the OIR reviews the filing to determine if the rate is excessive, inadequate, or unfairly discriminatory. The office makes that determination in accordance with generally acceptable actuarial techniques and, in a property insurance rate filing, considers the following:

- Past and prospective loss experience.
- Past and prospective expenses.
- The degree of competition among insurers for the risk insured.
- Investment income reasonably expected by the insurer.
- The reasonableness of the judgment reflected in the rate filing.
- Dividends, savings, or unabsorbed premium deposits returned to policyholders.
- The adequacy of loss reserves.
- The cost of reinsurance.
- Trend factors, including trends in actual losses per insured unit for the insurer.
- Conflagration and catastrophe hazards.
- Projected hurricane losses.
- Projected flood losses, if the policy covers the risk of flood.
- A reasonable margin for underwriting profit and contingencies.
- Other relevant factors that affect the frequency or severity of claims or expenses.

#### ***Florida Commission on Hurricane Loss Projection Methodology***

Projected hurricane losses in a rate filing must be estimated using a model or method found to be acceptable or reliable by the Florida Commission on Hurricane Loss Projection Methodology.<sup>52</sup> The commission consists of 12 members, with expertise in the elements, are used to develop computer models to estimate hurricane and flood loss. Members of the commission include State University System faculty experts in insurance finance, statistics, computer system design, meteorology, and structural engineering; three actuaries; the insurance consumer advocate; the director of the FHCF; the Executive Director of Citizens Property Insurance Corporation; and the Director of the Division of Emergency Management.<sup>53</sup>

#### ***Residential Property Insurance Mitigation Credits, Discounts, or Other Rate Differentials***

Residential property insurance rate filings must account for mitigation measures undertaken by policyholders to reduce hurricane losses.<sup>54</sup> Specifically, the rate filings must include actuarially reasonable discounts, credits, or other rate differentials, or other rate differentials, or appropriate reductions in deductibles to consumers who implement windstorm damage mitigation techniques to their properties.<sup>55</sup> Upon their filing by an insurer or rating organization, OIR determines the discounts, credits, other rate differentials, and appropriate reductions in deductibles that reflect the full actuarial value of such revaluation,<sup>56</sup> which in turn may be used in rate filings under the Rating Law. Windstorm mitigation measures that must be evaluated for purposes of mitigation discounts include fixtures or construction techniques that enhance roof strength; roof covering

<sup>52</sup> Section 627.062(2)(b)11., F.S.

<sup>53</sup> Section 627.0628(2)(b), F.S.

<sup>54</sup> Section 627.062(2)(j), F.S.

<sup>55</sup> Section 627.0629(1), F.S.

<sup>56</sup> *Id.*

performance, root-to-wall strength; wall-to-floor foundation strength; opening protections; and window, door, and skylight strength.<sup>57</sup>

### ***Workers' Compensation Reporting Requirements and Rating Factors***

Florida law currently requires workers' compensation insurers to record and report certain loss, expense, and claims experience to aid OIR in making determinations concerning the adequacy of worker's compensation experience for ratemaking purposes.<sup>58</sup> Additionally, insurers are required to provide the following information annually on both Florida experience and nationwide experience separately:

- Payrolls by classification.
- Manual premiums by classification.
- Standard premiums by classification.
- Losses by classification and injury type.
- Expenses.<sup>59</sup>

Section 627.072, F.S., in turn governs the admissibility of factors to be used in the determination and fixing of workers' compensation insurance rates. The following factors are used for such purpose:

- The past loss experience and prospective loss experience within and outside Florida;
- The conflagration and catastrophe hazards;
- A reasonable margin for underwriting profit and contingencies;
- Dividends, savings, and unabsorbed premium deposits allowed or returned by insurers to their policyholders, members, or subscribers;
- Investment income on unearned premium reserves and loss reserves;
- Past expenses and prospective expenses, both countrywide and those specifically applicable to Florida; and
- All other relevant factors, including judgment factors, within and outside of Florida.<sup>60</sup>

Insurers satisfy the reporting requirements above by providing their data to the National Council on Compensation Insurance, Inc. (NCCI).<sup>61</sup> When an insurer goes into receivership due to insolvency, it ceases reporting to NCCI and, therefore, its data is no longer reported to OIR and not used in the determination and fixing of rates.

### **Citizens Property Insurance Corporation (Citizens)**

Citizens is a state-created, not-for-profit, tax-exempt governmental entity whose public purpose is to provide property insurance coverage to those unable to find affordable coverage in the voluntary admitted market.<sup>62</sup> Citizens is not a private insurance company.<sup>63</sup> Citizens was statutorily created in 2002 when the Legislature combined the state's two insurers of last resort,

<sup>57</sup> *Id.*

<sup>58</sup> Section 627.914(1), F.S.

<sup>59</sup> Section 627.914(2), F.S.

<sup>60</sup> Section 627.072(1), F.S.

<sup>61</sup> See Rule 69O-189.0055, F.A.C.

<sup>62</sup> Admitted market means insurance companies licensed to transact insurance in Florida.

<sup>63</sup> Section 627.351(6)(a)1., F.S. Citizens is also subject to regulation by the OIR.

the Florida Residential Property and Casualty Joint Underwriting Association (RPCJUA) and the Florida Windstorm Underwriting Association (FWUA). Citizens operates in accordance with the provisions in s. 627.351(6), F.S., and is governed by a nine member Board of Governors<sup>64</sup> that administers its Plan of Operations. The Plan of Operations is reviewed and approved by the Financial Services Commission. The President of the Senate, Speaker of the House of Representatives, and Chief Financial Officer each appoints two members to the board. The Governor appoints three members to the board, one of whom serves solely to advocate for consumers. Citizens is subject to regulation by the OIR.

Citizens offers property insurance in three separate accounts. Each account is a separate statutory account with separate calculations of surplus and deficits.<sup>65</sup> Assets may not be commingled or used to fund losses in another account.<sup>66</sup>

- **The Personal Lines Account (PLA)** offers personal lines residential policies that provide comprehensive, multiperil coverage statewide, except for those areas contained in the Coastal Account. The PLA also writes policies that exclude coverage for wind in areas contained within the Coastal Account. Personal lines residential coverage consists of the types of coverage provided to homeowners, mobile homeowners, dwellings, tenants, and condominium unit owner's policies.
- **The Commercial Lines Account (CLA)** offers commercial lines residential and nonresidential policies that provide basic perils coverage statewide, except for those areas contained in the Coastal Account. The CLA also writes policies that exclude coverage for wind in areas contained within the Coastal Account. Commercial lines coverage includes commercial residential policies covering condominium associations, homeowners' associations, and apartment buildings. The coverage also includes commercial nonresidential policies covering business properties.
- **The Coastal Account** offers personal residential, commercial residential, and commercial non-residential policies in coastal areas of the state. Citizens must offer policies that solely cover the peril of wind (wind only policies) and may offer multiperil policies.<sup>67</sup>

#### *Citizens Eligibility for Commercial Residential Wind-Only Coverage*

In 2014,<sup>68</sup> the Legislature enacted changes to the statutes governing Citizens that prohibited residential condominium associations from obtaining commercial residential property insurance policies from Citizens that cover damage only from wind if 50 percent or more the condominiums in the association are rented more than eight times a year for less than 30 days. These changes were intended to provide clarity to the classification of transient occupancy risks and remove inconsistencies between commercial residential and commercial non-residential

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<sup>64</sup> The Governor, the Chief Financial Officer, the President of the Senate, and the Speaker of the House of Representatives each appoint two members.

<sup>65</sup> The Personal Lines Account and the Commercial Lines Account are combined for credit and Florida Hurricane Catastrophe Fund coverage.

<sup>66</sup> Section 627.351(6)(b)2b., F.S.

<sup>67</sup> In August of 2007, Citizens began offering personal and commercial residential multiperil policies in this limited eligibility area. Additionally, near the end of 2008, Citizens began offering commercial non-residential multiperil policies in this account.

<sup>68</sup> Chapter 2015-140, L.O.F.

properties.<sup>69</sup> Condominiums are presently able to obtain Citizens policies that cover damage from multiple perils, including wind.

### **Delivery of Insurance Policies and Claims Communications**

Under s. 627.421, F.S., Florida law currently requires most insurers<sup>70</sup> to deliver, mail, or electronically transmit the insurance policy to the policyholder within 60 days of such coverage taking effect. Policyholders of personal lines policies may elect electronic transmission of policy documents; however, for commercial lines policies, the policyholder must decline electronic transmission by written or electronic communication to the insurer. The policyholder is further entitled to a paper copy of the policy upon request.<sup>71</sup>

Florida law varies with respect to electronic and nonelectronic transmission of claims communications. In some cases, e.g. written proof of loss, claims communications must be nonelectronic,<sup>72</sup> while on others, e.g. payment of health insurance claims, claims communication may be electronic or nonelectronic.<sup>73</sup>

### **Law and Ordinance Coverage**

Under s. 3401.7.2.6 of the Florida Building Code, when repairs and alterations amounting to more than 50 percent of the value of the existing building are made during a 12-month period, the building or structure must be made to conform to the requirements for a new building or structure or be entirely demolished. As OIR's *Law and Ordinance Coverage* study<sup>74</sup> noted, this can present significant insurance challenges to insurers and policyholders alike because the cost of reconstruction to ensure compliance with the current building codes usually exceeds policy limits.

Following a covered loss to a dwelling that requires repair or replacement, law and ordinance coverage pays the increased construction costs as the result of newer building code enforcement or ordinances. However, insurers are not required to pay the full costs associated with newer building code compliance. Under s. 6267.7011, F.S., governing law and ordinance coverage for homeowners' insurance policies, the insurer is required to offer the policyholder options for law and ordinance coverage limited to 25 percent or 50 percent of the dwelling value. If the policyholder does not provide a written rejection for law and ordinance coverage, the policy is deemed to provide law and ordinance covered limited to 25 percent of the dwelling value.

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<sup>69</sup> House Regulatory Affairs Committee, *House Bill 1089 Analysis* (June 16, 2014)

<https://www.flsenate.gov/Session/Bill/2014/1089/Analyses/h1089z1.IBS.PDF> (last visited February 8, 2021).

<sup>70</sup> Part II of ch. 627, F.S., exempts reinsurers, wet marine and transportation, title, and credit life of credit disability insurers from the delivery provisions of s. 627.421, F.S.

<sup>71</sup> Section 627.421(1), F.S.

<sup>72</sup> S. 627.425, F.S.

<sup>73</sup> S. 627.6131, F.S.

<sup>74</sup> Florida Office of Insurance Regulation, *Law and Ordinance Coverage* (January 2006),

[https://www.floir.com/siteDocuments/OIRLaw\\_Ordinance\\_Cov\\_Study\\_13006.pdf](https://www.floir.com/siteDocuments/OIRLaw_Ordinance_Cov_Study_13006.pdf) (last visited February 8, 2021).

## **Replacement Cost Holdbacks Under Homeowner's Insurance Policies**

Following a covered loss under a replacement cost policy, many states require the insurer to initially pay the actual cash value, and then provide the balance, or holdback, of the replacement cost once the insured has replaced or repaired the property. Under s. 627.7011, F.S., governing Florida homeowners' insurance policies, the treatment of holdbacks varies depending on whether the loss is to personal property or dwelling, and then whether the loss is total.

For personal property under a homeowners' insurance policy with replacement cost, the insurer must offer coverage whereby the insurer pays replacement cost without any holdback, whether or not the insured replaces the property. The insurer may also offer coverage in exchange for a premium credit or discount whereby the insurer initially pays the actual cost value of the insured loss, and then makes subsequent payments to the insured as receipts are received up to the policy limits for replacement costs.<sup>75</sup>

For a dwelling under a homeowners' insurance policy with replacement, the insurer must initially pay at least the actual cash value of the insured loss, less any deductible. Any remaining amount necessary to perform repairs is paid by the insurer as work is performed and expenses are incurred. However, if the dwelling suffered a total loss, insurer must pay the replacement cost without any holdback.<sup>76</sup>

## **Time Limits for Filing Claims and Statute of Limitations**

Section 627.70132, F.S., currently requires insureds to notify an insurer of a windstorm or hurricane claim, supplemental claim, or reopened claim within 3 years after the hurricane first made landfall or the windstorm caused the covered damage. Section 627.706(5), F.S., currently requires insureds to notify an insurer of a claim, supplemental claim, or reopened sinkhole claim within 2 years after the insured knew or reasonably should have known about the loss.

For other types of property insurance claims, Florida law currently places a 5-year statute of limitations for bringing an action for the breach a property insurance contract that runs from the date of the loss.<sup>77</sup>

## **Surplus Lines Insurance**

Surplus lines insurance refers to a category of insurance for which the admitted market is unable or unwilling to provide coverage.<sup>78</sup> There are three basic categories of surplus lines risks:

- Specialty risks that have unusual underwriting characteristics or underwriting characteristics that admitted insurers view as undesirable;
- Niche risks for which admitted carriers do not have a filed policy form or rate; and
- Capacity risks that are risks where an insured needs higher coverage limits than those that are available in the admitted market.

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<sup>75</sup> Section 627.7011(3)(b), F.S.

<sup>76</sup> Section 627.7011(3)(a), F.S.

<sup>77</sup> Section 95.11(2)(e), F.S.

<sup>78</sup> The admitted market is comprised of insurance companies licensed to transact insurance in Florida. The administration of surplus lines insurance business is managed by the Florida Surplus Lines Service Office. S. 626.921, F.S.

Surplus lines insurers are not “authorized” insurers as defined in the Florida Insurance Code,<sup>79</sup> which means they do not obtain a certificate of authority from the OIR to transact insurance in Florida.<sup>80</sup> Rather, surplus lines insurers are “unauthorized” insurers,<sup>81</sup> but may transact surplus lines insurance if they are made “eligible” by the OIR. To be made eligible to transact insurance, a surplus lines insurer must meet the following requirements related to regulatory oversight in other jurisdictions and solvency:<sup>82</sup>

- The surplus lines insurer is authorized in the state or county of its domicile as to the kind or kinds of insurance proposed to be placed with the insurer.
  - The insurer must have been an authorized insurer for at least the 3 preceding years. The OIR may waive the 3-year requirement if the insurer provides a product or service not readily available to Florida consumers or has operated successfully for a period of at least 1 year and has capital and surplus of not less than \$25 million.
- The surplus lines insurer or an agent requesting to export a policy to the surplus lines insurer must provide the OIR with a duly authenticated copy of the surplus lines insurer’s current annual financial statement, and also must provide any additional information regarding the insurer that the OIR requests.
- The surplus lines insurer must maintain a surplus as to policyholders of at least \$15 million.
  - Alien surplus lines insurers (insurers formed under laws other than those of Florida or any state, district, territory, or commonwealth of the United States) must also maintain in the United States a trust fund for the protection of policyholders deemed adequate by the OIR of at least \$5.4 million.
  - A surplus lines insurer which is a member of an insurance holding company that includes a member which is a Florida domestic insurer may elect to maintain surplus as to policyholders in an amount equal to the requirements of s. 624.408, F.S., and must be in compliance with ch. 625, F.S.
- The insurer must be of good reputation as to the providing of service to its policyholders and the payment of losses and claims.
- The officers and directors of the insurer must be competent and trustworthy, meeting the requirements of s. 624.404(3), F.S.

Policies issued by an impaired or insolvent surplus lines insurer are not covered by any of Florida’s guaranty associations.

### ***Placement of Insurance With an Eligible Surplus Lines Insurer***

“To export” a policy means an insurance agent,<sup>83</sup> with the consent of the insurance applicant, placing a policy with an unauthorized insurer under the Surplus Lines Law through a surplus lines agent.<sup>84</sup> Unless an exception applies, before an insurance agent can place insurance in the surplus lines market, the insurance agent must make a diligent effort to procure the desired

<sup>79</sup> Section 624.01, F.S., provides that the Florida Insurance Code is chapters 624-632, 634, 635, 636, 641, 642, 648, and 651, F.S.

<sup>80</sup> Section 624.09(1), F.S.

<sup>81</sup> Section 624.09(2), F.S.

<sup>82</sup> Section 626.918, F.S.

<sup>83</sup> Typically, the applicant’s usual insurance agent works with the surplus lines agent to arrange the placement, rather than the applicant working directly with the surplus lines agent.

<sup>84</sup> Section 626.914(3), F.S.

coverage from admitted insurers.<sup>85</sup> “Diligent effort” means seeking and coverage being rejected from at least three authorized insurers in the admitted market; however, if the cost to replace a residential dwelling is one million dollars or more, then only one coverage rejection is needed prior to export. In that case, diligent effort is seeking and being denied coverage from at least one authorized insurer in the admitted market.<sup>86</sup> The law further specifies that:<sup>87</sup>

- The premium rate for policies written by a surplus lines insurer cannot be less than the premium rate used by a majority of authorized insurers for the same coverage on similar risks;
- The policy exported cannot provide coverage or rates that are more favorable than those that are used by the majority of authorized insurers actually writing similar coverages on similar risks;
- The deductibles must be the same as those used by one or more authorized insurers, unless the coverage is for fire or windstorm; and
- For personal residential property risks,<sup>88</sup> the policyholder must be advised in writing that coverage may be available and less expensive from Citizens Property Insurance Corporation (Citizens).

All licensed surplus lines agents are members of the Florida Surplus Lines Service Office (FSLSO), a nonprofit association created by statute and directed by a board of governors.<sup>89</sup> The FSLSO receives, records, and reviews all surplus lines insurance policies and documents, maintains records of such policies, produces monthly reports to the OIR, collects from surplus lines agents the surplus lines premium tax<sup>90</sup> and surplus lines service fee,<sup>91</sup> and other specified duties.<sup>92</sup> Each surplus lines agent that transacts business during a calendar quarter must file an affidavit stating that all surplus lines insurance the agent transacted during that quarter has been submitted to the FSLSO.<sup>93</sup> The affidavit must also include the diligent efforts the agent made to place coverages with authorized insurers.

### **Notice of Claims and Litigations Under Assignment Agreements**

An assignment is the voluntary transfer of the rights of one party under a contract to another party. Current law generally allows an insurance policyholder to assign the benefits of the policy, such as the right to be paid, to another party. This assignment is often called an “assignment of benefits” or “AOB.” Once an assignment is made, the assignee can take action to enforce the contract. Accordingly, if the benefits are assigned and the insurer refuses to pay, the assignee may file a lawsuit against the insurer to recover the insurance benefits.<sup>94</sup>

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<sup>85</sup> Section 626.916(1)(a), F.S.

<sup>86</sup> Section 626.914(4), F.S.

<sup>87</sup> Section 626.916(1), F.S.

<sup>88</sup> Personal residential policies include homeowners, mobile homeowners, dwelling fire, tenants, condominium unit owners, and similar policies.

<sup>89</sup> Section 626.921, F.S.

<sup>90</sup> See Section 626.932, F.S.

<sup>91</sup> See Section 626.9325, F.S.

<sup>92</sup> Section 626.921(3), F.S.

<sup>93</sup> Section 626.931, F.S.

<sup>94</sup> *Nationwide Mutual Insurance Company v. Pinnacle Medical, Inc.* 753 So.2d 55, 57 (Fla. 2000)(“The right of assignee to sue for breach of contract to enforce assigned rights predates the Florida Constitution”).

The Legislature in 2019 enacted s. 627.7152, F.S., which governs the execution of assignment of post-loss benefits under a property insurance policy, provides duties that assignees must meet when filing a claim under a property insurance policy, provides requirements pursuant to litigation brought by assignees under property insurance policies, and revises the standards for awarding attorney fees in such litigation.

Prior to litigation, under s. 627.7152(9), F.S., an assignee must provide the named insured and the assignor a written notice of intent to initiate litigation, delivered at least 10 business days before filing suit, but not before the insurer has made a determination of coverage. The notice must also include a detailed written invoice or estimate of services that includes itemized information and proof work was performed in accordance with accepted industry standards.

In a claim arising under an assignment agreement, the assignee has the burden under s. 627.7152(3)(b), F.S., to demonstrate that the insurer is not prejudiced by the assignee's failure to cooperate with the insurer in the claim investigation.

### **Notice of Limited Coverage for Antique Vehicles**

Some insurers<sup>95</sup> will not offer mandatory personal injury protection<sup>96</sup> and property damage liability<sup>97</sup> coverages for antique vehicles,<sup>98</sup> in which case Florida law requires the automobile policy to provide notice to the policyholder of the limited coverage and its noncompliance with any financial responsibility law.<sup>99</sup> Such notice must be stamped or printed in contrasting color from the used on the policy and placed on the policy declaration page and on the back of the policy.<sup>100</sup>

### **Agent Licensing**

#### ***General Lines Agent***

A general lines agent<sup>101</sup> is one who sells the following lines of insurance: property,<sup>102</sup> casualty,<sup>103</sup> including commercial liability insurance underwritten by a risk retention group, a commercial self-insurance fund,<sup>104</sup> or a workers' compensation self-insurance fund;<sup>105</sup> surety;<sup>106</sup> health;<sup>107</sup> and marine.<sup>108</sup> The general lines agent may only transact health insurance for an insurer that the general lines agent also represents for property and casualty insurance.<sup>109</sup> If the general lines

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<sup>95</sup> <https://www.statefarm.com/insurance/auto/antique-classic-cars> (last visited March 11, 2021).

<sup>96</sup> Section 627.733, F.S.

<sup>97</sup> Section 324.022, F.S.

<sup>98</sup> See section 320.086, F.S.

<sup>99</sup> Section 627.7276(1), F.S.

<sup>100</sup> Section 627.7276(2), F.S.

<sup>101</sup> Section 626.015(5), F.S.

<sup>102</sup> Section 624.604, F.S.

<sup>103</sup> Section 624.605, F.S.

<sup>104</sup> As defined in s. 624.462, F.S.

<sup>105</sup> Pursuant to s. 624.4621, F.S.

<sup>106</sup> Section 626.606, F.S.

<sup>107</sup> Section 624.603, F.S.

<sup>108</sup> Section 624.607, F.S.

<sup>109</sup> Section 626.827, F.S.



agent wishes to represent health insurers that are not also property and casualty insurers, they must be licensed as a health insurance agent.<sup>110</sup>

### ***Personal Lines Agent***

A personal lines agent is a general lines agent who is limited to transacting business related to property and casualty insurance sold to individuals and families for noncommercial purposes.<sup>111</sup>

### ***Motor Vehicle Servicing Agreements***

Motor vehicle service agreements provide vehicle owners with protection when the manufacturer's warranty expires. A motor vehicle service agreement indemnifies the vehicle owner (or holder of the agreement) against loss caused by failure of any mechanical or other component part, or any mechanical or other component part that does not function as it was originally intended.<sup>112</sup> Motor vehicle service agreements can only be sold by a licensed and appointed salesperson.<sup>113</sup> Salespersons are licensed in the same manner as insurance representatives under ch. 626, F.S., with some exceptions to the requirements applied to insurance representatives.<sup>114</sup>

### ***Home Warranty Contracts***

A home warranty is any contract or agreement whereby a person undertakes to indemnify the warranty holder against the cost of repair or replacement, or actually furnishes repair or replacement, of any structural component or appliance of a home, necessitated by wear and tear or an inherent defect of any such structural component or appliance or necessitated by the failure of an inspection to detect the likelihood of any such loss.<sup>115</sup> No person shall solicit, negotiate, or effectuate home warranty contracts for remuneration in this state unless such person is licensed and appointed as a sales representative.<sup>116</sup>

### ***Service Warranty Contracts***

A service warranty is an agreement or maintenance service contract equal to or greater than 1 year in length to repair, replace, or maintain a consumer product, or for indemnification for repair, replacement, or maintenance, for operational or structural failure due to a defect in materials or workmanship, normal wear and tear, power surge, or accidental damage from handling in return for the payment of a segregated charge by the consumer.<sup>117</sup> No person or

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<sup>110</sup> Section 626.829, F.S.

<sup>111</sup> Section 626.015(17), F.S.

<sup>112</sup> Section 634.011(8), F.S.

<sup>113</sup> Section 634.031, F.S.

<sup>114</sup> Section 634.171, F.S.

<sup>115</sup> Section 634.301, F.S.

<sup>116</sup> Section 634.317, F.S. "Sales representative" is any person with whom an insurer or home inspection or warranty association has a contract and who is utilized by such insurer or association for the purpose of selling or issuing home warranties. The term includes all employees of an insurer or association engaged directly in the sale or issuance of home warranties. Section 634.301(12), F.S.

<sup>117</sup> Section 634.401(13), F.S.

entity shall solicit, negotiate, advertise, or effectuate service warranty contracts in this state unless such person or entity is licensed and appointed as a sales representative.<sup>118</sup>

### **III. Effect of Proposed Changes:**

#### **Collateral Protection Insurance**

**Section 1** amends s. 215.555, F.S., to require that the FHCF provide reimbursement for a loss under collateral protection insurance if the coverage is in an amount equal to the coverage amount for the dwelling in place under the lapsed homeowner's policy, equal to the coverage amount that the homeowner has been notified of, or equal to the coverage amount that the homeowner requests from the collateral protection insurer.

This section is effective June 1, 2021.

#### **Service of Process**

**Section 2** amends s. 624.423, F.S., to provide that service of process is considered valid and binding on the insurer at the time the process documents are received by, rather than sent to, the insurer. Additionally, the section incorporates the secured network process provided for under s. 624.307(9), F.S., by providing that process is valid and binding upon being made available on the system.

This section is effective upon becoming law.

#### **Electronic Meetings of Self-Insured Public Entities**

**Section 3** creates s. 624.46227, F.S., to authorize associations, trusts, and pools formed to provide self-insurance for public entities to establish quorum and conduct public business through electronic or virtual means.

#### **Customer Representatives**

**Section 4** amends s. 626.7351, F.S., to provide that the designation of Insurance Customer Service Representative (ICSR) from Statewide Insurance Associates, LLC is an acceptable qualification for the purpose of customer representative licensure.

#### **Company Employee Adjusters**

**Section 5** amends s. 626.856, F.S., revising the definition of a "company employee adjuster" in the Insurance Adjusters Law, to provide that an all-lines adjuster who is appointed and employed by an insurer's affiliate may serve as a company employee adjuster for the purpose of

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<sup>118</sup> Section 634.419, F.S. A "sales representative" is any person, retail store, corporation, partnership, or sole proprietorship utilized by an insurer or service warranty association for the purpose of selling or issuing service warranties. However, in the case of service warranty associations selling service warranties from one or more business locations, the person in charge of each location may be considered the sales representative. Section 634.401(12), F.S.

ascertaining and determining the amount of an insurance claim, loss, or damage, or settling such claim, loss or damage.

### **Loss Run Statements**

**Section 6** amends s. 626.9202, F.S., to provide several provisions governing loss run statement requirements for nonadmitted insurers:

- The report must contain the paid loss on each claim, instead of all claims;
- Reports from group health insurers must also include premiums paid, number of insured on a monthly basis, and dependent status;
- Each insurer must designate an individual or entity to receive written requests for loss run statements from insureds;
- The personal lines insurer must provide the insured a loss run statement within 15 days of receiving the insured's written request subsequent to the insured providing the insurer with information on obtaining a loss run statement from a consumer reporting agency'
- Life insurers are exempted from this section;
- Under a group health insurance policy, only the group policyholder may request and be provided a loss run statement.

**Section 12** amends s. 627.444, F.S., to provide several provisions governing loss run statement requirements for admitted insurers:

- The report must contain the paid loss on each claim, instead of all claims;
- Reports from group health insurers must also include premiums paid, number of insured on a monthly basis, and dependent status;
- Each insurer must designate an individual or entity to receive written requests for loss run statements from insureds;
- The personal lines insurer must provide the insured a loss run statement within 15 days of receiving the insured's written request subsequent to the insured providing the insurer with information on obtaining a loss run statement from a consumer reporting agency'
- Life insurers are exempted from this section;
- Under a group health insurance policy, only the group policyholder may request and be provided a loss run statement.

These sections are effective upon becoming law.

### **Florida's Rating Law**

#### ***Hurricane Model Averaging and Weighting***

**Section 7** amends s. 627.062, F.S, to provide that a residential property insurer's rate filing may estimate projected hurricane losses by using a weighted or straight average of two or more methods or models approved by the Commission on Hurricane Loss Projection Methodology.

#### ***Residential Property Insurance Mitigation Credits, Discounts, or Other Rate Differentials***

**Section 8** amends. S. 627.0629, F.S., to provide residential property insurers with discretion regarding whether to include positive and negative rate factors based on building code enforcement in rate filings for residential property insurance.

The bill further provides that residential property insurers may file premium discounts, credits, and other rate differentials based on windstorm construction standards developed by an independent, not-for-profit, scientific research organization, if such standards meet statutory requirements.

The bill allows property insurers to require policyholders who are constructing or retrofitting a structure to provide evidence of compliance with windstorm mitigation standards prior to receiving premium discounts, credits, or rate reductions allowed under the rating plan.

#### ***Workers' Compensation Reporting Requirements and Rating Factors***

**Section 9** amends s. 627.072, F.S., to provide factors used in the determination and fixing of workers' compensation rates must include past loss experience and prospective loss experience for insolvent insurers. The prior reported data for such insurers and other relevant information may be used to assess the impact on rates.

#### **Citizens Eligibility for Commercial Residential Wind-Only Coverage**

**Section 10** amends s. 627.351, F.S., governing Citizens, to provide that condominium associations where 50 percent or more of the condominium units are rented more than eight times per year for a period of less than 30 days may be eligible wind-only Citizens policies.

#### **Delivery of Policies and Claims Communications**

**Section 11** amends 627.421, F.S., to allow insurers to electronically transmit all policy documents and claims communications to the insured when the policy is sold in a wholly electronic manner, provided the insurer provides the policyholder with a disclosure at the time of sale.

#### **Homeowners' Insurance Policies**

**Section 14** amends s. 627.7011, F.S., governing law and ordinance coverage and replacement cost holdbacks for dwellings and personal property under a homeowners' insurance policy. The bill provides that the applicable laws and ordinances for purposes of determining law and ordinance coverage are those enacted on or before the date of the loss.

#### **Diligent Effort Requirements Under Flood Insurance Policies**

**Section 15** amends s. 627.715, F.S., to provide that an agent may export a flood insurance policy or endorsement to an eligible surplus lines insurer without first making a diligent effort to seek coverage from three or more authorized insurers.

This section is effective upon becoming law.

### **Notice of Claims Under Assignment Agreements**

**Section 16** amends s. 627.7152, F.S., governing residential property insurance and commercial property insurance assignment agreements. The bill adds the services of inspection and providing a scope of service to the list of services contemplated by the definition of “assignment agreement.” The bill excludes public adjuster fees from the definition of “assignment agreement.” The bill further provides the insurer may designate a name, mailing address, and email address to receive a notice to initiate litigation from an assignee.

This section is effective upon becoming law.

### **Notice of Limited Coverage for Antique Vehicles**

**Section 17** amends s. 627.7276, F.S., to require that an automobile policy that does not provide coverage for bodily injury liability and property damage liability must include notice accompanying the declarations page that the policy does not provide such coverages and does not comply with any financial responsibility laws. Such policies generally cover antique motor vehicles.

### **Agent Licensing**

#### ***Motor Vehicle Service Agreements***

**Section 18** amends s. 634.171, F.S. to provide that a licensed personal lines or general lines agent is exempt from salesperson licensing requirements to solicit, negotiate, advertise, or sell motor vehicle service agreements.

#### ***Home Warranty Contracts***

**Section 19** amends s. 634.317, F.S., to provide that a licensed personal lines or general lines agent is exempt from salesperson licensing requirements to solicit, negotiate, advertise, or sell home warranty contracts.

#### ***Service Warranty Contracts***

**Section 20** amends s. 634.419, F.S., to provide that a licensed personal lines or general lines agent is exempt from salesperson licensing requirements to solicit, negotiate, advertise, or sell service warranty contracts.

### **Conforming Change**

**Section 13** repeals s. 627.6647, F.S., to provide conforming changes necessitated by **Sections 6** and **12**.

### **Reenactment**

**Section 21** reenacts s. 627.153, F.S., to incorporate amendments made to s. 627.7152, F.S.

**Effective Date**

**Section 22** provides that except as otherwise expressly provided in this act, and except for this section, which takes effect upon this act become law, this act is effective July 1, 2021.

**IV. Constitutional Issues:**

## A. Municipality/County Mandates Restrictions:

None.

## B. Public Records/Open Meetings Issues:

None.

## C. Trust Funds Restrictions:

None.

## D. State Tax or Fee Increases:

None.

## E. Other Constitutional Issues:

None.

**V. Fiscal Impact Statement:**

## A. Tax/Fee Issues:

None.

## B. Private Sector Impact:

None.

## C. Government Sector Impact:

None.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 215.555, 624.423, 624.46227, 626.7351, 626.856, 626.9202, 627.062, 627.0629, 627.072, 627.351, 627.421, 627.444, 627.7011, 627.715, 627.7152, 627.7276, 634.171, 634.317, and 634.419.

This bill creates the following sections of the Florida Statutes: 624.46227.

This bill repeals section 627.6647 of the Florida Statutes.

**IX. Additional Information:****A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by Banking and Insurance on March 10, 2021:**

The committee substitute:

- Authorizes associations, trusts, and pools formed to provide self-insurance for public entities to establish quorum and conduct public business through electronic or virtual means.
- Identifies the designation of Insurance Customer Service Representative (ICSR) from Statewide Insurance Associates, LLC is an acceptable qualification for the purpose of customer representative licensure.
- Allows for paperless communication by an insurer when the policy is sold in an exclusively electronic manner and the insurer provides a disclosure to the policyholder at the time of sale.
- Requires a notice that an antique motor vehicle insurance policy does not provide BI and PD coverages, and for placement of such notice in the policy's declarations page.
- Excludes public adjuster fees from the definition of "assignment agreement."
- Makes additional technical and clarifying changes to the underlying bill.

**B. Amendments:**

None.



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/10/2021	.	
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The Committee on Banking and Insurance (Perry) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 133 - 554

and insert:

Section 3. Section 624.46227, Florida Statutes, is created to read:

624.46227 Meeting requirements.—Any association, trust, or pool authorized by state law and created for the purpose of forming a risk management mechanism or providing self-insurance for public entities in this state may establish a quorum and





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11 conduct public business through communication media technology.

12 Section 4. Subsection (3) of section 626.7351, Florida  
13 Statutes, is amended to read:

14 626.7351 Qualifications for customer representative's  
15 license.—The department shall not grant or issue a license as  
16 customer representative to any individual found by it to be  
17 untrustworthy or incompetent, or who does not meet each of the  
18 following qualifications:

19 (3) Within 4 years preceding the date that the application  
20 for license was filed with the department, the applicant has  
21 earned the designation of Accredited Advisor in Insurance (AAI),  
22 Associate in General Insurance (AINS), or Accredited Customer  
23 Service Representative (ACSR) from the Insurance Institute of  
24 America; the designation of Certified Insurance Counselor (CIC)  
25 from the Society of Certified Insurance Service Counselors; the  
26 designation of Certified Professional Service Representative  
27 (CPSR) from the National Foundation for CPSR; the designation of  
28 Certified Insurance Service Representative (CISR) from the  
29 Society of Certified Insurance Service Representatives; the  
30 designation of Certified Insurance Representative (CIR) from  
31 All-Lines Training; the designation of Insurance Customer  
32 Service Representative (ICSR) from Statewide Insurance  
33 Associates LLC; the designation of Professional Customer Service  
34 Representative (PCSR) from the Professional Career Institute;  
35 the designation of Registered Customer Service Representative  
36 (RCSR) from a regionally accredited postsecondary institution in  
37 the state whose curriculum is approved by the department and  
38 includes comprehensive analysis of basic property and casualty  
39 lines of insurance and testing which demonstrates mastery of the



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40 subject; or a degree from an accredited institution of higher  
41 learning approved by the department when the degree includes a  
42 minimum of 9 credit hours of insurance instruction, including  
43 specific instruction in the areas of property, casualty, and  
44 inland marine insurance. The department shall adopt rules  
45 establishing standards for the approval of curriculum.

46 Section 5. Section 626.856, Florida Statutes, is amended to  
47 read:

48 626.856 "Company employee adjuster" defined.—A "company  
49 employee adjuster" means a person licensed as an all-lines  
50 adjuster who is appointed and employed on an insurer's staff of  
51 adjusters, by an affiliate, or by a wholly owned subsidiary of  
52 the insurer, and who undertakes on behalf of such insurer or  
53 other insurers under common control or ownership to ascertain  
54 and determine the amount of any claim, loss, or damage payable  
55 under a contract of insurance, or undertakes to effect  
56 settlement of such claim, loss, or damage.

57 Section 6. Effective upon this act becoming a law,  
58 subsections (1), (2), and (4) of section 626.9202, Florida  
59 Statutes, are amended, and subsections (7) and (8) are added to  
60 that section, to read:

61 626.9202 Loss run statements for all lines of insurance.—

62 (1) As used in this section, the term:

63 (a) "Loss run statement" means a report that contains the  
64 policy number, the period of coverage, the number of claims, the  
65 paid losses on all claims, and the date of each loss. The term  
66 does not include supporting claim file documentation, including,  
67 but not limited to, copies of claim files, investigation  
68 reports, evaluation statements, insureds' statements, and



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69 documents protected by a common law or statutory privilege. As  
70 applied to group health insurance, the term means a report that  
71 also contains premiums paid, number of insureds on a monthly  
72 basis, and dependent status.

73 (b) "Provide" means to electronically send a document or to  
74 allow access through an electronic portal to view or generate a  
75 document.

76 (2) Notwithstanding any other law, an insurer shall provide  
77 to an insured within 15 calendar days after an individual or  
78 entity designated by the insurer receives ~~receipt~~ of the  
79 insured's written request, either:

80 (a) A loss run statement; or

81 (b) For personal lines of insurance, information on how to  
82 obtain a loss run statement at no charge through a consumer  
83 reporting agency. However, this section does not prohibit an  
84 insured from requesting a loss run statement after receiving  
85 information from a consumer reporting agency, in which case the  
86 insurer must then provide such loss run statement within 15  
87 calendar days after the individual or entity designated by the  
88 insurer receives the insured's subsequent written request.

89 (4) A loss run statement provided pursuant to this section  
90 must contain a claims history with the insurer for the preceding  
91 3 ½ years or, if the claims history is less than 3 ½ years, a  
92 complete claims history with the insurer.

93 (7) This section does not apply to a life insurer as  
94 defined in s. 624.602.

95 (8) For group health insurance, only the group policyholder  
96 may request and be provided a loss run statement pursuant to  
97 this section.



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98 Section 7. Paragraph (b) of subsection (2) of section  
99 627.062, Florida Statutes, is amended to read:

100 627.062 Rate standards.—

101 (2) As to all such classes of insurance:

102 (b) Upon receiving a rate filing, the office shall review  
103 the filing to determine if a rate is excessive, inadequate, or  
104 unfairly discriminatory. In making that determination, the  
105 office shall, in accordance with generally accepted and  
106 reasonable actuarial techniques, consider the following factors:

107 1. Past and prospective loss experience within and without  
108 this state.

109 2. Past and prospective expenses.

110 3. The degree of competition among insurers for the risk  
111 insured.

112 4. Investment income reasonably expected by the insurer,  
113 consistent with the insurer's investment practices, from  
114 investable premiums anticipated in the filing, plus any other  
115 expected income from currently invested assets representing the  
116 amount expected on unearned premium reserves and loss reserves.  
117 The commission may adopt rules using reasonable techniques of  
118 actuarial science and economics to specify the manner in which  
119 insurers calculate investment income attributable to classes of  
120 insurance written in this state and the manner in which  
121 investment income is used to calculate insurance rates. Such  
122 manner must contemplate allowances for an underwriting profit  
123 factor and full consideration of investment income that produces  
124 a reasonable rate of return; however, investment income from  
125 invested surplus may not be considered.

126 5. The reasonableness of the judgment reflected in the



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127 filing.

128       6. Dividends, savings, or unabsorbed premium deposits  
129 allowed or returned to policyholders, members, or subscribers in  
130 this state.

131       7. The adequacy of loss reserves.

132       8. The cost of reinsurance. The office may not disapprove a  
133 rate as excessive solely due to the insurer having obtained  
134 catastrophic reinsurance to cover the insurer's estimated 250-  
135 year probable maximum loss or any lower level of loss.

136       9. Trend factors, including trends in actual losses per  
137 insured unit for the insurer making the filing.

138       10. Conflagration and catastrophe hazards, if applicable.

139       11. Projected hurricane losses, if applicable, which must  
140 be estimated using a model or method found to be acceptable or  
141 reliable by the Florida Commission on Hurricane Loss Projection  
142 Methodology, and as further provided in s. 627.0628. A  
143 residential property insurance rate filing may use a weighted or  
144 straight average of two or more such models or methods.

145       12. Projected flood losses for personal residential  
146 property insurance, if applicable, which may be estimated using  
147 a model or method, or a straight average of model results or  
148 output ranges, independently found to be acceptable or reliable  
149 by the Florida Commission on Hurricane Loss Projection  
150 Methodology and as further provided in s. 627.0628.

151       13. A reasonable margin for underwriting profit and  
152 contingencies.

153       14. The cost of medical services, if applicable.

154       15. Other relevant factors that affect the frequency or  
155 severity of claims or expenses.



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The provisions of this subsection do not apply to workers' compensation, employer's liability insurance, and motor vehicle insurance.

Section 8. Paragraph (b) of subsection (2) of section 627.0629, Florida Statutes, is amended, and subsection (9) is added to that section, to read:

627.0629 Residential property insurance; rate filings.—

(2)

(b) A rate filing for residential property insurance made more than 150 days after approval by the office of a building code rating factor plan submitted by a statewide rating organization may ~~shall~~ include positive and negative rate factors that reflect the manner in which building code enforcement in a particular jurisdiction addresses risk of wind damage. The rate filing must ~~shall~~ include variations from standard rate factors on an individual basis based on inspection of a particular structure by a licensed home inspector. If an inspection is requested by the insured, the insurer may require the insured to pay the reasonable cost of the inspection. This paragraph applies to structures constructed or renovated after the implementation of this paragraph.

(9) An insurer may file with the office a personal lines residential property insurance rating plan that provides justified premium discounts, credits, or other rate differentials based on windstorm mitigation construction standards developed by an independent, not-for-profit, scientific research organization, if such standards meet the requirements of this section. The insurer may require a



185 policyholder who elects to construct or retrofit the structure,  
186 in whole or in part, for windstorm mitigation purposes to  
187 present to the insurer evidence of compliance with the  
188 mitigation standards before receiving any premium discount,  
189 credit, or rate reduction allowed under the rating plan.

190 Section 9. Subsection (1) of section 627.072, Florida  
191 Statutes, is amended to read:

192 627.072 Making and use of rates.—

193 (1) As to workers' compensation and employer's liability  
194 insurance, the following factors shall be used in the  
195 determination and fixing of rates:

196 (a) The past loss experience and prospective loss  
197 experience within and outside this state;

198 (b) The impact resulting from the past loss experience and  
199 prospective loss experience for insurers whose data are missing  
200 from statewide experience due to insolvency. Prior reported data  
201 for such insurers and all other relevant information may be used  
202 to assess the impact on rates;

203 (c) ~~(b)~~ The conflagration and catastrophe hazards;

204 (d) ~~(e)~~ A reasonable margin for underwriting profit and  
205 contingencies;

206 (e) ~~(d)~~ Dividends, savings, or unabsorbed premium deposits  
207 allowed or returned by insurers to their policyholders, members,  
208 or subscribers;

209 (f) ~~(e)~~ Investment income on unearned premium reserves and  
210 loss reserves;

211 (g) ~~(f)~~ Past expenses and prospective expenses, both those  
212 countrywide and those specifically applicable to this state; and

213 (h) ~~(g)~~ All other relevant factors, including judgment



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214 factors, within and outside this state.

215 Section 10. Paragraph (a) of subsection (6) of section  
216 627.351, Florida Statutes, is amended to read:

217 627.351 Insurance risk apportionment plans.—

218 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

219 (a) The public purpose of this subsection is to ensure that  
220 there is an orderly market for property insurance for residents  
221 and businesses of this state.

222 1. The Legislature finds that private insurers are  
223 unwilling or unable to provide affordable property insurance  
224 coverage in this state to the extent sought and needed. The  
225 absence of affordable property insurance threatens the public  
226 health, safety, and welfare and likewise threatens the economic  
227 health of the state. The state therefore has a compelling public  
228 interest and a public purpose to assist in assuring that  
229 property in the state is insured and that it is insured at  
230 affordable rates so as to facilitate the remediation,  
231 reconstruction, and replacement of damaged or destroyed property  
232 in order to reduce or avoid the negative effects otherwise  
233 resulting to the public health, safety, and welfare, to the  
234 economy of the state, and to the revenues of the state and local  
235 governments which are needed to provide for the public welfare.  
236 It is necessary, therefore, to provide affordable property  
237 insurance to applicants who are in good faith entitled to  
238 procure insurance through the voluntary market but are unable to  
239 do so. The Legislature intends, therefore, that affordable  
240 property insurance be provided and that it continue to be  
241 provided, as long as necessary, through Citizens Property  
242 Insurance Corporation, a government entity that is an integral





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243 part of the state, and that is not a private insurance company.  
244 To that end, the corporation shall strive to increase the  
245 availability of affordable property insurance in this state,  
246 while achieving efficiencies and economies, and while providing  
247 service to policyholders, applicants, and agents which is no  
248 less than the quality generally provided in the voluntary  
249 market, for the achievement of the foregoing public purposes.  
250 Because it is essential for this government entity to have the  
251 maximum financial resources to pay claims following a  
252 catastrophic hurricane, it is the intent of the Legislature that  
253 the corporation continue to be an integral part of the state and  
254 that the income of the corporation be exempt from federal income  
255 taxation and that interest on the debt obligations issued by the  
256 corporation be exempt from federal income taxation.

257       2. The Residential Property and Casualty Joint Underwriting  
258 Association originally created by this statute shall be known as  
259 the Citizens Property Insurance Corporation. The corporation  
260 shall provide insurance for residential and commercial property,  
261 for applicants who are entitled, but, in good faith, are unable  
262 to procure insurance through the voluntary market. The  
263 corporation shall operate pursuant to a plan of operation  
264 approved by order of the Financial Services Commission. The plan  
265 is subject to continuous review by the commission. The  
266 commission may, by order, withdraw approval of all or part of a  
267 plan if the commission determines that conditions have changed  
268 since approval was granted and that the purposes of the plan  
269 require changes in the plan. For the purposes of this  
270 subsection, residential coverage includes both personal lines  
271 residential coverage, which consists of the type of coverage



272 provided by homeowner, mobile home owner, dwelling, tenant,  
273 condominium unit owner, and similar policies; and commercial  
274 lines residential coverage, which consists of the type of  
275 coverage provided by condominium association, apartment  
276 building, and similar policies.

277 3. With respect to coverage for personal lines residential  
278 structures:

279 a. Effective January 1, 2014, a structure that has a  
280 dwelling replacement cost of \$1 million or more, or a single  
281 condominium unit that has a combined dwelling and contents  
282 replacement cost of \$1 million or more, is not eligible for  
283 coverage by the corporation. Such dwellings insured by the  
284 corporation on December 31, 2013, may continue to be covered by  
285 the corporation until the end of the policy term. The office  
286 shall approve the method used by the corporation for valuing the  
287 dwelling replacement cost for the purposes of this subparagraph.  
288 If a policyholder is insured by the corporation before being  
289 determined to be ineligible pursuant to this subparagraph and  
290 such policyholder files a lawsuit challenging the determination,  
291 the policyholder may remain insured by the corporation until the  
292 conclusion of the litigation.

293 b. Effective January 1, 2015, a structure that has a  
294 dwelling replacement cost of \$900,000 or more, or a single  
295 condominium unit that has a combined dwelling and contents  
296 replacement cost of \$900,000 or more, is not eligible for  
297 coverage by the corporation. Such dwellings insured by the  
298 corporation on December 31, 2014, may continue to be covered by  
299 the corporation only until the end of the policy term.

300 c. Effective January 1, 2016, a structure that has a



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301 dwelling replacement cost of \$800,000 or more, or a single  
302 condominium unit that has a combined dwelling and contents  
303 replacement cost of \$800,000 or more, is not eligible for  
304 coverage by the corporation. Such dwellings insured by the  
305 corporation on December 31, 2015, may continue to be covered by  
306 the corporation until the end of the policy term.

307 d. Effective January 1, 2017, a structure that has a  
308 dwelling replacement cost of \$700,000 or more, or a single  
309 condominium unit that has a combined dwelling and contents  
310 replacement cost of \$700,000 or more, is not eligible for  
311 coverage by the corporation. Such dwellings insured by the  
312 corporation on December 31, 2016, may continue to be covered by  
313 the corporation until the end of the policy term.

314  
315 The requirements of sub-subparagraphs b.-d. do not apply in  
316 counties where the office determines there is not a reasonable  
317 degree of competition. In such counties a personal lines  
318 residential structure that has a dwelling replacement cost of  
319 less than \$1 million, or a single condominium unit that has a  
320 combined dwelling and contents replacement cost of less than \$1  
321 million, is eligible for coverage by the corporation.

322 4. It is the intent of the Legislature that policyholders,  
323 applicants, and agents of the corporation receive service and  
324 treatment of the highest possible level but never less than that  
325 generally provided in the voluntary market. It is also intended  
326 that the corporation be held to service standards no less than  
327 those applied to insurers in the voluntary market by the office  
328 with respect to responsiveness, timeliness, customer courtesy,  
329 and overall dealings with policyholders, applicants, or agents



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330 of the corporation.

331 5.a. Effective January 1, 2009, a personal lines  
332 residential structure that is located in the "wind-borne debris  
333 region," as defined in s. 1609.2, International Building Code  
334 (2006), and that has an insured value on the structure of  
335 \$750,000 or more is not eligible for coverage by the corporation  
336 unless the structure has opening protections as required under  
337 the Florida Building Code for a newly constructed residential  
338 structure in that area. A residential structure is deemed to  
339 comply with this sub-subparagraph if it has shutters or opening  
340 protections on all openings and if such opening protections  
341 complied with the Florida Building Code at the time they were  
342 installed.

343 b. Any major structure, as defined in s. 161.54(6)(a), that  
344 is newly constructed, or rebuilt, repaired, restored, or  
345 remodeled to increase the total square footage of finished area  
346 by more than 25 percent, pursuant to a permit applied for after  
347 July 1, 2015, is not eligible for coverage by the corporation if  
348 the structure is seaward of the coastal construction control  
349 line established pursuant to s. 161.053 or is within the Coastal  
350 Barrier Resources System as designated by 16 U.S.C. ss. 3501-  
351 3510.

352 6. With respect to wind-only coverage for commercial lines  
353 residential condominiums, ~~effective July 1, 2014,~~ a condominium  
354 may shall be deemed ineligible for coverage when if 50 percent  
355 or more of the units are rented more than eight times in a  
356 calendar year for a rental agreement period of less than 30  
357 days.

358 Section 11. Subsection (6) is added to section 627.421,



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359 Florida Statutes, to read:

360 627.421 Delivery of policy.—

361 (6) If a policy is sold in a wholly electronic manner, the  
362 insurer may electronically transmit all policy documents and  
363 claims communications to the insured or policyholder so long as  
364 the insurer provides a disclosure to the insured or policyholder  
365 at the time of sale.

366 Section 12. Effective upon this act becoming a law,  
367 subsections (1), (2), and (4) of section 627.444, Florida  
368 Statutes, are amended, and subsections (7) and (8) are added to  
369 that section, to read:

370 627.444 Loss run statements for all lines of insurance.—

371 (1) As used in this section, the term:

372 (a) "Loss run statement" means a report that contains the  
373 policy number, the period of coverage, the number of claims, the  
374 paid losses on all claims, and the date of each loss. The term  
375 does not include supporting claim file documentation, including,  
376 but not limited to, copies of claim files, investigation  
377 reports, evaluation statements, insureds' statements, and  
378 documents protected by a common law or statutory privilege. As  
379 applied to group health insurance, the term means a report that  
380 also contains premiums paid, number of insureds on a monthly  
381 basis, and dependent status.

382 (b) "Provide" means to electronically send a document or to  
383 allow access through an electronic portal to view or generate a  
384 document.

385 (2) Notwithstanding any other law, an insurer shall provide  
386 to an insured within 15 calendar days after an individual or  
387 entity designated by the insurer receives ~~receipt~~ of the



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388 insured's written request, either:

389 (a) A loss run statement; or

390 (b) For personal lines of insurance, information on how to  
391 obtain a loss run statement at no charge through a consumer  
392 reporting agency. However, this section does not prohibit an  
393 insured from requesting a loss run statement after receiving  
394 information from a consumer reporting agency, in which case the  
395 insurer must then provide such loss run statement within 15  
396 calendar days after the individual or entity designated by the  
397 insurer receives the insured's subsequent written request.

398 (4) A loss run statement provided pursuant to this section  
399 must contain a claims history with the insurer for the preceding  
400 3 5 years or, if the claims history is less than 3 5 years, a  
401 complete claims history with the insurer.

402 (7) This section does not apply to a life insurer as  
403 defined in s. 624.602.

404 (8) For group health insurance, only the group policyholder  
405 may request and be provided a loss run statement pursuant to  
406 this section.

407 Section 13. Section 627.6647, Florida Statutes, is  
408 repealed.

409 Section 14. Paragraph (b) of subsection (1) of section  
410 627.7011, Florida Statutes, is amended to read:

411 627.7011 Homeowners' policies; offer of replacement cost  
412 coverage and law and ordinance coverage.—

413 (1) Prior to issuing a homeowner's insurance policy, the  
414 insurer must offer each of the following:

415 (b) A policy or endorsement providing that, subject to  
416 other policy provisions, any loss that is repaired or replaced



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417 at any location will be adjusted on the basis of replacement  
418 costs to the dwelling not exceeding policy limits, rather than  
419 actual cash value, and also including costs necessary to meet  
420 applicable laws and ordinances enacted on or before the time of  
421 loss which regulate ~~regulating~~ the construction, use, or repair  
422 of any property or require ~~requiring~~ the tearing down of any  
423 property, including the costs of removing debris. However,  
424 additional costs necessary to meet applicable laws and  
425 ordinances may be limited to 25 percent or 50 percent of the  
426 dwelling limit, as selected by the policyholder, and such  
427 coverage applies only to repairs of the damaged portion of the  
428 structure unless the total damage to the structure exceeds 50  
429 percent of the replacement cost of the structure.

430  
431 An insurer is not required to make the offers required by this  
432 subsection with respect to the issuance or renewal of a  
433 homeowner's policy that contains the provisions specified in  
434 paragraph (b) for law and ordinance coverage limited to 25  
435 percent of the dwelling limit, except that the insurer must  
436 offer the law and ordinance coverage limited to 50 percent of  
437 the dwelling limit. This subsection does not prohibit the offer  
438 of a guaranteed replacement cost policy.

439 Section 15. Effective upon this act becoming a law, present  
440 subsections (4) through (10) of section 627.715, Florida  
441 Statutes, are redesignated as subsections (5) through (11),  
442 respectively, and a new subsection (4) is added to that section,  
443 to read:

444 627.715 Flood insurance.—An authorized insurer may issue an  
445 insurance policy, contract, or endorsement providing personal



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446 lines residential coverage for the peril of flood or excess  
447 coverage for the peril of flood on any structure or the contents  
448 of personal property contained therein, subject to this section.  
449 This section does not apply to commercial lines residential or  
450 commercial lines nonresidential coverage for the peril of flood.  
451 An insurer may issue flood insurance policies, contracts,  
452 endorsements, or excess coverage on a standard, preferred,  
453 customized, flexible, or supplemental basis.

454 (4) An agent may export a contract or an endorsement  
455 providing flood coverage to an eligible surplus lines insurer  
456 without making a diligent effort to seek such coverage from  
457 three or more authorized insurers under s. 626.916(1)(a).

458 Section 16. Effective upon this act becoming a law,  
459 paragraph (b) of subsection (1) and paragraph (a) of subsection  
460 (9) of section 627.7152, Florida Statutes, are amended to read:

461 627.7152 Assignment agreements.—

462 (1) As used in this section, the term:

463 (b) "Assignment agreement" means any instrument by which  
464 post-loss benefits under a residential property insurance policy  
465 or commercial property insurance policy, as that term is defined  
466 in s. 627.0625(1), are assigned or transferred, or acquired in  
467 any manner, in whole or in part, to or from a person providing  
468 services, including, but not limited to, scopes of service, to  
469 inspect, protect, repair, restore, or replace property or to  
470 mitigate against further damage to the property. The term does  
471 not include fees collected by a public adjuster as defined in  
472 626.854.

473 (9) (a) An assignee must provide the named insured, insurer,  
474 and the assignor, if not the named insured, with a written





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475 notice of intent to initiate litigation before filing suit under  
476 the policy. Such notice must be served by certified mail, return  
477 receipt requested, to the name and mailing address designated by  
478 the insurer in the policy forms, or by electronic delivery at  
479 the e-mail address designated by the insurer in the policy forms  
480 at least 10 business days before filing suit, but may not be  
481 served before the insurer has made a determination of coverage  
482 under s. 627.70131. The notice must specify the damages in  
483 dispute, the amount claimed, and a presuit settlement demand.  
484 Concurrent with the notice, and as a precondition to filing  
485 suit, the assignee must provide the named insured, insurer, and  
486 the assignor, if not the named insured, a detailed written  
487 invoice or estimate of services, including itemized information  
488 on equipment, materials, and supplies; the number of labor  
489 hours; and, in the case of work performed, proof that the work  
490 has been performed in accordance with accepted industry  
491 standards.

492 Section 17. Section 627.7276, Florida Statutes, is amended  
493 to read:

494 627.7276 Notice of limited coverage.—

495 (1) An automobile policy that does not contain coverage for  
496 bodily injury and property damage must include a notice ~~be~~  
497 ~~clearly stamped or printed to the effect~~ that such coverage is  
498 not included in the policy in the following manner:

499

500 "THIS POLICY DOES NOT PROVIDE BODILY INJURY AND  
501 PROPERTY DAMAGE LIABILITY INSURANCE OR ANY OTHER  
502 COVERAGE FOR WHICH A SPECIFIC PREMIUM CHARGE IS NOT  
503 MADE, AND DOES NOT COMPLY WITH ANY FINANCIAL



504 RESPONSIBILITY LAW.”

505

506 (2) This notice legend must accompany ~~appear on~~ the policy  
507 declaration page and ~~on the filing back of the policy and be~~  
508 ~~printed in a contrasting color from that used on the policy and~~  
509 ~~in type and larger than the largest type used in the text at~~  
510 least as large as the type and text used on the declarations  
511 page thereof, as an overprint or by a rubber stamp impression.

512

513 ===== T I T L E A M E N D M E N T =====

514 And the title is amended as follows:

515 Delete lines 7 - 57

516 and insert:

517 process is valid and binding upon insurers; creating  
518 s. 624.46227, F.S.; authorizing an association, trust,  
519 or pool created for the purpose of forming or managing  
520 a risk management mechanism or providing self-  
521 insurance for a public entity to establish a quorum  
522 and conduct public business through communication  
523 media technology; amending s. 626.7351, F.S.; revising  
524 a qualification for licensure as a customer  
525 representative; amending s. 626.856, F.S.; revising  
526 the definition of the term “company employee  
527 adjuster”; amending s. 626.9202, F.S.; revising the  
528 definition of the term “loss run statement”;  
529 specifying the entities that must receive requests for  
530 loss run statements; specifying that insurers must  
531 provide loss run statements under certain  
532 circumstances; revising the required claims history in



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533 loss run statements; providing applicability; limiting  
534 loss run statement requests with respect to group  
535 health insurance policies to group policyholders;  
536 amending s. 627.062, F.S.; revising the factors for  
537 determining whether an insurance rate filing is  
538 excessive, inadequate, or unfairly discriminatory;  
539 amending s. 627.0629, F.S.; authorizing, rather than  
540 requiring, rate filings for certain residential  
541 property insurance to include certain rate factors;  
542 authorizing insurers to file certain insurance rating  
543 plans based on certain windstorm mitigation  
544 construction standards; authorizing insurers to  
545 require policyholders to provide evidence of  
546 compliance with mitigation standards under certain  
547 conditions; amending s. 627.072, F.S.; providing a  
548 ratemaking factor for workers' compensation and  
549 employer's liability insurance; amending s. 627.351,  
550 F.S.; revising conditions for determining the  
551 ineligibility of condominiums for wind-only coverage;  
552 amending s. 627.421, F.S.; authorizing insurers to  
553 electronically transmit policy documents and claims  
554 documents under certain circumstances; amending s.  
555 627.444, F.S.; revising the definition of the term  
556 "loss run statement"; specifying the entities that  
557 must receive requests for loss run statements;  
558 specifying that insurers must provide loss run  
559 statements under certain circumstances; revising the  
560 required claims history in loss run statements;  
561 providing applicability; limiting loss run statement



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562 requests with respect to group health insurance  
563 policies to group policyholders; repealing s.  
564 627.6647, F.S., relating to the release of information  
565 required for bid to group health insurance  
566 policyholders; amending s. 627.7011, F.S.; revising  
567 conditions for inclusion of costs for law and  
568 ordinance coverage in loss adjustments under certain  
569 homeowners' policies; amending s. 627.715, F.S.;  
570 providing an exemption from a diligent effort  
571 requirement for agents exporting contracts or  
572 endorsements providing flood coverage; amending s.  
573 627.7152, F.S.; revising the definition of the term  
574 "assignment agreement"; specifying the addresses to  
575 which a notice of intent must be served; amending s.  
576 627.7276, F.S.; revising notice requirements for motor  
577 vehicle policies that do not provide coverage for  
578 bodily injury and property damage liability;



335766

LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
03/10/2021	.	
	.	
	.	
	.	

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The Committee on Banking and Insurance (Taddeo) recommended the following:

1           **Senate Amendment to Amendment (194946) (with title**  
2 **amendment)**

3  
4           Delete lines 409 - 438.

5  
6 ===== T I T L E   A M E N D M E N T =====

7 And the title is amended as follows:

8           Delete lines 566 - 569

9 and insert:

10           policyholders; amending s. 627.715, F.S.;

By Senator Perry

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1 A bill to be entitled  
 2 An act relating to insurance; amending s. 215.555,  
 3 F.S.; redefining the term "covered policy" under the  
 4 Florida Hurricane Catastrophe Fund in relation to  
 5 certain collateral protection insurance policies;  
 6 amending s. 624.423, F.S.; specifying when service of  
 7 process is valid and binding upon insurers; amending  
 8 s. 626.856, F.S.; revising the definition of the term  
 9 "company employee adjuster"; amending s. 626.9202,  
 10 F.S.; revising the definition of the term "loss run  
 11 statement"; specifying the entities that must receive  
 12 requests for loss run statements; specifying that  
 13 insurers must provide loss run statements under  
 14 certain circumstances; revising the required claims  
 15 history in loss run statements; providing  
 16 applicability; limiting loss run statement requests  
 17 with respect to group health insurance policies to  
 18 group policyholders; amending s. 627.062, F.S.;  
 19 authorizing a rate filing for homeowners' insurance to  
 20 use a specified modeling indication; amending s.  
 21 627.0629, F.S.; authorizing, rather than requiring,  
 22 rate filings for certain residential property  
 23 insurance to include certain rate factors; authorizing  
 24 insurers to file certain insurance rating plans based  
 25 on certain windstorm mitigation construction  
 26 standards; authorizing insurers to require  
 27 policyholders to provide evidence of compliance with  
 28 mitigation standards under certain conditions;  
 29 amending s. 627.072, F.S.; providing a ratemaking

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30 factor for workers' compensation and employer's  
 31 liability insurance; amending s. 627.351, F.S.;  
 32 revising conditions for determining the ineligibility  
 33 of condominiums for wind-only coverage; amending s.  
 34 627.444, F.S.; revising the definition of the term  
 35 "loss run statement"; specifying the entities that  
 36 must receive requests for loss run statements;  
 37 specifying that insurers must provide loss run  
 38 statements under certain circumstances; revising the  
 39 required claims history in loss run statements;  
 40 providing applicability; limiting loss run statement  
 41 requests with respect to group health insurance  
 42 policies to group policyholders; repealing s.  
 43 627.6647, F.S., relating to the release of information  
 44 required for bid to group health insurance  
 45 policyholders; amending s. 627.7011, F.S.; revising  
 46 conditions for inclusion of costs for law and  
 47 ordinance coverage in loss adjustments under certain  
 48 homeowners' policies; revising the timeframes of  
 49 repairs of dwellings and replacement of personal  
 50 property for which the insurer must pay when property  
 51 is insured on the basis of replacement costs; amending  
 52 s. 627.715, F.S.; providing an exemption from a  
 53 diligent effort requirement for agents exporting  
 54 contracts or endorsements providing flood coverage;  
 55 amending s. 627.7152, F.S.; revising the definition of  
 56 the term "assignment agreement"; specifying the  
 57 addresses to which a notice of intent must be served;  
 58 amending ss. 634.171, 634.317, and 634.419, F.S.;

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59 authorizing licensed personal lines or general lines  
 60 agents to solicit, negotiate, advertise, or sell motor  
 61 vehicle service agreements, home warranty contracts,  
 62 and service warranties, respectively, without a sales  
 63 representative license; reenacting s. 627.7153(1) and  
 64 (2) (d), F.S., relating to policies restricting  
 65 assignment of post-loss benefits under a property  
 66 insurance policy, to incorporate the amendment made by  
 67 the act to s. 627.7152, F.S., in references thereto;  
 68 providing effective dates.  
 69

70 Be It Enacted by the Legislature of the State of Florida:  
 71

72 Section 1. Effective June 1, 2021, paragraph (c) of  
 73 subsection (2) of section 215.555, Florida Statutes, is amended  
 74 to read:

75 215.555 Florida Hurricane Catastrophe Fund.—

76 (2) DEFINITIONS.—As used in this section:

77 (c) "Covered policy" means any insurance policy covering  
 78 residential property in this state, including, but not limited  
 79 to, any homeowner, mobile home owner, farm owner, condominium  
 80 association, condominium unit owner, tenant, or apartment  
 81 building policy, or any other policy covering a residential  
 82 structure or its contents issued by any authorized insurer,  
 83 including a commercial self-insurance fund holding a certificate  
 84 of authority issued by the Office of Insurance Regulation under  
 85 s. 624.462, the Citizens Property Insurance Corporation, and any  
 86 joint underwriting association or similar entity created under  
 87 law. The term "covered policy" includes any collateral

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88 protection insurance policy covering personal residences which  
 89 protects both the borrower's and the lender's financial  
 90 interests, in an amount at least equal to the coverage amount  
 91 for the dwelling in place under the lapsed homeowner's policy,  
 92 the coverage amount that the homeowner has been notified of, or  
 93 the coverage amount the homeowner requests from the collateral  
 94 protection insurer, if such collateral protection insurance  
 95 policy can be accurately reported as required in subsection (5).  
 96 Additionally, covered policies include policies covering the  
 97 peril of wind removed from the Florida Residential Property and  
 98 Casualty Joint Underwriting Association or from the Citizens  
 99 Property Insurance Corporation, created under s. 627.351(6), or  
 100 from the Florida Windstorm Underwriting Association, created  
 101 under s. 627.351(2), by an authorized insurer under the terms  
 102 and conditions of an executed assumption agreement between the  
 103 authorized insurer and such association or Citizens Property  
 104 Insurance Corporation. Each assumption agreement between the  
 105 association and such authorized insurer or Citizens Property  
 106 Insurance Corporation must be approved by the Office of  
 107 Insurance Regulation before the effective date of the  
 108 assumption, and the Office of Insurance Regulation must provide  
 109 written notification to the board within 15 working days after  
 110 such approval. "Covered policy" does not include any policy that  
 111 excludes wind coverage or hurricane coverage or any reinsurance  
 112 agreement and does not include any policy otherwise meeting this  
 113 definition which is issued by a surplus lines insurer or a  
 114 reinsurer. All commercial residential excess policies and all  
 115 deductible buy-back policies that, based on sound actuarial  
 116 principles, require individual ratemaking shall be excluded by

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117 rule if the actuarial soundness of the fund is not jeopardized.  
 118 For this purpose, the term "excess policy" means a policy that  
 119 provides insurance protection for large commercial property  
 120 risks and that provides a layer of coverage above a primary  
 121 layer insured by another insurer.

122 Section 2. Effective upon this act becoming a law,  
 123 subsection (3) of section 624.423, Florida Statutes, is amended  
 124 to read:

125 624.423 Serving process.—

126 (3) Service of process is valid and binding upon the  
 127 insurer on the date process served upon the Chief Financial  
 128 Officer is delivered to the insurer and sent or the insurer has  
 129 been notified such information has been made available on a  
 130 secured network in accordance with this section and s.

131 624.307(9) ~~shall for all purposes constitute valid and binding~~  
 132 ~~service thereof upon the insurer.~~

133 Section 3. Section 626.856, Florida Statutes, is amended to  
 134 read:

135 626.856 "Company employee adjuster" defined.—A "company  
 136 employee adjuster" means a person licensed as an all-lines  
 137 adjuster who is appointed and employed on an insurer's staff of  
 138 adjusters, by an affiliate, or by a wholly owned subsidiary of  
 139 the insurer, and who undertakes on behalf of such insurer or  
 140 other insurers under common control or ownership to ascertain  
 141 and determine the amount of any claim, loss, or damage payable  
 142 under a contract of insurance, or undertakes to effect  
 143 settlement of such claim, loss, or damage.

144 Section 4. Effective upon this act becoming a law,  
 145 subsections (1), (2), and (4) of section 626.9202, Florida

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146 Statutes, are amended, and subsections (7) and (8) are added to  
 147 that section, to read:

148 626.9202 Loss run statements for all lines of insurance.—

149 (1) As used in this section, the term:

150 (a) "Loss run statement" means a report that contains the  
 151 policy number, the period of coverage, the number of claims, the  
 152 paid losses on each claim ~~all claims~~, and the date of each loss.  
 153 The term does not include supporting claim file documentation,  
 154 including, but not limited to, copies of claim files,  
 155 investigation reports, evaluation statements, insureds'  
 156 statements, and documents protected by a common law or statutory  
 157 privilege. As applied to group health insurance, the term means  
 158 a report that also contains premiums paid, number of insureds on  
 159 a monthly basis, and dependent status.

160 (b) "Provide" means to electronically send a document or to  
 161 allow access through an electronic portal to view or generate a  
 162 document.

163 (2) Notwithstanding any other law, an insurer shall provide  
 164 to an insured within 15 calendar days after an individual or  
 165 entity designated by the insurer receives ~~receipt of~~ the  
 166 insured's written request, either:

167 (a) A loss run statement; or

168 (b) For personal lines of insurance, information on how to  
 169 obtain a loss run statement at no charge through a consumer  
 170 reporting agency. However, this section does not prohibit an  
 171 insured from requesting a loss run statement after receiving  
 172 information from a consumer reporting agency, in which case the  
 173 insurer must then provide such loss run statement within 15  
 174 calendar days after the individual or entity designated by the



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175 insurer receives the insured's subsequent written request.

176 (4) A loss run statement provided pursuant to this section  
177 must contain a claims history with the insurer for the preceding  
178 3 5 years or, if the claims history is less than 3 5 years, a  
179 complete claims history with the insurer.

180 (7) This section does not apply to a life insurer as  
181 defined in s. 624.602.

182 (8) For group health insurance, only the group policyholder  
183 may request and be provided a loss run statement pursuant to  
184 this section.

185 Section 5. Paragraph (j) of subsection (2) of section  
186 627.062, Florida Statutes, is amended to read:

187 627.062 Rate standards.-

188 (2) As to all such classes of insurance:

189 (j) With respect to residential property insurance rate  
190 filings, the rate filing:

191 1. Must account for mitigation measures undertaken by  
192 policyholders to reduce hurricane losses.

193 2. May use a modeling indication that is the weighted or  
194 straight average of two or more models found by the commission  
195 to be accurate or reliable pursuant to s. 627.0628.

196

197 The provisions of this subsection do not apply to workers'  
198 compensation, employer's liability insurance, and motor vehicle  
199 insurance.

200 Section 6. Paragraph (b) of subsection (2) of section  
201 627.0629, Florida Statutes, is amended, and subsection (9) is  
202 added to that section, to read:

203 627.0629 Residential property insurance; rate filings.-

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204 (2)

205 (b) A rate filing for residential property insurance made  
206 more than 150 days after approval by the office of a building  
207 code rating factor plan submitted by a statewide rating  
208 organization ~~may shall~~ include positive and negative rate  
209 factors that reflect the manner in which building code  
210 enforcement in a particular jurisdiction addresses risk of wind  
211 damage. The rate filing ~~must shall~~ include variations from  
212 standard rate factors on an individual basis based on inspection  
213 of a particular structure by a licensed home inspector. If an  
214 inspection is requested by the insured, the insurer may require  
215 the insured to pay the reasonable cost of the inspection. This  
216 paragraph applies to structures constructed or renovated after  
217 the implementation of this paragraph.

218 (9) An insurer may file with the office a personal lines  
219 residential property insurance rating plan that provides  
220 justified premium discounts, credits, or other rate  
221 differentials based on windstorm mitigation construction  
222 standards developed by an independent, not-for-profit,  
223 scientific research organization. The insurer may require a  
224 policyholder who elects to construct or retrofit the structure,  
225 in whole or in part, for windstorm mitigation purposes to  
226 present to the insurer evidence of compliance with the  
227 mitigation standards before receiving any premium discount,  
228 credit, or rate reduction allowed under the rating plan.

229 Section 7. Subsection (1) of section 627.072, Florida  
230 Statutes, is amended to read:

231 627.072 Making and use of rates.-

232 (1) As to workers' compensation and employer's liability

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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233 insurance, the following factors shall be used in the  
234 determination and fixing of rates:

235 (a) The past loss experience and prospective loss  
236 experience within and outside this state;

237 (b) The impact resulting from the past loss experience and  
238 prospective loss experience for insurers whose data are missing  
239 from statewide experience due to insolvency. Prior reported data  
240 for such insurers and all other relevant information may be used  
241 to assess the impact on rates;

242 (c) ~~(b)~~ The conflagration and catastrophe hazards;

243 (d) ~~(e)~~ A reasonable margin for underwriting profit and  
244 contingencies;

245 (e) ~~(d)~~ Dividends, savings, or unabsorbed premium deposits  
246 allowed or returned by insurers to their policyholders, members,  
247 or subscribers;

248 (f) ~~(e)~~ Investment income on unearned premium reserves and  
249 loss reserves;

250 (g) ~~(f)~~ Past expenses and prospective expenses, both those  
251 countrywide and those specifically applicable to this state; and

252 (h) ~~(g)~~ All other relevant factors, including judgment  
253 factors, within and outside this state.

254 Section 8. Paragraph (a) of subsection (6) of section  
255 627.351, Florida Statutes, is amended to read:

256 627.351 Insurance risk apportionment plans.—

257 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

258 (a) The public purpose of this subsection is to ensure that  
259 there is an orderly market for property insurance for residents  
260 and businesses of this state.

261 1. The Legislature finds that private insurers are

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262 unwilling or unable to provide affordable property insurance  
263 coverage in this state to the extent sought and needed. The  
264 absence of affordable property insurance threatens the public  
265 health, safety, and welfare and likewise threatens the economic  
266 health of the state. The state therefore has a compelling public  
267 interest and a public purpose to assist in assuring that  
268 property in the state is insured and that it is insured at  
269 affordable rates so as to facilitate the remediation,  
270 reconstruction, and replacement of damaged or destroyed property  
271 in order to reduce or avoid the negative effects otherwise  
272 resulting to the public health, safety, and welfare, to the  
273 economy of the state, and to the revenues of the state and local  
274 governments which are needed to provide for the public welfare.  
275 It is necessary, therefore, to provide affordable property  
276 insurance to applicants who are in good faith entitled to  
277 procure insurance through the voluntary market but are unable to  
278 do so. The Legislature intends, therefore, that affordable  
279 property insurance be provided and that it continue to be  
280 provided, as long as necessary, through Citizens Property  
281 Insurance Corporation, a government entity that is an integral  
282 part of the state, and that is not a private insurance company.  
283 To that end, the corporation shall strive to increase the  
284 availability of affordable property insurance in this state,  
285 while achieving efficiencies and economies, and while providing  
286 service to policyholders, applicants, and agents which is no  
287 less than the quality generally provided in the voluntary  
288 market, for the achievement of the foregoing public purposes.  
289 Because it is essential for this government entity to have the  
290 maximum financial resources to pay claims following a

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291 catastrophic hurricane, it is the intent of the Legislature that  
 292 the corporation continue to be an integral part of the state and  
 293 that the income of the corporation be exempt from federal income  
 294 taxation and that interest on the debt obligations issued by the  
 295 corporation be exempt from federal income taxation.

296 2. The Residential Property and Casualty Joint Underwriting  
 297 Association originally created by this statute shall be known as  
 298 the Citizens Property Insurance Corporation. The corporation  
 299 shall provide insurance for residential and commercial property,  
 300 for applicants who are entitled, but, in good faith, are unable  
 301 to procure insurance through the voluntary market. The  
 302 corporation shall operate pursuant to a plan of operation  
 303 approved by order of the Financial Services Commission. The plan  
 304 is subject to continuous review by the commission. The  
 305 commission may, by order, withdraw approval of all or part of a  
 306 plan if the commission determines that conditions have changed  
 307 since approval was granted and that the purposes of the plan  
 308 require changes in the plan. For the purposes of this  
 309 subsection, residential coverage includes both personal lines  
 310 residential coverage, which consists of the type of coverage  
 311 provided by homeowner, mobile home owner, dwelling, tenant,  
 312 condominium unit owner, and similar policies; and commercial  
 313 lines residential coverage, which consists of the type of  
 314 coverage provided by condominium association, apartment  
 315 building, and similar policies.

316 3. With respect to coverage for personal lines residential  
 317 structures:

318 a. Effective January 1, 2014, a structure that has a  
 319 dwelling replacement cost of \$1 million or more, or a single

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320 condominium unit that has a combined dwelling and contents  
 321 replacement cost of \$1 million or more, is not eligible for  
 322 coverage by the corporation. Such dwellings insured by the  
 323 corporation on December 31, 2013, may continue to be covered by  
 324 the corporation until the end of the policy term. The office  
 325 shall approve the method used by the corporation for valuing the  
 326 dwelling replacement cost for the purposes of this subparagraph.  
 327 If a policyholder is insured by the corporation before being  
 328 determined to be ineligible pursuant to this subparagraph and  
 329 such policyholder files a lawsuit challenging the determination,  
 330 the policyholder may remain insured by the corporation until the  
 331 conclusion of the litigation.

332 b. Effective January 1, 2015, a structure that has a  
 333 dwelling replacement cost of \$900,000 or more, or a single  
 334 condominium unit that has a combined dwelling and contents  
 335 replacement cost of \$900,000 or more, is not eligible for  
 336 coverage by the corporation. Such dwellings insured by the  
 337 corporation on December 31, 2014, may continue to be covered by  
 338 the corporation only until the end of the policy term.

339 c. Effective January 1, 2016, a structure that has a  
 340 dwelling replacement cost of \$800,000 or more, or a single  
 341 condominium unit that has a combined dwelling and contents  
 342 replacement cost of \$800,000 or more, is not eligible for  
 343 coverage by the corporation. Such dwellings insured by the  
 344 corporation on December 31, 2015, may continue to be covered by  
 345 the corporation until the end of the policy term.

346 d. Effective January 1, 2017, a structure that has a  
 347 dwelling replacement cost of \$700,000 or more, or a single  
 348 condominium unit that has a combined dwelling and contents

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 349 replacement cost of \$700,000 or more, is not eligible for  
 350 coverage by the corporation. Such dwellings insured by the  
 351 corporation on December 31, 2016, may continue to be covered by  
 352 the corporation until the end of the policy term.

353  
 354 The requirements of sub-subparagraphs b.-d. do not apply in  
 355 counties where the office determines there is not a reasonable  
 356 degree of competition. In such counties a personal lines  
 357 residential structure that has a dwelling replacement cost of  
 358 less than \$1 million, or a single condominium unit that has a  
 359 combined dwelling and contents replacement cost of less than \$1  
 360 million, is eligible for coverage by the corporation.

361 4. It is the intent of the Legislature that policyholders,  
 362 applicants, and agents of the corporation receive service and  
 363 treatment of the highest possible level but never less than that  
 364 generally provided in the voluntary market. It is also intended  
 365 that the corporation be held to service standards no less than  
 366 those applied to insurers in the voluntary market by the office  
 367 with respect to responsiveness, timeliness, customer courtesy,  
 368 and overall dealings with policyholders, applicants, or agents  
 369 of the corporation.

370 5.a. Effective January 1, 2009, a personal lines  
 371 residential structure that is located in the "wind-borne debris  
 372 region," as defined in s. 1609.2, International Building Code  
 373 (2006), and that has an insured value on the structure of  
 374 \$750,000 or more is not eligible for coverage by the corporation  
 375 unless the structure has opening protections as required under  
 376 the Florida Building Code for a newly constructed residential  
 377 structure in that area. A residential structure is deemed to

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 378 comply with this sub-subparagraph if it has shutters or opening  
 379 protections on all openings and if such opening protections  
 380 complied with the Florida Building Code at the time they were  
 381 installed.

382 b. Any major structure, as defined in s. 161.54(6) (a), that  
 383 is newly constructed, or rebuilt, repaired, restored, or  
 384 remodeled to increase the total square footage of finished area  
 385 by more than 25 percent, pursuant to a permit applied for after  
 386 July 1, 2015, is not eligible for coverage by the corporation if  
 387 the structure is seaward of the coastal construction control  
 388 line established pursuant to s. 161.053 or is within the Coastal  
 389 Barrier Resources System as designated by 16 U.S.C. ss. 3501-  
 390 3510.

391 6. With respect to wind-only coverage for commercial lines  
 392 residential condominiums, ~~effective July 1, 2014~~, a condominium  
 393 ~~may shall~~ be deemed ineligible for coverage when ~~if~~ 50 percent  
 394 or more of the units are rented more than eight times in a  
 395 calendar year for a rental agreement period of less than 30  
 396 days.

397 Section 9. Effective upon this act becoming a law,  
 398 subsections (1), (2), and (4) of section 627.444, Florida  
 399 Statutes, are amended, and subsections (7) and (8) are added to  
 400 that section, to read:

401 627.444 Loss run statements for all lines of insurance.—

402 (1) As used in this section, the term:

403 (a) "Loss run statement" means a report that contains the  
 404 policy number, the period of coverage, the number of claims, the  
 405 paid losses on each claim ~~all-claims~~, and the date of each loss.  
 406 The term does not include supporting claim file documentation,

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407 including, but not limited to, copies of claim files,  
408 investigation reports, evaluation statements, insureds'  
409 statements, and documents protected by a common law or statutory  
410 privilege. As applied to group health insurance, the term means  
411 a report that also contains premiums paid, number of insureds on  
412 a monthly basis, and dependent status.

413 (b) "Provide" means to electronically send a document or to  
414 allow access through an electronic portal to view or generate a  
415 document.

416 (2) Notwithstanding any other law, an insurer shall provide  
417 to an insured within 15 calendar days after an individual or  
418 entity designated by the insurer receives receipt of the  
419 insured's written request, either:

420 (a) A loss run statement; or

421 (b) For personal lines of insurance, information on how to  
422 obtain a loss run statement at no charge through a consumer  
423 reporting agency. However, this section does not prohibit an  
424 insured from requesting a loss run statement after receiving  
425 information from a consumer reporting agency, in which case the  
426 insurer must then provide such loss run statement within 15  
427 calendar days after the individual or entity designated by the  
428 insurer receives the insured's subsequent written request.

429 (4) A loss run statement provided pursuant to this section  
430 must contain a claims history with the insurer for the preceding  
431 3 5 years or, if the claims history is less than 3 5 years, a  
432 complete claims history with the insurer.

433 (7) This section does not apply to a life insurer as  
434 defined in s. 624.602.

435 (8) For group health insurance, only the group policyholder

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436 may request and be provided a loss run statement pursuant to  
437 this section.

438 Section 10. Section 627.6647, Florida Statutes, is  
439 repealed.

440 Section 11. Paragraph (b) of subsection (1) and subsection  
441 (3) of section 627.7011, Florida Statutes, are amended to read:  
442 627.7011 Homeowners' policies; offer of replacement cost  
443 coverage and law and ordinance coverage.—

444 (1) Prior to issuing a homeowner's insurance policy, the  
445 insurer must offer each of the following:

446 (b) A policy or endorsement providing that, subject to  
447 other policy provisions, any loss that is repaired or replaced  
448 at any location will be adjusted on the basis of replacement  
449 costs to the dwelling not exceeding policy limits, rather than  
450 actual cash value, and also including costs necessary to meet  
451 applicable laws and ordinances enacted on or before the time of  
452 loss which regulate regulating the construction, use, or repair  
453 of any property or require requiring the tearing down of any  
454 property, including the costs of removing debris. However,  
455 additional costs necessary to meet applicable laws and  
456 ordinances may be limited to 25 percent or 50 percent of the  
457 dwelling limit, as selected by the policyholder, and such  
458 coverage applies only to repairs of the damaged portion of the  
459 structure unless the total damage to the structure exceeds 50  
460 percent of the replacement cost of the structure.

461  
462 An insurer is not required to make the offers required by this  
463 subsection with respect to the issuance or renewal of a  
464 homeowner's policy that contains the provisions specified in

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465 paragraph (b) for law and ordinance coverage limited to 25  
 466 percent of the dwelling limit, except that the insurer must  
 467 offer the law and ordinance coverage limited to 50 percent of  
 468 the dwelling limit. This subsection does not prohibit the offer  
 469 of a guaranteed replacement cost policy.

470 (3) In the event of a loss for which a dwelling or personal  
 471 property is insured on the basis of replacement costs:

472 (a) For a dwelling, the insurer must initially pay at least  
 473 the actual cash value of the insured loss, less any applicable  
 474 deductible. The insurer shall pay any remaining amounts  
 475 necessary to perform such repairs as work is performed and  
 476 expenses are incurred. The insured has not less than 2 years  
 477 from the date of loss or 1 year from the notice of the claim,  
 478 whichever occurs later, to request reimbursement from the  
 479 insurer for work to be performed and expenses incurred. If a  
 480 total loss of a dwelling occurs, the insurer shall pay the  
 481 replacement cost coverage without reservation or holdback of any  
 482 depreciation in value, pursuant to s. 627.702.

483 (b) For personal property:

484 1. The insurer must offer coverage under which the insurer  
 485 is obligated to pay the replacement cost without reservation or  
 486 holdback for any depreciation in value, whether or not the  
 487 insured replaces the property.

488 2. The insurer may also offer coverage under which the  
 489 insurer may limit the initial payment to the actual cash value  
 490 of the personal property to be replaced, require the insured to  
 491 provide receipts for the purchase of the property financed by  
 492 the initial payment, use such receipts to make the next payment  
 493 requested by the insured for the replacement of insured

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494 property, and continue this process until the insured remits all  
 495 receipts up to the policy limits for replacement costs. The  
 496 insured has not less than 2 years from the date of loss or 1  
 497 year from the notice of the claim, whichever occurs later, to  
 498 request reimbursement from the insurer for expenses incurred.  
 499 The insurer must provide clear notice of this process before the  
 500 policy is bound. A policyholder must be provided an actuarially  
 501 reasonable premium credit or discount for this coverage. The  
 502 insurer may not require the policyholder to advance payment for  
 503 the replaced property.

504 Section 12. Effective upon this act becoming a law, present  
 505 subsections (4) through (10) of section 627.715, Florida  
 506 Statutes, are redesignated as subsections (5) through (11),  
 507 respectively, and a new subsection (4) is added to that section,  
 508 to read:

509 627.715 Flood insurance.—An authorized insurer may issue an  
 510 insurance policy, contract, or endorsement providing personal  
 511 lines residential coverage for the peril of flood or excess  
 512 coverage for the peril of flood on any structure or the contents  
 513 of personal property contained therein, subject to this section.  
 514 This section does not apply to commercial lines residential or  
 515 commercial lines nonresidential coverage for the peril of flood.  
 516 An insurer may issue flood insurance policies, contracts,  
 517 endorsements, or excess coverage on a standard, preferred,  
 518 customized, flexible, or supplemental basis.

519 (4) An agent may export a contract or an endorsement  
 520 providing flood coverage to an eligible surplus lines insurer  
 521 without making a diligent effort to seek such coverage from  
 522 three or more authorized insurers under s. 626.916(1)(a).

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523 Section 13. Effective upon this act becoming a law,  
 524 paragraph (b) of subsection (1) and paragraph (a) of subsection  
 525 (9) of section 627.7152, Florida Statutes, are amended to read:  
 526 627.7152 Assignment agreements.—  
 527 (1) As used in this section, the term:  
 528 (b) "Assignment agreement" means any instrument by which  
 529 post-loss benefits under a residential property insurance policy  
 530 or commercial property insurance policy, as that term is defined  
 531 in s. 627.0625(1), are assigned or transferred, or acquired in  
 532 any manner, in whole or in part, to or from a person providing  
 533 services, including, but not limited to, scopes of service, to  
 534 inspect, protect, repair, restore, or replace property or to  
 535 mitigate against further damage to the property.  
 536 (9) (a) An assignee must provide the named insured, insurer,  
 537 and the assignor, if not the named insured, with a written  
 538 notice of intent to initiate litigation before filing suit under  
 539 the policy. Such notice must be served by certified mail, return  
 540 receipt requested, to the name and mailing address designated by  
 541 the insurer in the policy forms, or by electronic delivery at  
 542 the e-mail address designated by the insurer in the policy forms  
 543 at least 10 business days before filing suit, but may not be  
 544 served before the insurer has made a determination of coverage  
 545 under s. 627.70131. The notice must specify the damages in  
 546 dispute, the amount claimed, and a presuit settlement demand.  
 547 Concurrent with the notice, and as a precondition to filing  
 548 suit, the assignee must provide the named insured, insurer, and  
 549 the assignor, if not the named insured, a detailed written  
 550 invoice or estimate of services, including itemized information  
 551 on equipment, materials, and supplies; the number of labor

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552 hours; and, in the case of work performed, proof that the work  
 553 has been performed in accordance with accepted industry  
 554 standards.  
 555 Section 14. Section 634.171, Florida Statutes, is amended  
 556 to read:  
 557 634.171 Salesperson to be licensed and appointed;  
 558 exemptions.—Salespersons for motor vehicle service agreement  
 559 companies and insurers shall be licensed, appointed, renewed,  
 560 continued, reinstated, or terminated as prescribed in chapter  
 561 626 for insurance representatives in general. However, they  
 562 shall be exempt from all other provisions of chapter 626  
 563 including fingerprinting, photo identification, education, and  
 564 examination provisions. License, appointment, and other fees  
 565 shall be those prescribed in s. 624.501. A licensed and  
 566 appointed salesperson shall be directly responsible and  
 567 accountable for all acts of her or his employees and other  
 568 representatives. Each service agreement company or insurer  
 569 shall, on forms prescribed by the department, within 30 days  
 570 after termination of the appointment, notify the department of  
 571 such termination. An ~~Ne~~ employee or salesperson of a motor  
 572 vehicle service agreement company or insurer may not directly or  
 573 indirectly solicit or negotiate insurance contracts, or hold  
 574 herself or himself out in any manner to be an insurance agent,  
 575 unless so qualified, licensed, and appointed therefor under the  
 576 Florida Insurance Code. A licensed personal lines or general  
 577 lines agent is not required to be licensed as a salesperson  
 578 under this section to solicit, negotiate, advertise, or sell  
 579 motor vehicle service agreements. A motor vehicle service  
 580 agreement company is not required to be licensed as a

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581 salesperson to solicit, sell, issue, or otherwise transact the  
 582 motor vehicle service agreements issued by the motor vehicle  
 583 service agreement company.

584 Section 15. Section 634.317, Florida Statutes, is amended  
 585 to read:

586 634.317 License and appointment required; exemptions.-~~A~~ ~~No~~  
 587 person may not solicit, negotiate, or effectuate home warranty  
 588 contracts for remuneration in this state unless such person is  
 589 licensed and appointed as a sales representative. A licensed and  
 590 appointed sales representative shall be directly responsible and  
 591 accountable for all acts of the licensee's employees. A licensed  
 592 personal lines or general lines agent is not required to be  
 593 licensed as a sales representative under this section to  
 594 solicit, negotiate, advertise, or sell home warranty contracts.

595 Section 16. Section 634.419, Florida Statutes, is amended  
 596 to read:

597 634.419 License and appointment required; exemptions.-~~A~~ ~~No~~  
 598 person or entity may not ~~shall~~ solicit, negotiate, advertise, or  
 599 effectuate service warranty contracts in this state unless such  
 600 person or entity is licensed and appointed as a sales  
 601 representative. Sales representatives shall be responsible for  
 602 the actions of persons under their supervision. However, a  
 603 service warranty association licensed as such under this part is  
 604 ~~shall~~ ~~be~~ required to be licensed and appointed as a sales  
 605 representative to solicit, negotiate, advertise, or effectuate  
 606 its products. A licensed personal lines or general lines agent  
 607 is not required to be licensed as a sales representative under  
 608 this section to solicit, negotiate, advertise, or sell service  
 609 warranties.

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610 Section 17. Effective upon this act becoming a law, for the  
 611 purpose of incorporating the amendment made by this act to  
 612 section 627.7152, Florida Statutes, in references thereto,  
 613 subsection (1) and paragraph (d) of subsection (2) of section  
 614 627.7153, Florida Statutes, are reenacted to read:

615 627.7153 Policies restricting assignment of post-loss  
 616 benefits under a property insurance policy.-

617 (1) As used in this section, the term "assignment  
 618 agreement" has the same meaning as provided in s. 627.7152.

619 (2) An insurer may make available a policy that restricts  
 620 in whole or in part an insured's right to execute an assignment  
 621 agreement only if all of the following conditions are met:

622 (d) Each restricted policy include on its face the  
 623 following notice in 18-point uppercase and boldfaced type:  
 624

625 THIS POLICY DOES NOT ALLOW THE UNRESTRICTED ASSIGNMENT  
 626 OF POST-LOSS INSURANCE BENEFITS. BY SELECTING THIS  
 627 POLICY, YOU WAIVE YOUR RIGHT TO FREELY ASSIGN OR  
 628 TRANSFER THE POST-LOSS PROPERTY INSURANCE BENEFITS  
 629 AVAILABLE UNDER THIS POLICY TO A THIRD PARTY OR TO  
 630 OTHERWISE FREELY ENTER INTO AN ASSIGNMENT AGREEMENT AS  
 631 THE TERM IS DEFINED IN SECTION 627.7152 OF THE FLORIDA  
 632 STATUTES.

633 Section 18. Except as otherwise expressly provided in this  
 634 act, and except for this section, which shall take effect upon  
 635 this act becoming a law, this act shall take effect July 1,  
 636 2021.



THE FLORIDA SENATE  
**APPEARANCE RECORD**

3-10-2021

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

742

Meeting Date

Bill Number (if applicable)

Topic Insurance

Amendment Barcode (if applicable)

Name Reggie Garcia

Job Title \_\_\_\_\_

Address PO Box 11069

Phone 933-7150

Street

Tallahassee, Fla.

32302

Email reggiegarcia@icloud.com

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against

(The Chair will read this information into the record.)

Representing Fla. Justice Association

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

# APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

8.10.21

Meeting Date

742

Bill Number (if applicable)

Topic unmanned

Amendment Barcode (if applicable)

Name Ashley Kalifeh

Job Title lobbyist

Address 1040 Jefferson St.

Phone 222-9070

Street Tallahassee State FL Zip 32303

Email ashley@ceolla.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing ~~FOR~~ Amendment, Chubby FS2A

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

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3/10/21

Meeting Date

742

Bill Number (if applicable)

Topic Insurance

Amendment Barcode (if applicable)

Name Karl Rasmussen

Job Title Lobbyist

Address 300 S Duval St

Phone 850 425 4000

Street

Tallahassee

FL

32302

Email karl@meenanlawfirm.com

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Florida Service Agreement Association

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

**This form is part of the public record for this meeting.**

S-001 (10/14/14)

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/10/2024  
Meeting Date

742  
Bill Number (if applicable)

Topic Insurance

Amendment Barcode (if applicable)

Name Hillary Cassel

Job Title Attorney

Address 4000 Hollywood Blvd.

Phone Sel. 202-578

Street

Hollywood FL 33021

Email hcassel@cassel.la

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Florida Policyholders Cooperate

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/10/21

Meeting Date

742

Bill Number (if applicable)

Topic Insurance

Amendment Barcode (if applicable)

Name BG Murphy

Job Title Director of Government Affairs

Address 217 Shamrock St

Phone 863-698-8820

Street

Tallahassee

FL

32309

Email bmurphy@faia.com

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Florida Association of Insurance Agents

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

**This form is part of the public record for this meeting.**

S-001 (10/14/14)

YOU MUST PRINT AND DELIVER THIS FORM TO THE ASSIGNED TESTIMONY ROOM

THE FLORIDA SENATE

APPEARANCE RECORD

March 10, 2021

Meeting Date

SB 742

Bill Number (if applicable)

Topic Insurance

Amendment Barcode (if applicable)

Name Candace Bunker

Job Title Director - Legislative and Cabinet Affairs

Address Maryland Circle

Phone 850.513.3757

Street

Tallahassee

FL

Email candace.bunker@citizensfla.com

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Citizens Property Insurance Corporation

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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S-001 (10/14/14)

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**THE FLORIDA SENATE**

**APPEARANCE RECORD**

3/10/2021

*Meeting Date*

SB 742

*Bill Number (if applicable)*

Topic Insurance

*Amendment Barcode (if applicable)*

Name Jeffrey Carter

Job Title Attorney

Address 2808 W. 23rd Street

Phone 850-290-5940

*Street*

Panama City

FL

32406

Email JCarter@merlinlawgroup.com

*City*

*State*

*Zip*

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
*(The Chair will read this information into the record.)*

Representing Florida Justice Association

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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S-001 (10/14/14)

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THE FLORIDA SENATE

**APPEARANCE RECORD**

3/10/2021

Meeting Date

SB 742

Bill Number (if applicable)

Topic Insurance

Amendment Barcode (if applicable)

Name Stephen Cain

Job Title Attorney

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FL

33131

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City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Self - home and business owner

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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S-001 (10/14/14)



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**THE FLORIDA SENATE**

**APPEARANCE RECORD**

3.10.2021

*Meeting Date*

742

*Bill Number (if applicable)*

Topic Omnibus Insurance Bill

*Amendment Barcode (if applicable)*

Name Mark Delegal

Job Title Retained Counsel

Address 201 East Park Avenue

Phone 850.583.2400

*Street*

Tallahassee

FL

32301

Email mark@dacfl.com

*City*

*State*

*Zip*

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
*(The Chair will read this information into the record.)*

Representing State Farm Mutual Automobile Insurance Co.; State Farm Florida Insurance Co.

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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S-001 (10/14/14)

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**THE FLORIDA SENATE**

**APPEARANCE RECORD**

March 10, 2021

*Meeting Date*

SB 742

*Bill Number (if applicable)*

Topic Insurance

*Amendment Barcode (if applicable)*

Name Candace Bunker

Job Title Director - Legislative and Cabinet Affairs

Address Maryland Circle

Phone 850.513.3757

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Tallahassee

FL

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*State*

*Zip*

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
*(The Chair will read this information into the record.)*

Representing Citizens Property Insurance Corporation

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

***This form is part of the public record for this meeting.***

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

---

Prepared By: The Professional Staff of the Committee on Banking and Insurance

---

BILL: CS/SB 1024

INTRODUCER: Banking and Insurance Committee and Senator Brodeur

SUBJECT: Increasing Access to Mental Health Care

DATE: March 11, 2021

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Johnson	Knudson	BI	Fav/CS
2.			AEG	
3.			AP	

---

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

---

**I. Summary:**

CS/SB 1024 requires the Department of Financial Services (DFS) to submit a report to the Legislature and the Governor regarding complaints submitted by individuals covered by an individual or group health insurance policy or health maintenance organization (HMO) contract about the adequacy of coverage and access to mental health services. The report is due January 31, 2022.

Insurers and HMOs are required to provide insureds and subscribers a written notice regarding the federal and state coverage requirements for mental health services, as well as contact information for the Division of Consumer Services of the Department of Financial Services. Insurers and HMOs are also required to make this information available on their website.

The bill will have an indeterminate fiscal impact on the DFS.

The bill is effective October 1, 2021.

**II. Present Situation:**

Mental health is a state of mind characterized by emotional well-being, good behavioral adjustment, relative freedom from anxiety and disabling symptoms, and a capacity to establish

constructive relationships and cope with the ordinary demands and stresses of life.<sup>1</sup> Mental illness refers collectively to all diagnosable mental disorders — health conditions involving significant changes in thinking, emotion or behavior or distress or problems functioning in social, work or family activities.<sup>2</sup> In the United States, mental illnesses are common. Nearly one in five U.S. adults or 51.5 million in 2019, live with a mental illness, which represents 20.6 percent of all U.S. adults.<sup>3</sup> Mental illnesses include many different conditions that vary in degree of severity, ranging from mild to moderate to severe. Serious mental illness (SMI) is a mental, behavioral, or emotional disorder resulting in serious functional impairment, which substantially interferes with or limits one or more major life activities.<sup>4</sup> The burden of mental illnesses is particularly concentrated among those who experience disability due to SMI. In 2019, there were an estimated 13.1 million adults aged 18 or older in the United States with SMI. This number represented 5.2 percent of all U.S. adults. In 2019, among the 13.1 million adults with SMI, 8.6 million (65.5%) received mental health treatment in the past year.<sup>5</sup>

Some mental health conditions have been identified as risk factors for developing a substance use disorder.<sup>6</sup> For example, research suggests that people with mental illness may use drugs or alcohol as a form of self-medication.<sup>7</sup> In the United States, approximately 8.2 million adults (3.4 percent of all adults) had co-occurring disorders, which is the existence of both a mental health and a substance use disorder.<sup>8</sup>

## **Mental Health Insurance Coverage in the Private Health Insurance Market**

### ***Federal Requirements***

Prior to 1996, health insurance coverage for mental illness was generally not as comprehensive as coverage for medical and surgical benefits. In response, Congress enacted the Mental Health Parity Act of 1996<sup>9</sup> (MHPA), which requires parity of medical and surgical benefits with mental health benefits for annual and aggregate lifetime limits of large group plans.

In 2008, Congress passed the Mental Health Parity and Addiction Equity Act<sup>10</sup> (MHPAEA), which generally applies to large group health plans.<sup>11</sup> The MHPAEA expanded parity of coverage to include financial requirements, treatment limitations, and in- and out-of-network coverage if a plan provided coverage for mental illness. The MHPAEA also applies to the

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<sup>1</sup> American Psychological Association, APA Dictionary of Psychology, <https://dictionary.apa.org/mental-health> (last visited Feb. 20, 2021).

<sup>2</sup> American Psychological Association, What is Mental Illness? <https://www.psychiatry.org/patients-families/what-is-mental-illness> (last visited Jan. 30, 2021).

<sup>3</sup> National Institute of Mental Health, *Mental Illness*, available at <https://www.nimh.nih.gov/health/statistics/mental-illness.shtml> (last viewed Feb. 20, 2021).

<sup>4</sup> *Id.*

<sup>5</sup> *Id.*

<sup>6</sup> M. Baigent, Managing patients with dual diagnosis in psychiatric practice. *Curr Opin Psychiatry*. 2012;25(3):201-205.

<sup>7</sup> K. Santucci, Psychiatric disease and drug abuse. *Curr Opin Pediatr*. 2012;24(2):233-237.

<sup>8</sup> Key Substance Use and Mental Health Indicators in the United States: Results from the 2016 National Survey on Drug Use and Health (Sep. 2017), <https://www.samhsa.gov/data/sites/default/files/NSDUH-FFR1-2016/NSDUH-FFR1-2016.pdf> (last viewed Feb. 20, 2021).

<sup>9</sup> Pub. L. No. 104-204.

<sup>10</sup> Pub. L. No. 110-343.

<sup>11</sup> 45 CFR Parts 146 and 147.

treatment of substance use disorders.<sup>12</sup> Like the MHPA, the MHPAEA does not require large groups to provide benefits for mental health or substance use disorders. The MHPAEA contains a cost exemption, which allows a group health plan to receive a waiver, exempting them from some of the key requirements, if the plan demonstrates that costs increased at least 1 percent because of compliance.<sup>13</sup>

In 2010, the Patient Protection and Affordable Care Act<sup>14</sup> (PPACA) amended the MHPAEA to apply the provisions to individual health insurance coverage. The PPACA mandates that qualified health plans must provide coverage of 10 essential health benefits,<sup>15</sup> including coverage for mental health and substance use disorders for individual and small group qualified health plans. The final rule, implementing these provisions, generally requires health insurers offering health insurance coverage in the individual and small group markets to comply with the requirements of the MHPAEA regulations in order to satisfy the essential health benefit requirement.<sup>16</sup>

### ***State Requirements***

Section 627.668, F.S., requires insurers and HMOs offering group coverage to make available optional coverage for mental and nervous disorders for an appropriate additional premium that would include specified benefits. Section 627.669, F.S., requires insurers and HMOs offering group coverage to make available optional coverage for substance abuse that would include certain benefits.

### **Department of Financial Services**

The Chief Financial Officer (CFO) is an elected member of the Cabinet, serves as the chief fiscal officer of the State of Florida,<sup>17</sup> is designated as the State Fire Marshal,<sup>18</sup> and is known as the Treasurer.<sup>19</sup> The CFO is the head of the Department of Financial Services (DFS).<sup>20</sup> Section 20.121, F.S., establishes the Office of the Insurance Consumer Advocate and numerous divisions within the DFS, including the Division of Consumer Services.

---

<sup>12</sup> 45 CFR Parts 146 and 160.

<sup>13</sup> Plans and issuers that make changes to comply with MHPAEA and incur an increased cost of at least 2 percent in the first year that MHPAEA applies to the plan or coverage or at least 1 percent in any subsequent plan year may claim an exemption from MHPAEA based on their increased cost. If such a cost is incurred, the plan or coverage is exempt from MHPAEA requirements for the plan or policy year following the year the cost was incurred. The plan sponsors or issuers must notify the plan beneficiaries that MHPAEA does not apply to their coverage. These exemptions last 1 year. After that, the plan or coverage is required to comply again; however, if the plan or coverage incurs an increased cost of at least 1 percent in that plan or policy year, the plan or coverage could claim the exemption for the following plan or policy year.

<sup>14</sup> Pub. L. No.111-148, as amended by Pub. L. No. 111-152.

<sup>15</sup> 45 CFR s. 156.115.

<sup>16</sup> 45 CFR ss. 147.150 and 156.115.

<sup>17</sup> FLA. CONST. art. IV, s. 4.

<sup>18</sup> Section 633.104(1), F.S.

<sup>19</sup> Section 20.121(1), F.S.

<sup>20</sup> Section 20.121, F.S.

### ***Division of Consumer Services***

The Division of Consumer Services (Division) of the DFS assists consumers with issues and complaints related to products or services regulated by the DFS or the Office of Insurance. The Division:

- Receives inquiries and complaints from consumers;
- Prepares and disseminates information as the DFS deems appropriate to inform or assist consumers;
- Provides direct assistance and advocacy for consumers; and
- Reports potential violations of law or applicable rules by a person or entity licensed by the DFS or the OIR to the appropriate division within the DFS or the OIR, as applicable.<sup>21</sup>

A consumer may request assistance from the Division regarding coverage questions and concerns, or file a formal complaint by telephone, email, or online.<sup>22</sup> An insurer or other entity licensed or issued a certificate of authority by the DFS or the Office of Insurance Regulation (OIR) must respond in writing to the Division within 20 days after receipt of a written request for information from the Division concerning a consumer complaint.<sup>23</sup> The Division may impose an administrative penalty on an entity licensed by DFS or the OIR that fails to respond to the Division.<sup>24</sup>

The Division currently tracks and monitors complaint activity using a database known as ServicePoint.<sup>25</sup> The Division can generate reports, by request, on any entity, individual, line of business, or reason by accessing ServicePoint codes along with the use of key word searches. Individuals requesting reports can request any key words to be used in their report request. The Division refers managed care consumer complaints regarding allegations of lack of an adequate provider network to the Agency once the Division has assisted the individual to the extent of its ability.<sup>26</sup>

### **The Office of Insurance Regulation**

The Florida Office of Insurance Regulation (OIR) regulates insurers, health maintenance organizations (HMOs), and other risk-bearing entities.<sup>27</sup> Rates and forms of health insurers and HMOs are subject to prior approval by the OIR.<sup>28</sup> The OIR reviews health insurance rates and forms for compliance with state and federal laws, such as the MHPAEA.<sup>29</sup> The OIR communicates any violations of MHPAEA to the insurer or HMO. If the insurer or HMO fails to

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<sup>21</sup> Section 624.307(10), F.S.

<sup>22</sup> Department of Financial Services, Division of Consumer Services, *File an insurance complaint*, at <https://www.myfloridacfo.com/Division/Consumers/needourhelp.htm> (last viewed Feb. 24, 2021).

<sup>23</sup> Section 624.307(10)(b), F.S.

<sup>24</sup> *Id.*

<sup>25</sup> Department of Financial Services, *2021 Legislative Bill Analysis of SB 1024* (Feb. 25, 2021).

<sup>26</sup> *Id.*

<sup>27</sup> Section 20.121(3)(a), F.S.

<sup>28</sup> Sections 627.410, 627.411, and 627.413, F.S.

<sup>29</sup> Office of Insurance Regulation, *MHPAEA Compliance Checklist to be Completed by Regulated Entity*, <https://www.floir.com/sitedocuments/2021ACAEnhancedAttestation.pdf> (last viewed Feb. 21, 2021).

correct the issue, the OIR would refer the issue to the appropriate federal regulator as a possible violation of federal law.<sup>30</sup>

### III. Effect of Proposed Changes:

**Section 1** creates s. 624.36, F.S., to require the DFS to submit a report by January 31, 2022, to the Legislature and the Governor regarding the disposition of complaints relating to access and affordability of mental health services and benefits during the prior calendar year. The report must include all of the following information:

- The total number of complaints received.
- The nature of the complaints; including but not limited to, concerns related to access to providers, facilities, and inpatient or outpatient services; affordability of services; equivalency of mental health benefits with respect to medical and surgical benefits; quality of care; and denial of services.
- The disposition of complaints.
- Any recommendations made by the department to the Legislature for ensuring access to and the affordability of mental health services to insureds and subscribers.

Further, the section also requires the department to make available on its website a description of mental health benefits required to be made available pursuant to state and federal law for individual and group policies and contracts.

**Sections 2 and 3** creates ss. 627.4215 and 641.31085, F.S. to require health insurers and HMOs, respectively, to provide written notices to insureds and subscribers and make information available on their websites. Health insurers and HMOs are required to provide insureds and subscribers an annual written notice regarding the federal and state requirements for coverage of mental health services, as well as contact information for the Division of Consumer Services of the Department of Financial Services. Further, insurers and HMOs are required to make the same information contained in the written notices available at their respective websites.

**Section 4** provides the bill has an effective date of October 1, 2021.

### IV. Constitutional Issues:

#### A. Municipality/County Mandates Restrictions:

None.

#### B. Public Records/Open Meetings Issues:

None.

#### C. Trust Funds Restrictions:

None.

---

<sup>30</sup> Section 624.26(2), F.S.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

**V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The written disclosures regarding the state and federal mental health coverage requirements and the contact information for the DFS Consumer Hotline that insurers and HMOs would provide insureds and subscribers may assist insureds and subscribers in understanding their coverage and obtaining mental health services.

C. Government Sector Impact:

**Department of Financial Services<sup>31</sup>**

The fiscal impact is indeterminate. The Division of Consumer Services of the DFS currently uses a database for monitoring and tracking complaints and generating reports. The DFS may incur insignificant costs associated with producing a complaint report for the prior calendar year and modifying their website to include a description of mental health benefits required to be made available pursuant to state and federal law.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill creates sections 624.36, 627.4215, and 641.31085, of the Florida Statutes.

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<sup>31</sup> See *Supra* note 36.



**IX. Additional Information:**

- A. **Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by Banking and Insurance on March 10, 2021:**

The CS:

- Requires the Department of Financial Services (DFS) to submit a report to the Legislature and the Governor using information generated from their current complaint database and eliminates the requirement that the Agency for Health Care Administration collaborate on complaint tracking and the issuance of a joint report with the DFS.
- Revises the information that must be included in the DFS report about complaints received from insureds and subscribers relating to the access and affordability of mental health services and benefits.
- Requires the DFS to make available on their website a description of mental health benefits required to be made available pursuant to state and federal laws for individual and group policies and contracts.
- Requires insurers and HMOs to provide written notices to insureds and subscribers, respectively, and information on their website regarding federal and state requirements for coverage of mental health services and contact information for the Division of Consumer Services of the DFS.
- Revises the report due date from January 1, 2022, to January 31, 2022 and the effective date of the bill from July 1, 2021, to October 1, 2021.

- B. **Amendments:**

None.



976652

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/10/2021	.	
	.	
	.	
	.	

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The Committee on Banking and Insurance (Brodeur) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 22 - 46  
and insert:  
complaints; reporting.-

(1) By January 31, 2022, the department shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives relating to the disposition of complaints received from insureds and subscribers of insurers or health maintenance organizations regulated by the



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11 office relating to the access and affordability of mental health  
12 services and benefits during the prior calendar year. At a  
13 minimum, the report must include all of the following  
14 information:

15 (a) The total number of complaints received.

16 (b) The nature of complaints, including, but not limited  
17 to, concerns related to access to in-network providers or  
18 facilities; access to inpatient or outpatient services;  
19 availability of specialists; affordability of services;  
20 equivalency of mental health benefits with respect to medical  
21 and surgical benefits; quality of care; and denial of services,  
22 including the types of services denied and the stated reason for  
23 the denials.

24 (c) The disposition of complaints.

25 (d) Any recommendations made by the department to the  
26 Legislature for ensuring access to and the affordability of  
27 mental health services to insureds and subscribers.

28 (2) The department shall make available on its website a  
29 description of mental health benefits required to be made  
30 available pursuant to s. 627.668 and federal law for individual  
31 and group policies and contracts.

32 Section 2. Section 627.4215, Florida Statutes, is created  
33 to read:

34 627.4215 Disclosures to policyholders; coverage of mental  
35 and nervous disorders.—

36 (1) An insurer shall make all of the following information  
37 available on its website:

38 (a) The federal and state requirements for coverage of  
39 mental health services.



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40 (b) Contact information for the Division of Consumer  
41 Services of the Department of Financial Services, including a  
42 hyperlink, for consumers to submit inquiries or complaints  
43 relating to insurer or health maintenance organization products  
44 or services regulated by the department or the office.

45 (2) On an annual basis, an insurer shall provide written  
46 notice to insureds which must include a description of the  
47 federal and state requirements for coverage of mental health  
48 services. Such notice must also include the website address and  
49 statewide toll-free telephone number of the Division of Consumer  
50 Services of the department for receiving and logging complaints.

51 Section 3. Section 641.31085, Florida Statutes, is created  
52 to read:

53 641.31085 Disclosures to subscribers; coverage of mental  
54 and nervous disorders.—

55 (1) A health maintenance organization shall make all of the  
56 following information available on its website:

57 (a) The federal and state requirements for coverage of  
58 mental health services.

59 (b) Contact information for the Division of Consumer  
60 Services of the Department of Financial Services, including a  
61 hyperlink, for consumers to submit inquiries or complaints  
62 relating to insurer or health maintenance organization products  
63 or services regulated by the department or the office.

64 (2) On an annual basis, a health maintenance organization  
65 shall provide written notice to subscribers which must include a  
66 description of the federal and state requirements for coverage  
67 of mental health services. Such notice must also include the  
68 website address and statewide toll-free telephone number of the



976652

69 Division of Consumer Services of the department for receiving  
70 and logging complaints.

71 Section 4. This act shall take effect October 1, 2021.

72

73 ===== T I T L E A M E N D M E N T =====

74 And the title is amended as follows:

75 Delete lines 4 - 14

76 and insert:

77 Department of Financial Services to submit a specified  
78 report to the Governor and Legislature by a specified  
79 date; specifying the minimum information the report  
80 must contain; requiring the department to make certain  
81 information available on its website; creating ss.  
82 627.4215 and 641.31085, F.S.; requiring insurers and  
83 health maintenance organizations, respectively, to  
84 disclose specified information on their websites;  
85 requiring insurers and health maintenance  
86 organizations, respectively, to annually provide  
87 certain written notices to insureds or subscribers;

By Senator Brodeur

9-01013B-21

20211024\_\_

1 A bill to be entitled  
 2 An act relating to increasing access to mental health  
 3 care; creating s. 624.36, F.S.; requiring the  
 4 Department of Financial Services, in collaboration  
 5 with the Agency for Health Care Administration, to  
 6 establish a system for tracking and monitoring  
 7 complaints made to the Division of Consumer Services  
 8 of the department regarding coverage and access to  
 9 mental health services; requiring the department and  
 10 agency to submit a report containing certain data to  
 11 the Governor and Legislature by a specified date;  
 12 requiring that insurers and health maintenance  
 13 organizations provide written notice to certain  
 14 persons which includes specified information;  
 15 providing an effective date.

16  
 17 Be It Enacted by the Legislature of the State of Florida:

18  
 19 Section 1. Section 624.36, Florida Statutes, is created to  
 20 read:

21 624.36 Coverage of and access to mental health services;  
 22 tracking and monitoring of complaints; reporting.-

23 (1) The department, in collaboration with the Agency for  
 24 Health Care Administration, shall establish a system to track  
 25 and monitor complaints made by insureds covered under individual  
 26 or group health insurance policies and subscribers of health  
 27 maintenance organizations, including enrollees, to the Division  
 28 of Consumer Services of the department regarding the adequacy of  
 29 coverage and access to mental health services. By January 1,

Page 1 of 2

**CODING:** Words ~~stricken~~ are deletions; words underlined are additions.

9-01013B-21

20211024\_\_

30 2022, the department and the agency shall jointly submit a  
 31 report to the Governor, the President of the Senate, and the  
 32 Speaker of the House of Representatives containing data relating  
 33 to such complaints, including, but not limited to, the number of  
 34 complaints, the causes of the complaints, and whether the  
 35 complaints were resolved in a timely manner.

36 (2) Insurers and health maintenance organizations shall  
 37 provide written notice to insureds, subscribers, and enrollees  
 38 which includes the federal and state requirements for coverage  
 39 of mental health services. Such notice must also include the  
 40 statewide toll-free telephone number of the Division of Consumer  
 41 Services of the department for receiving and logging complaints,  
 42 which may include, but need not be limited to, the challenges of  
 43 locating and accessing mental health services, the inflated  
 44 expense of receiving such services, and any other complaints  
 45 regarding the adequacy of services.

46 Section 2. This act shall take effect July 1, 2021.

Page 2 of 2

**CODING:** Words ~~stricken~~ are deletions; words underlined are additions.

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3-10-21  
Meeting Date

1024  
Bill Number (if applicable)

Topic Access to Mental Health Services

Amendment Barcode (if applicable)

Name Adam Roberts

Job Title D.irector of Communications

Address 2634 Capital Cir.  
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JLH  
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FL  
State

Zip

Email adamr32@appalachee  
center.org

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Florida Mental Health Advocacy Coalition

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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**THE FLORIDA SENATE**  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/10/21

Meeting Date

1024

Bill Number (if applicable)

976652

Amendment Barcode (if applicable)

Topic Increasing Access to Mental Health Care

Name Meredith Stanfield

Job Title Director of Legislative and Cabinet Affairs

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Street

Phone 850 413 2890

Tallahassee FL 32399  
City State Zip

Email Meredith.Stanfield@myfloridacfo.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Department of Financial Services

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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S-001 (10/14/14)





## THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

### COMMITTEES:

Environment and Natural Resources, *Chair*  
Health Policy, *Vice Chair*  
Appropriations Subcommittee on Agriculture,  
Environment, and General Government  
Appropriations Subcommittee on Health and  
Human Services  
Children, Families, and Elder Affairs  
Community Affairs

### SELECT COMMITTEE:

Select Committee on Pandemic  
Preparedness and Response

### JOINT COMMITTEE:

Joint Administrative Procedures Committee

**SENATOR JASON BRODEUR**

9th District

February 10, 2021

Honorable Jim Boyd  
312 Senate Building  
404 South Monroe Street  
Tallahassee, FL 32399-1100

Dear Chair Boyd,

I am writing to request that SB 1024, Increasing Access to Mental Health Care, be placed on the agenda to be heard in the Committee on Banking and Insurance.

I appreciate your consideration in this matter.

Sincerely,

A handwritten signature in black ink that reads "Jason Brodeur".

Jason Brodeur

Cc: James Knudson, Staff Director  
Gabriela Borja, Administrative Assistant

### REPLY TO:

□ 311 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5009

Senate's Website: [www.flsenate.gov](http://www.flsenate.gov)

**WILTON SIMPSON**  
President of the Senate

**AARON BEAN**  
President Pro Tempore

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Banking and Insurance

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BILL: CS/SB 1408

INTRODUCER: Banking and Insurance Committee and Senator Burgess

SUBJECT: Department of Financial Services

DATE: March 11, 2021

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Schrader	Knudson	BI	Fav/CS
2.			JU	
3.			AEG	
4.			AP	

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/SB 1408 amends sections of Florida Statutes governing the following Department of Financial Services (DFS) Divisions: Investigative and Forensic Services; Public Assistance Fraud; Funeral, Cemetery, and Consumer Services; and State Fire Marshal. The bill:

- Designates the Division of Public Assistance Fraud a criminal justice agency;
- Adds firefighter cancer into the self-insurance coverages provided by Risk Management and requires the Department of Management Services to verify and approve such payments prior to distribution from the State Risk Management Trust Fund;
- Prohibits employees who fall under the State Risk Management Trust Fund from engaging in retaliatory conduct against a sexual harassment victim;
- Provides that willful and knowing dissemination of the identifying information of a sexual harassment victim is a misdemeanor of the first degree;
- Amends the composition requirements of the Board of Funeral, Cemetery, and Consumer Services; clarifies member requirements; amends the definition of “quorum” to enable ease of business; removes term staggering requirements; and clarifies rulemaking responsibilities;
- Clarifies and provides grounds for disqualification of Funeral, Cemetery and Consumer Services licensure applicants based on criminal history;
- Amends provisions for criminal background checks for Funeral, Cemetery and Consumer Services licensure applicants;

- Prohibits specific unlicensed funeral activity and increases the penalty to a third-degree felony;
- Increases criminal penalties associated with unlicensed Funeral, Cemetery and Consumer Services activity;
- Updates the definition of “two-component explosive” to reflect changes in the marketplace;
- Allows contractors to begin repairs on a previously permitted fire alarm prior to receiving a permit to do so, yet maintains that such repair will not be compliant until permitted and approved;
- Amends continuing education requirements for individuals licensed to solicit, sell, or adjust insurance in the state;
- Amends provisions regarding appointments to transact insurance or adjust claims on behalf of an insurer or employer to apply certain deadlines to renewal appointments and to revise procedures and requirements when an individual was not properly appointed by inadvertent error;
- Increases the maximum license suspension time for title insurance agents and agencies;
- Removes a requirement for personal residential property agents to notify an insured regarding coverage from Citizens Property Insurance Corporation before exporting a policy to the surplus lines marketplace;
- Prohibits an insurance agent or agency from giving, or a lender from requiring, a copy of an insurer’s proprietary underwriting information as a condition precedent to extending credit secured by real estate and prohibiting an insurance agent or agency from providing such information without authorization;
- Allows flood insurance coverage to be exported to a surplus lines insurer without the agent first seeking to place the coverage with an admitted insurer;
- Amends the Fire and Emergency Incident Information Reporting Program by replacing “fire protection agencies” with “fire service providers” and defines the term “fire service provider;”
- Revises the composition of the Fire and Emergency Incident Information System Technical Advisory Panel;
- Extends assessment and compliance deadlines by three years with regards to minimum radio signal strength for fire department communications and two-way radio systems;
- Prohibits influencing a firesafety inspector to violate applicable law through threats, coercion, trickery, or compensation, and prohibits a firesafety inspector knowingly and intentionally requesting, soliciting, accepting, or agreeing to accept a bribe;
- Revises the composition of the Firefighters Employment, Standards and Training Council;
- Allows fire service providers to hire volunteer firefighters, and allows them to continue to function in a volunteer firefighter capacity for the first year of employment while they obtain career firefighter certifications;
- Creates a criminal penalty for aiding and abetting a person engaged in unlicensed bail bond agent activity; and
- Expands the applicability of criminal penalties for impersonation of investigators and personnel of the DFS.

The bill does not impact state revenues or expenditures; however, as to the criminal penalties created by the bill, the Criminal Justice Impact Conference (CJIC) has not yet adopted a prison bed impact for this legislation and the fiscal impact relating to those penalties is indeterminate.

The bill, except as otherwise expressly provided, has an effective date of July 1, 2021.

## II. Present Situation:

The Department of Financial Services (DFS) is statutorily responsible for:

- Carrying out the state's accounting and auditing functions, including preparing the state's Comprehensive Annual Financial Report; monitoring state contracts; and making payment for state expenditures.
- Implementing state fire prevention and control measures, including the investigation of arson and other suspicious fires; training and certification of firefighter candidates; and regulation of explosive storage and use.
- Operating the state's risk management program and securing insurance and reinsurance for covered state liabilities.
- Managing the state Treasury and directing safekeeping and the investment of all state funds.
- Managing the deferred compensation program for state employees.
- Investigating fraud, including insurance fraud, public assistance fraud, and false claims against the state.
- Regulating cemeteries and funeral homes.
- Licensing and oversight of insurance agents and agencies.
- Ensuring that Florida employers provide workers' compensation coverage for their employees in a cost effective manner.
- Assisting consumers in the resolution of issues pertaining to insurance and funeral services.
- Collecting and returning unclaimed property belonging to Florida residents.<sup>1</sup>

The DFS is composed of the following divisions:

- Accounting and Auditing;
- Administration;
- Consumer Services;
- Funeral, Cemetery and Consumer Services;
- Insurance Agent and Agency Services;
- Investigative and Forensic Services;
- Public Assistance Fraud;
- Rehabilitation and Liquidation;
- Risk Management;
- State Fire Marshal;
- Treasury;
- Unclaimed Property; and
- Workers' Compensation.<sup>2</sup>

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<sup>1</sup> Florida Department of Financial Services, *Statement of Agency Organization and Operation*, <https://www.myfloridacfo.com/sitepages/required/agencyorg.aspx> (last visited March 4, 2021).

<sup>2</sup> Florida Department of Financial Services, *Divisions and Offices* <https://www.myfloridacfo.com/> (last visited March 4, 2021)

## Division of Public Assistance Fraud

The Division of Public Assistance Fraud (PAF) is responsible for enforcing state laws regarding program eligibility and proper use of public assistance benefits. PAF is responsible for investigating allegations of fraud related to the Cash Assistance/Temporary Assistance for Needy Families (TANF) program, the Supplemental Nutritional Assistance Program (SNAP); Medicaid recipients; disaster assistance/emergency benefits; the School Readiness and Voluntary Pre-Kindergarten programs; and Social Security Disability benefits.<sup>3</sup>

According to the DFS, PAF has operated as a criminal justice agency since its inception in 1972.<sup>4</sup> However, when the Division of Investigative and Forensic Services (DIFS) was created in 2016, under ch. 20, F.S., PAF was not designated as a criminal justice agency, thereby limiting PAF's access to information within criminal records systems. Under Florida law, a criminal justice agency is defined, in part, as any governmental agency or subunit thereof that performs the administration of criminal justice pursuant to a statute or rule of court and that allocates a substantial part of its annual budget to the administration of criminal justice.<sup>5</sup> PAF currently operates, in part, as a criminal justice agency. However, current statute does not definitively reflect this designation.

## State Risk Management

The State Risk Management Trust Fund (Fund) is administered by the DFS and is a self-insurance fund.<sup>6</sup> The Fund provides various types of insurance to all departments of the State of Florida, including their employees, agents, and volunteers.<sup>7</sup> The Fund provides the following insurance coverage:

- Property claims for all buildings, whether financed in whole or in part by revenue bonds or certificates, and the contents thereof of any other buildings leased or rented by the state, to include manufactured homes and contents. These coverage includes:<sup>8</sup>
  - Loss from fire, lightning, sinkholes, and hazards customarily insured by extended coverage;
  - Loss from removal of personal property from such properties when endangered by covered perils;
  - Flood insurance to the extent necessary to meet self-insurance requirements under the National Flood Insurance Program;

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<sup>3</sup> Division of Public Assistance, <https://myfloridacfo.com/Division/PAF/> (last visited March 6, 2021).

<sup>4</sup> Department of Financial Services, *Legislative Bill Analysis of SB 1408* (March 4, 2021) (on file with Senate Banking and Insurance Committee).

<sup>5</sup> Section 943.045(11)(e), F.S. *See also*: s. 943.045(2), F.S.; the term "administration of criminal justice" means "performing functions of detection, apprehension, detention, pretrial release, posttrial release, prosecution, adjudication, correctional supervision, or rehabilitation of accused persons or criminal offenders by governmental agencies. The administration of criminal justice includes criminal identification activities and the collection, processing, storage, and dissemination of criminal justice information by governmental agencies." Section 943.045(11)(a)-(e), F.S., defines a criminal justice agency as a court, the Department of Law Enforcement, the Department of Juvenile Justice, the protective investigations component of the Department of Children and Families, which investigates the crime of crimes of abuse and neglect, and any other governmental agency or subunit thereof that performs the administration of criminal justice pursuant to a statute or rule court and that allocates a substantial part of its annual budget to the administration of criminal justice.

<sup>6</sup> Section 284.30, F.S.

<sup>7</sup> Section 284.31, F.S.

<sup>8</sup> Section 284.01, F.S.

- Rental value insurance is provided to indemnify the state or its agencies for loss of income when such rental income insurance is required to be carried by bonding or revenue certificates or resolutions; and
- Rental value insurance is also provided to indemnify the state or its agencies for loss of income from those buildings operated and maintained by the Department of Management Services from the Supervision Trust Fund.
- Casualty Claims, to include:<sup>9</sup>
  - Workers' Compensation;
  - General Liability:
    - Premises and Operations;
    - Personal Injury; and
    - Professional Malpractice Liability;<sup>10</sup>
  - Fleet Automotive Liability;
  - Federal Civil Rights Actions under 42 U.S.C. s. 1983 or similar federal statutes; and
  - Court-awarded fees in other proceedings against the state, except for such awards in eminent domain or for inverse condemnation or awards by the Public Employees Relations Commission.

Separate accounts must be kept for workers' compensation, general liability, fleet automotive liability, federal civil rights actions under 42 U.S.C. 1983 or similar federal statutes, and court-awarded attorney's fees barring certain exceptions.<sup>11</sup>

Each entity covered by the Fund must develop and implement a loss prevention program, provide for regular and periodic facility and equipment inspections, investigate job-related employee accidents, and establish a program to promote increased safety awareness among employees.<sup>12</sup> The Division of Risk Management, within the DFS, provides loss prevention services and technical assistance to state agencies and universities for managing risk.<sup>13</sup>

Premiums, as calculated on all coverages, are billed and charged to each state agency according to coverages obtained from the Fund.<sup>14, 15</sup> All premiums paid into the Fund and all moneys received from the Fund from investment or any other source, are held by the DFS for the purpose of paying: losses, expenses incurred in adjustment of losses, premiums for reinsurance, risk and claims management and operating expenses.<sup>16, 17</sup>

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<sup>9</sup> Section 284.30, F.S.

<sup>10</sup> Department of Financial Services, Division of Risk Management, *Insurance Coverage Provided*, <https://www.myfloridacfo.com/Division/Risk/liability/LiabilityInsuranceCoverage.htm> (last visited March 4, 2021).

<sup>11</sup> Section 284.31, F.S.

<sup>12</sup> Section 284.501(1), F.S.

<sup>13</sup> Department of Financial Services, Division of Risk Management, *Welcome to the Division of Risk Management*, <https://www.myfloridacfo.com/Division/Risk/> (last visited March 6, 2021).

<sup>14</sup> Section 284.02(1), F.S.

<sup>15</sup> Section 284.36, F.S.

<sup>16</sup> Section 284.02(2), F.S.

<sup>17</sup> Section 284.37, F.S.

## **Firefighters**

A “firefighter” is defined as a person who is employed full-time by the state or local governments and whose primary responsibilities are the prevention and extinguishing of fires; the protection of life and property; and the enforcement of municipal, county and state fire prevention codes and laws pertaining to the prevention and control of fires.<sup>18</sup>

### **Benefits in lieu of Workers Compensation Benefits**

Upon a diagnosis of cancer as defined in s. 112.1816, F.S., a firefighter is entitled to certain benefits, as an alternative to pursuing workers’ compensation benefits under ch. 440, F.S., if the firefighter has been employed by his or her employer for at least five continuous years, has not used tobacco products for at least the preceding five years, and has not been employed in any other position in the preceding five years which is proven to create a higher risk for cancer. The benefits are:

- Cancer treatment covered within an employer-sponsored health plan or through a group health insurance trust fund. The employer must timely reimburse the firefighter for out-of-pocket deductible, copayment, or coinsurance costs incurred by the firefighter.
- A one-time cash payout of \$25,000, upon the firefighter’s initial diagnosis of cancer.<sup>19</sup>

If the firefighter elects to continue coverage in the employer-sponsored health plan or group health insurance trust fund after he or she terminates employment, the benefits must be made available by a former employer of a firefighter for 10 years following the date that the firefighter terminates employment, so long as the firefighter has otherwise met the employment criteria when he or she terminated employment and was not subsequently employed as a firefighter following that date. A firefighter’s cancer diagnosis must be considered an injury or illness incurred in the line of duty by the employer for purposes of determining leave time and employee retention policies.<sup>20</sup>

### **Confidentiality of the Personal Identifying Information of Sexual Harassment Victims**

Under s. 119.071(2)(n), F.S., the personal identifying information of an alleged victim in an allegation of sexual harassment is confidential and exempt from the public records requirements specified in s. 119.07(1), F.S., and s. 24(a), Art. I of the State Constitution. However, the information may be disclosed to a governmental entity when such disclosure is in the furtherance of such entity’s official duties and responsibilities.

## **Funeral, Cemetery, and Consumer Services**

### ***Composition and Business of Board of Funeral, Cemetery, and Consumer Services***

Section 20.121(4), F.S., creates the Board of Funeral, Cemetery, and Consumer Services (Board) within the Division of Funeral, Cemetery, and Consumer Services of the Department of Financial Services. The Board acts as the licensing and rulemaking authority for the purposes of

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<sup>18</sup> See ss. 112.81, 112.191, 112.1816, and 633.102(9), F.S.

<sup>19</sup> Section 112.1816(2)

<sup>20</sup> *Id.*

certain matters related to examinations and other substantive requirements for licensure within the death care industry under ch. 497, F.S., including facility requirements.<sup>21</sup>

Currently, the board must have 10 members; one member must be the State Health Officer, or their designee, and the remaining nine members must be nominated by the Chief Financial Officer (CFO), appointed by the Governor, and confirmed by the Senate.<sup>22</sup> The composition of the board must be as follows:

- The State Health Officer.
- Two funeral directors who are:
  - Licensed under part III of ch. 497, F.S., as funeral directors, and
  - Associated with a funeral establishment;
- One funeral director who is:
  - Licensed under part III of ch. 497, F.S.,
  - Associated with a funeral establishment licensed under part III of ch. 497, F.S., that has a valid preneed license issued pursuant to ch. 497, F.S., and
  - Operates an incinerator facility that is approved under ch. 403, F.S., and licensed under part IV of ch. 497, F.S.;
- Two persons whose primary occupation is associated with a licensed cemetery;
- Three consumers who:
  - Are residents of Florida;
  - Have never been licensed funeral directors or embalmers;
  - Are not connected with a cemetery or licensed cemetery company;
  - Are not connected to the death care industry or the practice of embalming, funeral directing, or direct disposition;
  - At least one of which is at least 60 years of age; and
  - At least one of which is a licensed certified public accountant; and
- One principal of a monument establishment licensed under ch. 497, F.S., as a monument builder.

Two or more members must not be principals or employees of the same company or partnership, or group of companies or partnerships under common control.<sup>23</sup> The DFS reports that the CFO often does not receive a sufficient amount of applications to fill member positions.<sup>24</sup> For example, the position that must be filled by a certified public accountant has remained vacant since September 2017.<sup>25</sup>

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<sup>21</sup> See s. 497.103(1)(a)-(cc), F.S. Licenses available to natural persons include: embalmer apprentice and intern; funeral directors and intern; funeral director and embalmer, direct disposer, monument establishment sales agent, and preneed sales agent. Section 497.141(12)(a), F.S. Licenses available to natural persons, corporations, limited liability companies, and partnerships include: funeral establishment, centralized embalming facility, refrigeration facility, direct disposal establishment, monument establishment, cinerator facility, removal service, preneed sales business under s. 497.453, F.S., and cemetery. Section 497.141(12)(b)-(c), F.S.

<sup>22</sup> Section 497.101(1), F.S.

<sup>23</sup> Section 497.101(2), F.S.

<sup>24</sup> See *Supra* note 4.

<sup>25</sup> *Id.*



Board members are appointed for four-year terms, except for the State Health Officer, who serves as long as they hold office.<sup>26</sup> The CFO was directed to stagger the terms of members after the terms of the initial members expired<sup>27</sup> and this has already occurred at the initiation of the board.<sup>28</sup>

A quorum is necessary to conduct the business of the board. A quorum consists of six members of the board.<sup>29</sup> The DFS indicates that it can be difficult to obtain this number due to board vacancies, absenteeism, and necessary recusal.<sup>30</sup>

The DFS is required to adopt rules regarding application forms and procedures for appointment to the board.<sup>31</sup>

### ***Disqualification of Licensure Applicants Licensing Background Checks***

Currently, Florida law does not specifically disqualify applicants for licensure relating to Funeral, Cemetery, and Consumer Services under ch. 497, F.S., if said applicants have been found guilty of certain crimes. However, such applicants must provide certified true copies of any crime committed in any jurisdiction, within the 10 years preceding their application, in order to deem the application complete.<sup>32</sup> Currently, regardless of whether adjudication is entered or withheld by a court, disclosure of the following crimes is required:

- Any felony or misdemeanor, no matter when committed, that was directly or indirectly related to the practice or business of funeral directing, embalming, direct disposition, cremation, funeral or cemetery preneed sales, funeral establishment operations, cemetery operations, or cemetery monument or marker sales or installation;<sup>33</sup>
- Any other felony that was committed within the 20 years immediately preceding the application under this chapter;<sup>34</sup> and
- Any other misdemeanor that was committed within the five years preceding the application under this chapter.<sup>35</sup>

### ***Unlicensed Practice***

Chapter 497, F.S., requires individuals to maintain a license for specified death care industry practices. The DFS is authorized to issue administrative complaints against entities believed to be in violation of licensure requirements.<sup>36</sup> Section 497.159, F.S., additionally provides for criminal penalties for unlicensed activities, with such activities being a second degree misdemeanor, punishable as provided in s. 775.082, F.S., or s. 775.083, F.S.<sup>37</sup>

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<sup>26</sup> Section 497.101(3), F.S.

<sup>27</sup> *Id.*

<sup>28</sup> *See supra* note 4.

<sup>29</sup> Section 497.101(6), F.S.

<sup>30</sup> *See supra* note 4.

<sup>31</sup> *Id.*, s. 497.103(2)(c), F.S.

<sup>32</sup> Section 497.142(9), F.S.

<sup>33</sup> Section 497.142(10)(c)1., F.S.

<sup>34</sup> Section 97.142(10)(c)2., F.S.

<sup>35</sup> Section 497.142(10)(c)3., F.S.

<sup>36</sup> Section 497.157(2), F.S.

<sup>37</sup> Section 497.159(6), F.S.

## **Continuing Education Requirements**

Pursuant to s. 626.2815, F.S., individuals licensed to engage in the sale of insurance or adjustment of insurance claims in Florida are required to fulfill certain continuing education requirements. Currently, licensees, except title insurance agents, are required to complete a five hour update course every two years, specific to the license they hold.<sup>38</sup> Unless otherwise provided, licensees must also complete 19 hours of elective continuing education courses every two years.<sup>39</sup> If a licensee has been licensed for six years or more, this requirement drops to 15 hours.<sup>40</sup> For licensees licensed 25 years or more, and is a chartered life underwriter, is a chartered property and casualty underwriter, or has a Bachelor of Science degree in risk management or insurance with evidence of 18 or more semester hours in insurance-related courses, the elective continuing education course requirement is five hours every two years. For those individuals holding a license as a customer representative, and not a licensed life or health agent, elective continuing education course requirement is also five hours every two years. An individual subject to chapter 648, F.S., relating to bail bond agents, is required to complete a five-hour update course and a minimum of nine hours of elective continuing education courses every two years.<sup>41</sup>

If continuing education requirements are not met, the DFS has the authority to immediately terminate or refuse to renew the appointment of an agent or adjuster, following notification from the DFS, unless an extension or waiver has been granted.<sup>42</sup>

## **State Fire Marshal**

### ***Explosives***

Chapter 552, F.S., sets forth the requirements to lawfully engage in the business of a manufacturer-distributor, or to acquire, sell, possess, store, or engage in the use of explosives in this state. The chapter's current definition of a two-component explosive requires the use of a "No. 6 blasting cap" for detonation.<sup>43</sup> According to the DFS, No. 6 blasting caps are now out of production and current blasting caps no longer use the same rating system.<sup>44</sup>

### ***Uniform Fire Alarm Permit Application for Previously Permitted Fire Alarm Systems***

Contractors are required to file a Uniform Fire Alarm Permit Application with a local law enforcement agency, and must receive the permit before installing, replacing, or repairing an existing fire alarm that was previously permitted by the local enforcement agency, if the local enforcement agency requires a permit for the repair.<sup>45</sup>

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<sup>38</sup> Section 626.2815(3), F.S.

<sup>39</sup> Section 626.2815(3)(a), F.S.

<sup>40</sup> Section 626.2815(3)(b), F.S.

<sup>41</sup> Section 626.2815(3)(e), F.S.

<sup>42</sup> Section 626.2815(9), F.S.

<sup>43</sup> Section 552.081(13), F.S.

<sup>44</sup> See *supra* note 4.

<sup>45</sup> Section 553.7921(1)(b), F.S.

### ***Fire and Emergency Incident Information Reporting Program***

The Florida Fire Incident Reporting System (FFIRS) is located within the Division of State Fire Marshal. The FFIRS was created by rule and is a means for fire protection agencies to report and maintain computerized records of fires and other fire department incidents in a uniform manner.<sup>46</sup> Annual reports are furnished to the Governor, Legislature and fire protection agencies, and upon request, the public.<sup>47</sup>

Established in 2005 by s. 633.115, F.S., the Fire and Emergency Incident Reporting Program (Program) included the creation of the Fire and Emergency Incident Information Technical Advisory Panel (Panel) and codified FFIRS language. The FFIRS is the Florida coordinating officer for the National Fire Incident Reporting Section (NFIRS)<sup>48</sup>. The NFIRS provides system resources and an overview of the standard national reporting system used by the United States fire departments to report fires and other incidents to which they respond and to maintain records of such incidents in a uniform manner.<sup>49</sup> The NFIRS provides software and training at no cost to fire departments.<sup>50</sup>

The Panel was created to advise, review and make recommendations to the State Fire Marshal. Currently, membership in the Panel comprises 15 members:<sup>51</sup>

- The thirteen members of Firefighters Employment, Standards, and Training Council;<sup>52</sup>
- One member from the Florida Forest Service, Department of Agriculture and Consumer Services; and
- One member from the Department of Health, appointed by the State Surgeon General.

### ***Florida Fire Prevention Code***

The State Fire Marshal, by rule, adopts the Florida Fire Prevention Code (Fire Code), which contains all firesafety laws and rules that pertain to the design, construction, erection, alteration, modification, repair, and demolition of public and private buildings, structures, and facilities, and the enforcement of such firesafety laws and rules.<sup>53</sup> The State Fire Marshal adopts a new edition of the Fire Code every three years.<sup>54</sup> The 7th edition of the Fire Code took effect on December 31, 2020.<sup>55</sup> State law requires all municipalities, counties, and special districts with firesafety responsibilities to enforce the Fire Code as the minimum fire prevention code to operate uniformly among local governments and in conjunction with the Florida Building Code.<sup>56</sup>

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<sup>46</sup> Department of Financial Services, Division of State Fire Marshal, *Florida Fire and Incident Reporting System*, <https://www.myfloridacfo.com/Division/SFM/FFIRS/> (last visited March 5, 2021).

<sup>47</sup> Section 633.136, F.S.

<sup>48</sup> *See supra* note 46.

<sup>49</sup> *Id.*

<sup>50</sup> *Id.*

<sup>51</sup> Section 633.136(2), F.S.

<sup>52</sup> *See* s. 633.402, F.S., for the composition of this Council.

<sup>53</sup> Chapter 69A-60.002(1), F.A.C.

<sup>54</sup> Section 633.202, F.S.

<sup>55</sup> State Fire Marshal of Florida, *Florida Fire Prevention Code*, available online at: <https://www.nfpa.org/codes-and-standards/all-codes-and-standards/codes-and-standards/free-access?mode=view> (last visited March 5, 2021).

<sup>56</sup> Sections 633.108 and 633.208, F.S.

### ***Firesafety Inspectors***

Section 633.216, F.S., requires each county, municipality, and special district that has firesafety enforcement responsibilities to employ or contract with a firesafety inspector. Subject to certain exceptions, the firesafety inspector is responsible for conducting all firesafety inspections required by law.<sup>57</sup> These firesafety inspections include the inspection of buildings and facilities, on a recurring or regular basis, on behalf of the state or any county, municipality, or special district with firesafety responsibilities.<sup>58</sup>

The CFO is designated as the “State Fire Marshal.”<sup>59</sup> In any county, municipality, or special district that does not employ or appoint a firesafety inspector, the State Fire Marshal assumes the duties of the local county, municipality, or independent special fire control district with respect to firesafety inspections of educational property.<sup>60</sup>

A person who violates any provision of ch. 633, F.S., Fire Prevention and Control, any order or rules of the State Fire Marshal, or any order to cease and desist or to correct conditions, commits a misdemeanor of the second degree.<sup>61</sup>

It is unlawful to impersonate the State Fire Marshal or a firesafety inspector. A person who impersonates either official commits a felony of the third degree, and if the impersonation occurs during the commission of a separate felony, a person commits a felony of the first degree.<sup>62</sup> Section 468.629, F.S., makes it illegal for a person to influence a building code enforcement official by coercion or compensation.<sup>63</sup> Any person who commits such acts commits a misdemeanor of the first degree, and, if the person was previously convicted of such act, a felony of the third degree.<sup>64</sup>

### ***Firefighters Employment, Standards and Training Council (Council)***

The Council comprises fifteen members and the members are appointed as follows:

- Two fire chiefs appointed by the Florida Fire Chiefs Association;
- Two firefighters, who are not officers, appointed by the Florida Professional Firefighters Association;
- Two firefighter officers, who are not fire chiefs, appointed by the State Fire Marshal;
- One individual appointed by the Florida League of Cities;
- One individual appointed by the Florida Association of Counties;
- One individual appointed by the Florida Association of Special Districts;
- One individual appointed by the Florida Fire Marshals’ and Inspectors’ Association;
- One employee of the Florida Forest Service of the Department of Agriculture and Consumer Services appointed by the director of the Florida Forest Service;
- One individual appointed by the State Fire Marshal;

<sup>57</sup> Section 633.216(1), F.S.

<sup>58</sup> Section 633.102(12), F.S.

<sup>59</sup> Section 633.104(1), F.S.

<sup>60</sup> Section 633.104(7), F.S.

<sup>61</sup> Section 633.124(1), F.S.

<sup>62</sup> Section 633.122, F.S.

<sup>63</sup> Section 468.629(1)(f) and (g), F.S.

<sup>64</sup> Section 468.629(2), F.S.

- One director or instructor of a state-certified firefighting training facility appointed by the State Fire Marshal; and
- The remaining member, who shall be appointed by the State Fire Marshal, may not be a member or representative of the firefighting profession or of any local government.<sup>65</sup>

There are certain eligibility requirements set forth for membership. Members shall serve only as long as they continue to meet the criteria under which they were appointed or unless a member has failed to appear at three consecutive and properly noticed meetings unless excused by the chair.<sup>66</sup> Members are appointed for four year terms and are not eligible to serve more than two consecutive terms<sup>67</sup> and serve without compensation but are entitled to reimbursement for per diem and travel expenses as provided in s. 112.061, F.S.<sup>68</sup>

The Council has special powers in connection with the employment and training of firefighters to recommend for adoption by the Division of State Fire Marshal:<sup>69</sup>

- Uniform minimum standards for the employment and training of firefighters and training of volunteer firefighters;
- Minimum curriculum requirements for schools operated by or for any fire service provider for the specific purpose of training firefighter trainees, firefighters, and volunteer firefighters; and
- Matters relating to the funding, general operation, and administration of the Bureau of Fire Standards and Training (Florida State Fire College), including, but not limited to, all standards, training, curriculum, and the issuance of any certificate of competency required by this chapter.

In addition, the Council may make or support studies on any aspect of firefighting employment, education, and training or recruitment or may make recommendations concerning any matter within its purview.<sup>70</sup>

### ***Volunteer Firefighter Employment***

The National Fire Prevention Association estimates that there were 1,115,000 career and volunteer firefighters in the United States in 2018; of this total, 370,000 (33%) were career firefighters and 745,000 (67%) were volunteer firefighters.<sup>71</sup> At least 315 Florida fire departments utilize volunteers to sustain operations and, according to the Division of State Fire Marshal, approximately 12 million Florida residents depend on volunteer firefighters to protect their communities.<sup>72</sup> The Firefighter Assistance Grant Program, created in 2016 to improve the emergency response capability of fire departments reliant on volunteer firefighters, provides grant money to such fire departments to provide volunteer firefighter training and procure

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<sup>65</sup> Section 633.402(1)(a), F.S.

<sup>66</sup> Section 633.402(1)(b), F.S.

<sup>67</sup> Section 633.402(2), F.S.

<sup>68</sup> Section 633.402(7), F.S.

<sup>69</sup> Section 633.402(9), F.S.

<sup>70</sup> Section 633.402(9)(d)-(e), F.S.

<sup>71</sup> National Fire Prevention Association, *Number of U.S. Fire Departments by State*, <https://www.nfpa.org/-/media/Files/News-and-Research/Fire-statistics-and-reports/Emergency-responders/osNumberOfFireDeptInUS.ashx?la=en> (last visited March 5, 2021).

<sup>72</sup> *Id.*

firefighter personal protective equipment.<sup>73</sup> In 2018, 29 fire departments were awarded such grants.<sup>74</sup>

Florida fire service providers are currently prohibited from employing an individual to extinguish fires or to supervise those who do unless the individual holds a current and valid Firefighter Certificate of Compliance.<sup>75</sup> Thus, fire service providers are currently prohibited from employing volunteer firefighters, who hold a Volunteer Firefighter Certificate of Completion. Volunteer firefighters can enter immediately dangerous to life and health (IDLH) environments. However, if employed by the same department prior to achieving a Firefighter Certificate of Compliance they would not be allowed to enter the IDLH environments they were authorized to enter the day before beginning career employment.<sup>76</sup>

### ***False Personation***

Pursuant to s. 843.08, F.S., any person who falsely assumes or pretends to be an officer of a specified type commits a felony of the third degree, a felony of the second degree when committed with another felony, and a felony in the first degree if the felony is the cause of death or personal injury of another individual.<sup>77</sup> A person who impersonates an officer of the DFS is subject to these criminal penalties.<sup>78</sup> However, there is no criminal penalty for impersonating an investigator or personnel of the DFS. According to the DFS, it employs personnel who are not officers but have access to active criminal cases and conduct criminal investigations.<sup>79</sup>

## **Insurance Field Representatives and Operations**

### ***Appointment Requirements***

Section 626.112(1)(a), F.S., states that a person may not be, act as, or advertise or hold himself or herself out to be an insurance agent, insurance adjuster, or customer representative unless he or she is currently licensed by DFS and appointed by an appropriate appointing entity or person to represent an insurer. Section 626.371(1) requires all initial appointments be submitted to DFS no later than 45 days after the date of appointment. Where it appears to the DFS that a formerly or currently licensed person has been, or is, actively engaged as an appointee without being appointed as required, DFS may still issue an appointment submitted upon finding that such failure was an inadvertent error on the part of the insurer. The DFS may condition such approval on the payment of all fees and taxes that would have been due, had the person been properly appointed.

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<sup>73</sup> Section 633.135 F.S.

<sup>74</sup> Department of Financial Services, Division of State Fire Marshal, *FY2018 Florida Firefighter Assistance Grant Award Outcomes*, [https://myfloridacfo.com/Division/SFM/VOLFF/FY2018\\_GrantOutcomes.pdf](https://myfloridacfo.com/Division/SFM/VOLFF/FY2018_GrantOutcomes.pdf) (last visited March 6, 2021).

<sup>75</sup> Section 633.416(1)(a), F.S.

<sup>76</sup> *See supra* note 4; and s. 633.416(1)(a), F.S.

<sup>77</sup> Section 843.08, F.S., contains a list specifying which types of officers it is unlawful to impersonate. This list includes, but is not limited to, firefighters, sheriffs, officers of agencies, and school guardians.

<sup>78</sup> Section 843.08, F.S.

<sup>79</sup> *See supra* note 4.

### ***Duration of Suspension or Revocation for Title Insurance Agents***

Section 626.844, F.S., authorizes DFS to suspend or revoke the license or appointment of any title insurance agent or agency, and it may suspend or revoke the eligibility to hold a license or appointment of any such title insurance agent or agency, upon certain specified grounds. However, an order may not suspend such license or appointment for more than one year.<sup>80</sup>

### ***Eligibility for Export of Insurance Coverage and Export of Flood Insurance Policies***

In general, insurance policies written in Florida must be done so by Florida authorized insurers. However, standard insurance companies authorized to do business in Florida may not be able to, or unwilling to, take on certain unusual or high risks. These types of risks could include older homes near the coast, yachts, home day-care liability, medical malpractice, and professional athletes insuring certain body parts.<sup>81</sup> These policies are instead written in the surplus lines market and are sold through surplus lines agents.<sup>82</sup> To “export” an insurance policy means to place a policy with a surplus lines insurer who is not part of the standard/admitted insurance market.<sup>83</sup> Section 626.916(1), F.S. requires that insurance coverage is not eligible for export unless all of certain conditions are met. These conditions include:

- The full amount of insurance required must not be procurable, after a diligent effort has been made by the producing agent to do so, from among the insurers authorized to transact and actually writing that kind and class of insurance in Florida, and the amount of insurance exported shall be only the excess over the amount so procurable from authorized insurers.
- The premium rate at which the coverage is exported may not be lower than that rate applicable, if any, in actual and current use by a majority of the authorized insurers for the same coverage on a similar risk.
- The policy or contract form under which the insurance is exported may not be more favorable to the insured as to the coverage or rate than under similar contracts on file and in actual current use in this state by the majority of authorized insurers actually writing similar coverages on similar risks, subject to certain exceptions.
- Except as to extended coverage in connection with fire insurance policies and except as to windstorm insurance, the policy or contract under which the insurance is exported may provide not for deductible amounts, in determining the existence or extent of the insurer’s liability, other than those available under similar policies or contracts actually and currently used by a Florida authorized insurer.
- For personal residential property risks, the retail or producing agent must provide specified notice to the insured that coverage may be available, and may be less expensive, from Citizens Property Insurance Corporation.

There is no clear language in the Florida Insurance Code that allows a surplus lines agent to export a contract or an endorsement providing flood coverage to an eligible surplus lines insurer without making a diligent effort to seek such coverage. A provision in s. 627.715, F.S., which allowed surplus lines agents to do so, expired on July 1, 2019.

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<sup>80</sup> Section 626.844(1), F.S.

<sup>81</sup> Department of Financial Services, Florida Surplus Lines Office, *Understanding Florida’s Excess and Surplus Market*, <https://www.myfloridacfo.com/division/consumers/understandingcoverage/guides/documents/SurplusLinesConsumerBrochure.pdf> (last visited March 5, 2021).

<sup>82</sup> *Id.*

<sup>83</sup> *Id.*; s. 626.914(3), F.S.

Currently, the private residential flood insurance market is small, as of the percentage of total policies written in the state. The vast majority residential flood insurance policies are written by the National Flood Insurance Program—a federal insurance program. Only three percent of residential flood insurance policies are written by private insurers.<sup>84</sup>

### ***Provision of Replacement Cost Estimator and Other Underwriting Information Relating to Real Estate Loans***

According to the DFS, many lenders require consumers or their insurance agent or broker to provide, as a condition precedent or condition subsequent to the lending of money or extension of credit to be secured by real property, the replacement cost estimator or other underwriting information that is the proprietary business information of the insurer underwriting the insurance policy covering such property.<sup>85</sup> In some situations, lenders have used this proprietary business information of the insurers for reasons that are outside the scope of the insurance policy.

### **Unlicensed Bail Bond Agent Activity**

Section 648.30, F.S., addresses the unlicensed activity relating to bail bond agents and temporary bail bond agents. Specifically, the section states that one may not act as a bail bond agent or temporary bail bond agent unless qualified, licensed, and appointed as provided in ch. 648, F.S. The section also prohibits one from representing himself or herself to be a bail enforcement agent, bounty hunter, or other similar title and also provides restrictions on whom may apprehend, detain, or arrest a principal on a bond. The section, however, does not provide a specific penalty for persons aiding and abetting another person violating the section.<sup>86</sup>

### **Public Records Law**

#### ***Access to Public Records – Generally***

The Florida Constitution provides that the public has the right to inspect or copy records made or received in connection with official governmental business.<sup>87</sup> The right to inspect or copy applies to the official business of any public body, officer, or employee of the state, including all three branches of state government, local governmental entities, and any person acting on behalf of the government.<sup>88</sup>

Additional requirements and exemptions related to public records are found in various statutes and rules, depending on the branch of government involved. For instance, s. 11.0431, F.S., provides public access requirements for legislative records. Relevant exemptions are codified in s. 11.0431(2)-(3), F.S., and the statutory provisions are adopted in the rules of each house of the

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<sup>84</sup> Brett Lingle and Carolyn Kousky, *Issue Brief: Florida's Private Residential Insurance Market*, Wharton School of Business at the University of Pennsylvania: Risk Management and Decision Processes Center (Sep. 2018), available at: <https://riskcenter.wharton.upenn.edu/wp-content/uploads/2018/09/Florida-Private-Flood-Issue-Brief.pdf>

<sup>85</sup> *Supra* note 4.

<sup>86</sup> *Id.*

<sup>87</sup> FLA. CONST. art. I, s. 24(a).

<sup>88</sup> *Id.*



legislature.<sup>89</sup> Florida Rule of Judicial Administration 2.420 governs public access to judicial branch records.<sup>90</sup> Lastly, ch. 119, F.S., provides requirements for public records held by executive agencies.

***Executive Agency Records – The Public Records Act***

Chapter 119, F.S., known as the Public Records Act, provides that all state, county, and municipal records are open for personal inspection and copying by any person, and that providing access to public records is a duty of each agency.<sup>91</sup>

A public record includes virtually any document or recording, regardless of its physical form or how it may be transmitted.<sup>92</sup> The Florida Supreme Court has interpreted the statutory definition of “public record” to include “material prepared in connection with official agency business which is intended to perpetuate, communicate, or formalize knowledge of some type.”<sup>93</sup>

The Florida Statutes specify conditions under which public access to public records must be provided. The Public Records Act guarantees every person’s right to inspect and copy any public record at any reasonable time, under reasonable conditions, and under supervision by the custodian of the public record.<sup>94</sup> A violation of the Public Records Act may result in civil or criminal liability.<sup>95</sup>

The Legislature may exempt public records from public access requirements by passing a general law by a two-thirds vote of both the House and the Senate.<sup>96</sup> The exemption must state with specificity the public necessity justifying the exemption and must be no broader than necessary to accomplish the stated purpose of the exemption.<sup>97</sup>

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<sup>89</sup> See Rule 1.48, *Rules and Manual of the Florida Senate*, (2020-2022) and Rule 14.1, *Rules of the Florida House of Representatives*, Edition 1, (2020-2022).

<sup>90</sup> *State v. Wooten*, 260 So. 3d 1060 (Fla. 4<sup>th</sup> DCA 2018).

<sup>91</sup> Section 119.01(1), F.S. Section 119.011(2), F.S., defines “agency” as “any state, county, district, authority, or municipal officer, department, division, board, bureau, commission, or other separate unit of government created or established by law including, for the purposes of this chapter, the Commission on Ethics, the Public Service Commission, and the Office of Public Counsel, and any other public or private agency, person, partnership, corporation, or business entity acting on behalf of any public agency.”

<sup>92</sup> Section 119.011(12), F.S., defines “public record” to mean “all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software, or other material, regardless of the physical form, characteristics, or means of transmission, made or received pursuant to law or ordinance or in connection with the transaction of official business by any agency.”

<sup>93</sup> *Shevin v. Byron, Harless, Schaffer, Reid and Assoc., Inc.*, 379 So. 2d 633, 640 (Fla. 1980).

<sup>94</sup> Section 119.07(1)(a), F.S.

<sup>95</sup> Section 119.10, F.S. Public records laws are found throughout the Florida Statutes, as are the penalties for violating those laws.

<sup>96</sup> FLA. CONST. art. I, s. 24(c).

<sup>97</sup> *Id.* See, e.g., *Halifax Hosp. Medical Center v. News-Journal Corp.*, 724 So. 2d 567 (Fla. 1999) (holding that a public meetings exemption was unconstitutional because the statement of public necessity did not define important terms and did not justify the breadth of the exemption); *Baker County Press, Inc. v. Baker County Medical Services, Inc.*, 870 So. 2d 189 (Fla. 1st DCA 2004) (holding that a statutory provision written to bring another party within an existing public records exemption is unconstitutional without a public necessity statement).

General exemptions from the public records requirements are contained in the Public Records Act.<sup>98</sup> Specific exemptions often are placed in the substantive statutes relating to a particular agency or program.<sup>99</sup>

When creating a public records exemption, the Legislature may provide that a record is “exempt” or “confidential and exempt.” Custodians of records designated as “exempt” are not prohibited from disclosing the record; rather, the exemption means that the custodian cannot be compelled to disclose the record.<sup>100</sup> Custodians of records designated as “confidential and exempt” may not disclose the record, except under circumstances specifically defined by the Legislature.<sup>101</sup>

### ***Open Government Sunset Review Act***

The Open Government Sunset Review Act<sup>102</sup> (the Act) prescribes a legislative review process for newly created or substantially amended<sup>103</sup> public records or open meetings exemptions, with specified exceptions.<sup>104</sup> It requires the automatic repeal of each such exemption on October 2nd of the fifth year after it is created or substantially amended, unless the Legislature reenacts the exemption.<sup>105</sup> However, an exemption may be reviewed under the Open Government Sunset Review Act prior to the fifth year since enactment.

The Act provides that a public records or open meetings exemption may be created or maintained only if it serves an identifiable public purpose and is no broader than is necessary.<sup>106</sup> An exemption serves an identifiable purpose if it meets one of the following purposes *and* the Legislature finds that the purpose of the exemption outweighs open government policy and cannot be accomplished without the exemption:

- It allows the state or its political subdivisions to effectively and efficiently administer a governmental program, and administration would be significantly impaired without the exemption;<sup>107</sup>
- It protects sensitive, personal information, the release of which would be defamatory, cause unwarranted damage to the good name or reputation of the individual, or would jeopardize the individual’s safety. If this public purpose is cited as the basis of an exemption, however, only personal identifying information is exempt;<sup>108</sup> or
- It protects information of a confidential nature concerning entities, such as trade or business secrets.<sup>109</sup>

<sup>98</sup> See, e.g., s. 119.071(1)(a), F.S. (exempting from public disclosure examination questions and answer sheets of examinations administered by a governmental agency for the purpose of licensure).

<sup>99</sup> See, e.g., s. 213.053(2)(a), F.S. (exempting from public disclosure information contained in tax returns received by the Department of Revenue).

<sup>100</sup> See *Williams v. City of Minneola*, 575 So. 2d 683, 687 (Fla. 5th DCA 1991).

<sup>101</sup> *WFTV, Inc. v. The School Board of Seminole*, 874 So. 2d 48 (Fla. 5th DCA 2004).

<sup>102</sup> Section 119.15, F.S.

<sup>103</sup> An exemption is considered to be substantially amended if it is expanded to include more records or information or to include meetings as well as records. Section 119.15(4)(b), F.S.

<sup>104</sup> Section 119.15(2)(a) and (b), F.S., provide that exemptions that are required by federal law or are applicable solely to the Legislature or the State Court System are not subject to the Open Government Sunset Review Act.

<sup>105</sup> Section 119.15(3), F.S.

<sup>106</sup> Section 119.15(6)(b), F.S.

<sup>107</sup> Section 119.15(6)(b)1., F.S.

<sup>108</sup> Section 119.15(6)(b)2., F.S.

<sup>109</sup> Section 119.15(6)(b)3., F.S.

The Act also requires specified questions to be considered during the review process.<sup>110</sup> In examining an exemption, the Act directs the Legislature to carefully question the purpose and necessity of reenacting the exemption.

If the exemption is continued and expanded, then a public necessity statement and a two-thirds vote for passage are required.<sup>111</sup> If the exemption is continued without substantive changes or if the exemption is continued and narrowed, then a public necessity statement and a two-thirds vote for passage are *not* required. If the Legislature allows an exemption to sunset, the previously exempt records will remain exempt unless provided for by law.<sup>112</sup>

### ***General Public Records Exemptions for State Agency Personnel***

There are three general public records exemptions that apply to all state agency personnel: disclosure of an employee's (1) social security number, (2) medical information, and (3) personal identifying information of dependent children who are insured by an agency group insurance plan.<sup>113</sup>

#### ***(1) Social Security Numbers***

Social security numbers of all current and former agency personnel, which are held by an employing agency, are confidential and exempt.<sup>114</sup> An employing agency may only release social security numbers for the following reasons:

- It is required by state or federal law, or court order.
- A receiving government agency needs the social security number to perform its duties.
- The employee consents to disclose his or her social security number.<sup>115</sup>

In addition, there is a general exemption for social security numbers that applies to the public that makes social security numbers confidential and exempt.<sup>116</sup> This exemption applies to any agency that holds anyone's social security number, including those belonging to the personnel of that agency. This exemption, however, permits the agency to disclose social security numbers of agency personnel in order to administer health or retirement benefits.<sup>117</sup>

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<sup>110</sup> Section 119.15(6)(a), F.S. The specified questions are:

- What specific records or meetings are affected by the exemption?
- Whom does the exemption uniquely affect, as opposed to the general public?
- What is the identifiable public purpose or goal of the exemption?
- Can the information contained in the records or discussed in the meeting be readily obtained by alternative means? If so, how?
- Is the record or meeting protected by another exemption?
- Are there multiple exemptions for the same type of record or meeting that it would be appropriate to merge?

<sup>111</sup> See generally s. 119.15, F.S.

<sup>112</sup> Section 119.15(7), F.S.

<sup>113</sup> Section 119.071(4)(a) and (b), F.S.

<sup>114</sup> Section 119.071(4)(a)1., F.S.

<sup>115</sup> Section 119.071(4)(a), F.S.

<sup>116</sup> Section 119.071(5)(a)5., F.S.

<sup>117</sup> Section 119.071(5)(a)6.f. and g., F.S.

***(2) Medical Information***

An agency employee's medical information is also exempt from public disclosure if the medical information could identify the employee. This exemption applies to prospective, current, and former employees.<sup>118</sup>

***(3) Personal Identifying Information***

The personal identifying information of a dependent child of an agency employee who is insured by an agency group insurance plan is exempt from public disclosure. This exemption applies to the children of current and former employees and is also retroactively applied.<sup>119</sup>

***Public Records Exemptions for Enumerated Personnel***

Provisions in s. 119.071(4)(d), F.S., exempt from public disclosure the personal identification and location information of enumerated agency personnel, their spouses, and their children. The employing agency as well as the employee may assert the right to the exemption by submitting a written request to each agency that holds the employee's information.<sup>120</sup> Additionally, all of these exemptions have retroactive application.<sup>121</sup> In order to have such exemption applied to a court record or an official record held by a clerk of court, the party must make a request specifying the document name, type, identification number, and page number.<sup>122</sup> Any enumerated personnel who has his or her public records held exempt may file a written and notarized request to any record custodian to have the records released to an identified party.<sup>123</sup>

***Confidential and Exempt –Alleged Sexual Harassment Victim***

Section 119.071(2)(n), F.S., provides that personal identifying information of the alleged victim in an allegation of sexual harassment is confidential and exempt.<sup>124</sup> Such information may be disclosed to another governmental entity in the furtherance of its official duties.<sup>125</sup>

Section 119.10(2)(a), F.S., provides that any person who willfully and knowingly violates any provisions of chapter 119 commits a first degree misdemeanor punishable by imprisonment up to one year or a fine up to \$1,000.

**III. Effect of Proposed Changes:****Division of Public Assistance Fraud (Sections 1 and 27)**

**Section 1** amends s. 20.121(2)(f), F.S., to designate the Department of Financial Services (DFS), Division of Public Assistance Fraud (PAF) as a criminal justice agency for the purposes of ss. 943.045-943.08, F.S. The DFS asserts that the designation allows the PAF to continue having

<sup>118</sup> Section 119.071(4)(b)1., F.S.

<sup>119</sup> Section 119.071(4)(b)2., F.S.

<sup>120</sup> Section 119.071(4)(d)3., F.S.

<sup>121</sup> Section 119.071(4)(d)5., F.S.

<sup>122</sup> Section 119.0714(2)(f) and (3)(f), F.S.

<sup>123</sup> Section 119.071(4)(d)4., F.S.

<sup>124</sup> Section 119(2)n, F.S., and s. 24(a), Art. 1 of the State Constitution

<sup>125</sup> Subject to the Open Government Sunset Review Act and stands repeal on October 2, 2022 unless reviewed and saved from repeal through reenactment by the Legislature.

access to criminal justice information contained in Florida Crime Information Center (FCIC) and National Crime Center Information Center (NCIC) systems of criminal records when conducting criminal investigations and other law enforcement support functions.<sup>126</sup>

**Section 26** amends s. 943.045, F.S., to include the PAF in the definition of “criminal justice agency.”

### **State Risk Management**

#### ***Benefits in lieu of Workers Compensation Benefits - Florida Firefighters***

**Section 2** amends s. 284.30, F.S., to add benefits payable to firefighters diagnosed with cancer pursuant to s. 112.1816(2) F.S., to the self-insurance coverage provided through the State Risk Management Trust Fund (Fund).

**Section 3** amends s. 284.31, F.S., to require separate accounting in the Fund for benefits payable to firefighters who are employees of a state agency and diagnosed with cancer.

**Section 4** amends s. 284.385, F.S., to require the Department of Management Services to validate and approve firefighter cancer benefits before such benefits may be disbursed from the Fund.

#### ***Workplace Sexual Harassment***

**Section 5** creates s. 284.45, F.S., to define a sexual harassment victim as an individual employed with, or being considered for, employment with an entity participating in the Fund, who becomes a victim of workplace sexual harassment within the entity. The bill prohibits individuals working for an entity covered by the Fund from engaging in retaliatory conduct, of any kind, toward a sexual harassment victim.

The section also prohibits the willful and knowing distribution of personal identifying information of a sexual harassment victim. Personal identifying information of a victim may not be distributed to any party other than a government entity, in furtherance of its official duties, or pursuant to a court order. Any violation results in a first degree misdemeanor, punishable as provided in s. 775.082, F.S.

### **Funeral, Cemetery, and Consumer Services**

#### ***Composition and Business of Board of Funeral, Cemetery, and Consumer Services (Board)***

**Section 6** amends s. 497.101, F.S., to reduce the minimum number of nominations the CFO must make for nine board member positions from three nominations to one, though the CFO may still nominate up to three persons to fill one or more vacancies. The bill also reduces from three to two the number of positions on the Board that must be filled by consumers who are residents of Florida; have never been licensed funeral directors or embalmers; are not connected with a cemetery or licensed cemetery company nor connected to the death care industry or the practice of embalming, funeral directing, or direct disposition. The Board must also now have a consumer

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<sup>126</sup>See *supra* note 4.

member who is: a resident; a licensed certified public accountant who has never been licensed as a funeral director or embalmer; not a principal or employee of any ch. 497, F.S., licensee; and not otherwise in control (as defined in s. 497.005, F.S.) over any ch. 497, F.S., licensee. This change essentially requires the appointment of a licensed certified public account (CPA) who has some knowledge of and association with, but not a controlling interest in, licensees in the death care industry.

Necessary conforming changes have also been made to properly implement the above changes. This includes revising the definition of a “quorum” for the purposes of conducting Board business to constitute a simple majority of eligible members instead of six members. The bill also allows members to appear electronically and still be counted in regards to a determination of quorum.

The section also eliminates outdated statutory provisions regarding the implementation of staggered terms of board members upon the expiration of the initial terms of the board members. This staggering has already been established and is no longer needed. The bill eliminates the DFS’ rulemaking responsibilities concerning the application process, which the DFS asserts is unnecessary, as the Governor makes the appointments.<sup>127</sup>

### ***Disqualification of Funeral, Cemetery, and Consumer Services Licensure Applicants***

**Section 7** of the bill creates s. 497.1411, F.S., to provide and clarify grounds for disqualification of Funeral, Cemetery, and Consumer Services licensure applicants under ch. 497, F.S., based on such applicant’s criminal history. Subsection (1) defines “applicant,” “felony of the first degree,” “capital felony,” and “financial services business.”

Subsection (2) enumerates crimes that, if an applicant is found guilty of or pleads nolo contendere to, regardless of adjudication, permanently bar the applicant from licensure under ch. 497, F.S. These crimes are a first degree felony, a capital felony, a felony money laundering offense, or a felony embezzlement.

Subsection (3) provides the following disqualifying periods for other specified crimes:

- A 10-year disqualifying period for all felonies involving moral turpitude not subject to a permanent bar on licensure as specified in subsection (2); and
- A five-year disqualifying period for all other felonies, and for all misdemeanors directly related to the financial services business. The section defines “financial services business” as any financial activity regulated by the DFS, the Office of Insurance Regulation, or the Office of Financial Regulation.

These specifications are intended to provide clarity beyond the current statutory scheme, which provides no guidelines to determine whether a specific crime is considered “directly or indirectly related to or involving any aspect of the practice or business” of death care industry functions. The DFS suggests that the lack of clarity and guidance in current statute has led to inconsistencies in recommendations and Board rulings on applications.<sup>128</sup>

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<sup>127</sup> *Id.*

<sup>128</sup> *Id.*

Subsection (4) requires the DFS to adopt rules to administer the section. The rules must provide for additional disqualifying periods due to the commitment of multiple crimes and may include other factors reasonably related to the applicant's criminal history. The rules must also provide mitigating and aggravating factors, except that mitigation may not result in a disqualification period of less than five years.

Subsection (5) specifies that a disqualifying period begins upon an applicant's final release from supervision or upon completion of the applicant's criminal sentence. The subsection further prohibits the DFS from issuing a license unless all related fines, court costs and fees, and court-ordered restitutions have been paid. Subsection (6) places the burden of proof for rehabilitation on the applicant.

Subsection (7) allows the DFS to award a license, despite a conviction, upon a grant of a pardon or restoration of civil rights. Subsection (8) authorizes the Board to grant an exemption from a criminal record related disqualification, and provides standards for mitigating factors. The subsection also clarifies that chapter 120, F.S., provides administrative remedies available to applicants for whom the Board has granted or denied an exemption. Subsection (9) clarifies that the disqualification periods provided in this section do not apply to the renewal of a license or to a new licensure application if the applicant has an active license as of July 1, 2021, and the applicable criminal history was considered by the Board on the prior active license approval.

### ***Licensing Background Checks***

**Section 8** amends s. 497.142, F.S., to require certified true copies of any crime committed in any jurisdiction in order to deem an application under ch. 497, F.S., complete, regardless of how many years have passed. The bill requires disclosure of all felonies, regardless of when committed and regardless of adjudication. It also requires disclosure of any misdemeanor directly or indirectly related to the financial services business,<sup>129</sup> no matter when committed.

### ***Unlicensed Practice***

**Section 9** of the bill amends s. 497.157, F.S., to increase penalties for unlicensed activity under ch. 497, F.S., from a misdemeanor of the second degree (as provided in s. 497.159(6), F.S.) to a felony of the third degree. Section 9 also expands unlicensed activity to include acting, advertising, or otherwise holding oneself out to be a funeral director, embalmer, direct disposer, or preneed sales agent, unless currently licensed and appointed (as necessary) as such.

**Section 10** of the bill amends s. 497.159, F.S., by making a conforming change to remove the second-degree misdemeanor penalty for unlicensed activity under ch. 497, F.S.

### **Explosives**

**Section 11** updates the definition of "two-component explosives" in s. 552.081, F.S., by removing the requirement of a "No. 6 blasting cap," and replacing it with a "detonator."

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<sup>129</sup> The bill defines financial services business as "any financial activity regulated by the Department of Financial Services, the Office of Insurance Regulation, or the Office of Financial Regulation."

According to the DFS, the No. 6 blasting cap is no longer manufactured and the statutory revision brings the section in line with current practices.<sup>130</sup>

### **Fire Alarm Permits**

**Section 12** amends s. 553.7921, F.S., to authorize contractors to begin repairs on existing, permitted fire alarms upon filing a Uniform Fire Alarm Permit Application but prior to receiving the permit for the repair. However, fire alarms repaired under such circumstances are not compliant until the permit is issued and the local law enforcement agency approves the repair.

### **Continuing Education Requirements**

**Section 13** amends s. 626.2815, F.S., by lowering the update course requirement to four hours for individuals licensed to solicit, sell, or adjust insurance in the state, barring title insurance agents. The update course is raised to six hours for an individual who holds a license as a customer representative, and who is not a licensed life or health agent. Licensees must complete 20 hours of elective continuing education every two years, and if a licensee has been licensed for six years or more, he or she must complete 16 hours of continuing education every two years. Lastly, individuals subject to chapter 648, F.S., relating to bail bond agents, are required to complete a four hour update course and a minimum of ten hours of continuing education every two years.

The effective date of this section is January 1, 2022.

### **Appointments to Transact Insurance or Adjust Claims on Behalf of an Insurer or Employer**

**Section 14** amends s. 626.371, F.S., to indicate that all appointments, including renewal appointments, must be submitted no later than 45 days from the effective date of the appointment. The revision also specifies that if the department determines an individual was not properly appointed and that said appointment was an inadvertent error, the appointing entity will be informed of its obligation by the DFS and must pay all associated fees and taxes within 21 days. Upon payment of said fees, the DFS may issue or authorize issuance of appointment and consider the inadvertent failure to no longer be a violation. If said fees and taxes are not paid on time, the Department must suspend the appointing entity's authority to appoint licensees until all outstanding fees have been paid.

### **Title Insurance License and Appointment Suspension Period for Violations of the Florida Insurance Code**

**Section 15** amends s. 626.8443, F.S., to increase the maximum license suspension time for title insurance agents and agencies from one year to two years. This change is consistent with similar language related to other agent and agency types, including insurance representatives,<sup>131</sup> viatical

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<sup>130</sup> *Supra* note 4.

<sup>131</sup> Section 626.641(1), F.S.



settlement providers,<sup>132</sup> and Patient Protection and Affordable Care Act health exchange navigators.<sup>133</sup>

### **Insurance Coverage Eligibility for Export**

**Section 16** amends s. 626.916, F.S., to remove the requirement for personal residential property agents to notify an insured in writing, prior to exporting coverage to the surplus lines marketplace, that less expensive coverage may be available from Citizens Property Insurance Corporation.

### **Coercion to Provide Proprietary Underwriting Information**

**Section 17** amends s. 626.9551, F.S., to prohibit an insurance agent or agency from giving, or a lender from requiring, a copy of an insurer's proprietary underwriting information—including the replacement cost estimator—as a condition precedent to lending money or extending credit which is to be secured by real property. The section also prohibits an insurance agent or agency from providing such information without authorization from the insurer.

### **Exporting of Flood Insurance Coverage**

**Section 18** amends s. 627.715, F.S., to allow flood insurance coverage to be exported to an eligible surplus lines insurer without the agent complying with the requirement of s. 626.916(1)(a), F.S., to make a diligent effort to seek coverage with at least three authorized insurers.

### **Florida Fire Marshal - Florida Fire Prevention and Control**

#### ***Fire and Emergency Incident Information Reporting Program***

**Section 19** amends s. 633.136, F.S., by replacing “fire protection agencies” with “fire service providers,” specifies that “fire service provider” is defined as in s. 633.102, F.S., and removes a requirement that Division of State Fire Marshal define by rule the term “fire protection agency.” Section 633.102(13), F.S., defines “fire services provider” as a municipality or county, the state, the Division of State Fire Marshall, or any political subdivision of the state, including authorities and special districts, that employs firefighters or uses volunteer firefighters to provide fire extinguishment or fire prevention services for the protection of life and property. The term includes any organization under contract or other agreement with such entity to provide such services.

This section also revises the composition of the Fire and Emergency Incident Information System Technical Advisory Panel (Panel) to retain 15 members on the Panel as currently provided in statute, but to remove requirements that the Panel have one member from the Florida Forest Service and the Department of Health.

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<sup>132</sup> Section 626.9914(2), F.S.

<sup>133</sup> Section 626.9957(9), F.S.

### ***Florida Fire Prevention Code***

**Section 20** amends s. 633.202(18), F.S., to extend by one year to January 1, 2023, the deadline for existing high-rise buildings to comply with requirements for minimum radio strength for fire department communications. The revision also eliminates a requirement that existing high-rise buildings not in compliance with the requirements for minimum radio strength for fire department communications apply for appropriate permitting by December 31, 2019. The revision does, however, require that such buildings complete a minimum radio strength assessment by January 1, 2023. The bill eliminates the requirement that existing apartment buildings apply for a permit for the required communications installation by December 31, 2022, and instead requires completion of a minimum radio strength assessment by that date.

### ***Influencing a Firesafety Inspector***

**Section 21** creates s. 633.217, F.S., to prohibit influencing or attempting to influence a firesafety inspector by threatening, coercing, tricking, or offering compensation for the purpose of inducing the firesafety inspector to violate any provision of the Florida Fire Prevention Code, any rule adopted by the State Fire Marshal, or any provision of ch. 633, F.S. Subsection (2) prohibits a firesafety inspector from knowingly and intentionally requesting, soliciting, accepting, or agreeing to accept a bribe. Section 633.124(1), F.S., provides that any person who violates any provision of ch. 633, F.S., commits a misdemeanor of the second degree. Thus, a violation of s. 633.217, F.S., would carry such a penalty.

### ***Firefighters Employment, Standards and Training Council***

**Section 22** amends s. 633.402, F.S., to revise the composition of the Firefighters Employment, Standards, and Training Council to include one individual from the Department of Health, appointed by the Surgeon General. This increases the size of the board from 14 to 15 members.

### ***Volunteer Firefighter Employment***

**Section 23** amends s. 633.416, F.S., to authorize fire service providers to employ volunteer firefighters and allow them to act in volunteer firefighter capacity for up to one year under the direct supervision of an individual holding a valid firefighter certificate of compliance while they obtain career firefighter certifications. This will increase the availability of firefighters capable of entering immediately dangerous to life and health (IDLH) environments and protecting their communities. The DFS anticipates that this change will improve rural and small agency recruitment and retention efforts by facilitating the hiring of local candidates who are more inclined to remain in the area instead of hiring candidates from other parts of the state who are inclined to return to their home communities once gaining some experience.<sup>134</sup>

### ***Aiding and Abetting Unlicensed Bail Bond Agent***

**Section 24** amends s. 648.30, F.S., to make it a felony of the third degree for a licensee to knowingly aid or abet a person in violating the section. Section 648.30, F.S. prohibits 1) acting as a bond agent or temporary bail bond agent without being qualified, licensed, and appointed as provided in ch. 648; and 2) representing oneself as a bail enforcement agent, bounty hunter, or

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<sup>134</sup> See *supra* note 4.

other similar title, and 3) apprehending, detaining, or arresting a principal on a bond unless said person is a law enforcement officer or is qualified, licensed, and appointed as provided in ch. 648 or licensed as a bail bond agent or bail bond enforcement agent (or holds an equivalent license from where the bond in question was written).

Presently, s. 777.011, F.S., includes as a “principal in the first degree” a person who aids, abets, counsels, hires, or otherwise procures a criminal offense to be committed. Thus, such person may be charged, convicted, and punished, with the underlying criminal offense even if they were actually or constructively present at the commission of such offense. Accordingly, given current statutory provisions regarding aiding and abetting, appears to merely clarify or restate existing law.

### **False Personation**

**Section 25** of the bill amends s. 843.08, F.S., to expand the applicability of criminal penalties associated with false personation of an officer to apply to the impersonation of any personnel or representative of the Division of Investigative and Forensic Services.

### **Reenactment**

**Section 27** reenacts s. 497.141, F.S., to incorporate changes made in Section 8 of the bill.

### **Effective Date**

**Section 28** provides, except as otherwise expressly provided and except for Section 28, which shall take effect upon the act becoming law, the bill has an effective date of July 1, 2021.

## **IV. Constitutional Issues:**

### **A. Municipality/County Mandates Restrictions:**

None.

### **B. Public Records/Open Meetings Issues:**

None

### **C. Trust Funds Restrictions:**

None.

### **D. State Tax or Fee Increases:**

None.

### **E. Other Constitutional Issues:**

None.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

None.

**C. Government Sector Impact:**

The bill does not impact state revenues or expenditures. However, in section 9 of the bill, s. 497.157, F.S., is amended to increase the criminal penalty to a third degree felony for licensed pursuant to s. 497, F.S. It also extends this penalty to impersonating a funeral director, embalmer, direct disposer, or a preneed sales agent. Section 21 of the bill, creating s. 633.217, F.S., creates a new criminal violation for improperly influencing a firesafety inspector or a firesafety accepting an attempt at such influence. A violation of this provision would be a second degree misdemeanor. In addition, in section 25 of the bill, s. 843.08, F.S., relating to false impersonation, is amended by expanding the subjects of false impersonation to include all personnel or representatives of the Division of Investigative and Forensic Services. These changes could increase an indeterminate number of people who are subject to misdemeanor or felony penalties. The Criminal Justice Impact Conference (CJIC) has not adopted a prison bed impact for this legislation.

The bill has an indeterminate negative fiscal impact to the State Risk Management Trust Fund relating to self-insuring firefighter cancer benefits.

**VI. Technical Deficiencies:**

Section 5 of the bill, creating s. 284.45, F.S., prohibits individuals working for an entity covered by the State Risk Management Trust Fund from engaging in retaliatory conduct of any kind against a sexual harassment victim in subsection (1). While the provision specifies the prohibited behavior, it does not provide any punishment or other consequences for violation. Also, in proposed s. 284.45(2), F.S., a prohibition of the willful and knowing dissemination of personal identifying information of a sexual harassment victim is provided. Based on the placement of this provision in ch. 284, F.S., and the context provided by subsection (1), this provision appears to only apply to individuals working for entities covered by the State Risk Management Trust Fund, however the subsection does not state this explicitly. Given that this provision provides for a criminal penalty, and that such provisions are strictly construed,<sup>135</sup> the legislature should consider specifically defining to whom the provisions of subsection (2) apply.

**VII. Related Issues:**

None.

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<sup>135</sup> Section 775.021(1), F.S., provides that “offenses defined by other statutes shall be strictly construed; when the language is susceptible of differing constructions, it shall be construed most favorably to the accused.”

**VIII. Statutes Affected:**

This bill substantially amends sections 20.121, 284.30, 284.31, 284.385, 497.101, 497.142, 497.157, 497.159, 552.081, 553.7921, 626.2815, 626.371, 626.8443, 626.916, 626.9551, 627.715, 633.136, 633.202, 633.402, 633.416, 648.30, 843.08, and 943.045 of the Florida Statutes.

This bill creates sections 284.45, 497.1411, and 633.217 of the Florida Statutes.

This bill reenacts section 497.141 of the Florida Statutes.

**IX. Additional Information:**

- A. **Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by Banking and Insurance on March 10, 2021:**

The committee substitute:

- Clarifies that payments for firefighter cancer benefits are to be made to employees of state agencies;
- In regards to the disclosure of the personal identifying information of sexual harassment victims, a definition of "personal identifying information" is deleted. This deletion addresses a potential issue where this definition could have been construed as expanding an existing public record exception, thereby necessitating a separate bill;
- Clarifies that when DFS determines an individual was not properly appointed and that said appointment was an inadvertent error by the insurer or employer, both back taxes and fees must be paid to have DFS make the appointment and for the appointing entity to avoid suspension of their authority to appoint licensees;
- Clarifies and simplifies language prohibiting an insurance agent from giving, or a lender from requiring, a copy of an insurer's proprietary underwriting information as a condition precedent to extending credit secured by real estate;
- Clarifies language allowing flood insurance coverage to be exported to a surplus lines insurer without the agent first seeking to place the coverage with an admitted insurer;
- Deletes a provision revising the scope of fire protection system work for persons certified as a contractors by the Division of State Fire Marshal; and
- Clarifies a provision prohibiting a firesafety inspector from knowingly and intentionally requesting, soliciting, accepting, or agreeing to accept a bribe.

- B. **Amendments:**

None.



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/10/2021	.	
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The Committee on Banking and Insurance (Burgess) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 190 - 944  
and insert:  
to an employee of a state agency under s. 112.1816(2), and  
court-awarded attorney ~~attorney's~~ fees in other proceedings  
against the state except for such awards in eminent domain or  
for inverse condemnation or for awards by the Public Employees  
Relations Commission. Unless specifically excluded by the  
Department of Financial Services, the Insurance Risk Management



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11 Trust Fund must ~~shall~~ provide fleet automotive liability  
12 coverage to motor vehicles titled to the state, or to any  
13 department of the state, when such motor vehicles are used by  
14 community transportation coordinators performing, under contract  
15 to the appropriate department of the state, services for the  
16 transportation disadvantaged under part I of chapter 427. Such  
17 fleet automotive liability coverage is ~~shall be~~ primary and is  
18 ~~shall be~~ subject to ~~the provisions of~~ s. 768.28 and parts II and  
19 III of chapter 284, and applicable rules adopted thereunder, and  
20 the terms and conditions of the certificate of coverage issued  
21 by the Department of Financial Services.

22 Section 4. Section 284.385, Florida Statutes, is amended to  
23 read:

24 284.385 Reporting and handling of claims.—

25 (1) All departments covered by the State Risk Management  
26 Trust Fund under this part shall immediately report all known or  
27 potential claims to the Department of Financial Services for  
28 handling, except employment complaints that ~~which~~ have not been  
29 filed with the Florida Human Relations Commission, Equal  
30 Employment Opportunity Commission, or any similar agency. When  
31 deemed necessary, the Department of Financial Services shall  
32 assign or reassign the claim to counsel. The assigned counsel  
33 shall report regularly to the Department of Financial Services  
34 or to the covered department on the status of any such claims or  
35 litigation as required by the Department of Financial Services.  
36 ~~No~~ Such claims may not ~~claim shall~~ be compromised or settled for  
37 monetary compensation without the prior approval of the  
38 Department of Financial Services and prior notification to the  
39 covered department. All departments shall cooperate with the



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40 Department of Financial Services in its handling of claims. The  
41 Department of Financial Services and the Department of  
42 Management Services, with the cooperation of the state attorneys  
43 and the clerks of the courts, shall develop a system to  
44 coordinate the exchange of information concerning claims for and  
45 against the state, its agencies, and its subdivisions, to assist  
46 in collection of amounts due to them. The covered department is  
47 responsible ~~shall have the responsibility~~ for the settlement of  
48 any claim for injunctive or affirmative relief under 42 U.S.C.  
49 s. 1983 or similar federal or state statutes. The payment of a  
50 settlement or judgment for any claim covered and reported under  
51 this part may ~~shall~~ be made only from the State Risk Management  
52 Trust Fund.

53 (2) Benefits provided under s. 112.1816(2) may not be paid  
54 from the fund until each request for any out-of-pocket  
55 deductible, copayment, or coinsurance costs and one-time cash  
56 payout has been validated and approved by the Department of  
57 Management Services.

58 Section 5. Section 284.45, Florida Statutes, is created to  
59 read:

60 284.45 Sexual harassment victims.—

61 (1) An individual working for an entity covered by the  
62 State Risk Management Trust Fund may not engage in retaliatory  
63 conduct of any kind against a sexual harassment victim. As used  
64 in this section, the term "sexual harassment victim" means an  
65 individual employed, or being considered for employment, with an  
66 entity participating in the State Risk Management Trust Fund who  
67 becomes a victim of workplace sexual harassment through the  
68 course of employment, or while being considered for employment,





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69 with the entity.

70 (2) The willful and knowing dissemination of personal  
71 identifying information of a sexual harassment victim, which is  
72 confidential and exempt pursuant to s. 119.071(2)(n), to any  
73 party other than a governmental entity in furtherance of its  
74 official duties or pursuant to a court order is a misdemeanor of  
75 the first degree, punishable as provided in s. 775.082.

76 Section 6. Subsections (1), (2), (3), (6), and (8) of  
77 section 497.101, Florida Statutes, are amended to read:

78 497.101 Board of Funeral, Cemetery, and Consumer Services;  
79 membership; appointment; terms.-

80 (1) The Board of Funeral, Cemetery, and Consumer Services  
81 is created within the Department of Financial Services and shall  
82 consist of 10 members, 9 of whom shall be appointed by the  
83 Governor from nominations made by the Chief Financial Officer  
84 and confirmed by the Senate. The Chief Financial Officer shall  
85 nominate one to three persons for each of the nine vacancies on  
86 the board, and the Governor shall fill each vacancy on the board  
87 by appointing one of the ~~three~~ persons nominated by the Chief  
88 Financial Officer to fill that vacancy. If the Governor objects  
89 to each of the ~~three~~ nominations for a vacancy, she or he shall  
90 inform the Chief Financial Officer in writing. Upon notification  
91 of an objection by the Governor, the Chief Financial Officer  
92 shall submit one to three additional nominations for that  
93 vacancy until the vacancy is filled. One member must be the  
94 State Health Officer or her or his designee.

95 (2) Two members of the board must ~~shall~~ be funeral  
96 directors licensed under part III of this chapter who are  
97 associated with a funeral establishment. One member of the board



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98 ~~must shall~~ be a funeral director licensed under part III of this  
99 chapter who is associated with a funeral establishment licensed  
100 under part III of this chapter which ~~that~~ has a valid preneed  
101 license issued pursuant to this chapter and who owns or operates  
102 a cinerator facility approved under chapter 403 and licensed  
103 under part VI of this chapter. Two members of the board must  
104 ~~shall~~ be persons whose primary occupation is associated with a  
105 cemetery company licensed pursuant to this chapter. Two ~~Three~~  
106 members of the board must ~~shall~~ be consumers who are residents  
107 of this ~~the~~ state, have never been licensed as funeral directors  
108 or embalmers, are not connected with a cemetery or cemetery  
109 company licensed pursuant to this chapter, and are not connected  
110 with the death care industry or the practice of embalming,  
111 funeral directing, or direct disposition. One of the two  
112 consumer members must ~~shall~~ be at least 60 years of age, ~~and one~~  
113 ~~shall be licensed as a certified public accountant under chapter~~  
114 473. One member of the board must be a consumer who is a  
115 resident of this state; is licensed as a certified public  
116 accountant under chapter 473; has never been licensed as a  
117 funeral director or an embalmer; is not a principal or an  
118 employee of any licensee licensed under this chapter; and does  
119 not otherwise have control, as defined in s. 497.005, over any  
120 licensee licensed under this chapter. One member of the board  
121 must ~~shall~~ be a principal of a monument establishment licensed  
122 under this chapter as a monument builder. One member must ~~shall~~  
123 be the State Health Officer or her or his designee. There may  
124 ~~shall~~ not be two or more board members who are principals or  
125 employees of the same company or partnership or group of  
126 companies or partnerships under common control.



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127           (3) Board members shall be appointed for terms of 4 years,  
128 and the State Health Officer shall serve as long as that person  
129 holds that office. The designee of the State Health Officer  
130 shall serve at the pleasure of the Governor. ~~When the terms of~~  
131 ~~the initial board members expire, the Chief Financial Officer~~  
132 ~~shall stagger the terms of the successor members as follows: one~~  
133 ~~funeral director, one cemetery representative, the monument~~  
134 ~~builder, and one consumer member shall be appointed for terms of~~  
135 ~~2 years, and the remaining members shall be appointed for terms~~  
136 ~~of 4 years. All subsequent terms shall be for 4 years.~~

137           (6) The board shall maintain its headquarters and records  
138 ~~of the board shall be~~ in the Division of Funeral, Cemetery, and  
139 Consumer Services of the Department of Financial Services in the  
140 City of Tallahassee. The board may be contacted through the  
141 Division of Funeral, Cemetery, and Consumer Services of the  
142 Department of Financial Services in the City of Tallahassee. The  
143 Chief Financial Officer shall annually appoint from among the  
144 board members a chair and vice chair of the board. The board  
145 shall meet at least every 6 months, and more often as necessary.  
146 Special meetings of the board shall be convened upon the  
147 direction of the Chief Financial Officer. A quorum is necessary  
148 for the conduct of business by the board. The participation by a  
149 board member in a meeting conducted through communications media  
150 technology constitutes that individual's presence at such  
151 meeting. Board members appearing at a board meeting in person as  
152 well as board members appearing through the use of  
153 communications media technology shall be counted for the  
154 determination of a quorum. As used in this subsection,  
155 "communications media technology" means the electronic



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156 transmission of printed matter, audio, full-motion video,  
157 freeze-frame video, compressed video, and digital video by any  
158 method available. Unless otherwise provided by law, a majority  
159 of the board members eligible to vote constitutes a quorum for  
160 the purpose of conducting its business ~~six board members shall~~  
161 ~~constitute a quorum for the conduct of the board's business.~~

162 ~~(8) The department shall adopt rules establishing forms by~~  
163 ~~which persons may apply for membership on the board and~~  
164 ~~procedures for applying for such membership. Such forms shall~~  
165 ~~require disclosure of the existence and nature of all current~~  
166 ~~and past employments by or contracts with, and direct or~~  
167 ~~indirect affiliations or interests in, any entity or business~~  
168 ~~that at any time was licensed by the board or by the former~~  
169 ~~Board of Funeral and Cemetery Services or the former Board of~~  
170 ~~Funeral Directors and Embalmers or that is or was otherwise~~  
171 ~~involved in the death care industry, as specified by department~~  
172 ~~rule.~~

173 Section 7. Section 497.1411, Florida Statutes, is created  
174 to read:

175 497.1411 Disqualification of applicants and licensees;  
176 penalties against licensees; rulemaking.-

177 (1) For purposes of this section, the term:

178 (a) "Applicant" means an individual applying for licensure  
179 or relicensure under this chapter, or an officer, a director, a  
180 majority owner, a partner, a manager, or another person who  
181 manages or controls an entity applying for licensure or  
182 relicensure under this chapter.

183 (b) "Felony of the first degree" or "capital felony"  
184 includes all felonies designated as such in this state at the



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185 time of the commission of the offense, as well as any offense in  
186 another jurisdiction which is substantially similar to an  
187 offense so designated in this state.

188 (c) "Financial services business" means any financial  
189 activity regulated by the department, the Office of Insurance  
190 Regulation, or the Office of Financial Regulation.

191 (2) An applicant who has been found guilty of, or has  
192 pleaded guilty or nolo contendere to any of the following  
193 crimes, regardless of adjudication, is permanently barred from  
194 licensure under this chapter:

195 (a) A felony of the first degree.

196 (b) A capital felony.

197 (c) A felony money laundering offense.

198 (d) A felony embezzlement.

199 (3) An applicant who has been found guilty of, or has  
200 pleaded guilty or nolo contendere to a crime not included in  
201 subsection (2), regardless of adjudication, is subject to:

202 (a) A 10-year disqualifying period for all felonies  
203 involving moral turpitude which are not specifically included in  
204 the permanent bar from licensure contained in subsection (2).

205 (b) A 5-year disqualifying period for all felonies to which  
206 neither the permanent bar from licensure in subsection (2) nor  
207 the 10-year disqualifying period in paragraph (a) applies.

208 (c) A 5-year disqualifying period for all misdemeanors  
209 directly related to the financial services business.

210 (4) The board shall adopt rules to administer this section.  
211 The rules must provide for additional disqualifying periods due  
212 to the commitment of multiple crimes and may include other  
213 factors reasonably related to the applicant's criminal history.



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214 The rules must provide for mitigating and aggravating factors.  
215 However, mitigation may not result in a period of  
216 disqualification of less than 5 years and may not mitigate the  
217 disqualifying periods in paragraphs (3) (b) and (c).

218 (5) For purposes of this section, a disqualifying period  
219 begins upon the applicant's final release from supervision or  
220 upon completion of the applicant's criminal sentence. The  
221 department may not issue a license to an applicant unless all  
222 related fines, court costs and fees, and court-ordered  
223 restitution have been paid.

224 (6) After the disqualifying period has expired, the burden  
225 is on the applicant to demonstrate that he or she has been  
226 rehabilitated, does not pose a risk to the public, is fit and  
227 trustworthy to engage in business regulated by this chapter, and  
228 is otherwise qualified for licensure.

229 (7) Notwithstanding subsections (2) and (3), an applicant  
230 who has been found guilty of, or has pleaded guilty or nolo  
231 contendere to, a crime in subsection (2) or subsection (3) and  
232 who has subsequently been granted a pardon or the restoration of  
233 civil rights pursuant to chapter 940 and s. 8, Art. IV of the  
234 State Constitution, or a pardon or the restoration of civil  
235 rights under the laws of another jurisdiction with respect to a  
236 conviction in that jurisdiction, is not barred or disqualified  
237 from licensure under this chapter. However, such a pardon or  
238 restoration of civil rights does not require the department to  
239 award such license.

240 (8) (a) The board may grant an exemption from  
241 disqualification to any person disqualified from licensure under  
242 subsection (3) if:



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243       1. The applicant has paid in full any fee, fine, fund,  
244 lien, civil judgment, restitution, or cost of prosecution  
245 imposed by the court as part of the judgment and sentence for  
246 any disqualifying offense; and

247       2. At least 5 years have elapsed since the applicant  
248 completed or has been lawfully released from confinement,  
249 supervision, or a nonmonetary condition imposed by the court for  
250 a disqualifying offense.

251       (b) For the board to grant an exemption under this  
252 subsection, the applicant must clearly and convincingly  
253 demonstrate that he or she would not pose a risk to persons or  
254 property if licensed under this chapter, evidence of which must  
255 include, but need not be limited to, facts and circumstances  
256 surrounding the disqualifying offense, the time that has elapsed  
257 since the offense, the nature of the offense and harm caused to  
258 the victim, the applicant's history before and after the  
259 offense, and any other evidence or circumstances indicating that  
260 the applicant will not present a danger if licensed or  
261 certified.

262       (c) The board has discretion whether to grant or deny an  
263 exemption under this subsection. The board's decision is subject  
264 to chapter 120.

265       (9) The disqualification periods provided in this section  
266 do not apply to the renewal of a license or to a new application  
267 for licensure if the applicant has an active license as of July  
268 1, 2021, and the applicable criminal history was considered by  
269 the board on the prior approval of any active license held by  
270 the applicant. This subsection does not affect any criminal  
271 history disclosure requirements of this chapter.



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272 Section 8. Subsection (9) and paragraph (c) of subsection  
273 (10) of section 497.142, Florida Statutes, are amended to read:  
274 497.142 Licensing; fingerprinting and criminal background  
275 checks.—

276 (9) If any applicant under this chapter has been, ~~within~~  
277 ~~the 10 years preceding the application under this chapter,~~  
278 convicted or found guilty of, or entered a plea of nolo  
279 contendere to, regardless of adjudication, any crime in any  
280 jurisdiction, the application shall not be deemed complete until  
281 such time as the applicant provides such certified true copies  
282 of the court records evidencing the conviction, finding, or plea  
283 as required by this section or, as the licensing authority may  
284 by rule require.

285 (10) (c) Crimes to be disclosed are:

286 1. Any felony ~~or misdemeanor~~, no matter when committed,  
287 ~~that was directly or indirectly related to or involving any~~  
288 ~~aspect of the practice or business of funeral directing,~~  
289 ~~embalming, direct disposition, cremation, funeral or cemetery~~  
290 ~~preneed sales, funeral establishment operations, cemetery~~  
291 ~~operations, or cemetery monument or marker sales or~~  
292 ~~installation.~~

293 2. Any misdemeanor, no matter when committed, which was  
294 directly or indirectly related to the financial services  
295 business as defined in s. 497.1411 ~~Any other felony not already~~  
296 ~~disclosed under subparagraph 1. that was committed within the 20~~  
297 ~~years immediately preceding the application under this chapter.~~

298 3. Any other misdemeanor not already disclosed under  
299 subparagraph 2. which ~~subparagraph 1. that~~ was committed within  
300 the 5 years immediately preceding the application under this





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301 chapter.

302 Section 9. Present subsections (2) through (5) of section  
303 497.157, Florida Statutes, are redesignated as subsections (4)  
304 through (7), respectively, new subsections (2) and (3) and  
305 subsection (8) are added to that section, and present subsection  
306 (3) of that section is amended, to read:

307 497.157 Unlicensed practice; remedies concerning violations  
308 by unlicensed persons.—

309 (2) A person may not be, act as, or advertise or hold  
310 himself or herself out to be a funeral director, an embalmer, or  
311 a direct disposer unless he or she is currently licensed by the  
312 department.

313 (3) A person may not be, act as, or advertise or hold  
314 himself or herself out to be a preneed sales agent unless he or  
315 she is currently licensed by the department and appointed by a  
316 preneed main licensee for which he or she is executing preneed  
317 contracts.

318 (5)~~(3)~~ Where the department determines that an emergency  
319 exists regarding any violation of this chapter by any unlicensed  
320 person or entity, the department may issue and serve an  
321 immediate final order upon such unlicensed person or entity, in  
322 accordance with s. 120.569(2)(n). Such an immediate final order  
323 may impose such prohibitions and requirements as are reasonably  
324 necessary to protect the public health, safety, and welfare, and  
325 is ~~shall be~~ effective when served.

326 (a) For the purpose of enforcing such an immediate final  
327 order, the department may file an emergency or other proceeding  
328 in the circuit courts of the state seeking enforcement of the  
329 immediate final order by injunctive or other order of the court.



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330 The court shall issue its injunction or other order enforcing  
331 the immediate final order pending administrative resolution of  
332 the matter under subsection (4) ~~(2)~~, unless the court determines  
333 that such action would work a manifest injustice under the  
334 circumstances. Venue for judicial actions under this paragraph  
335 must ~~shall~~ be, at the election of the department, in the courts  
336 of Leon County~~7~~ or in a county where the respondent resides or  
337 has a place of business.

338 (b) After serving an immediate final order to cease and  
339 desist upon any person or entity, the department shall within 10  
340 days issue and serve upon the same person or entity an  
341 administrative complaint as set forth in subsection (4) ~~(2)~~,  
342 except that, absent order of a court to the contrary, the  
343 immediate final order will ~~shall~~ be effective throughout the  
344 pendency of proceedings under subsection (4) ~~(2)~~.

345 (8) Any person who is not licensed under this chapter and  
346 who engages in activity requiring licensure under this chapter  
347 commits a felony of the third degree, punishable as provided in  
348 s. 775.082, s. 775.083, or s. 775.084.

349 Section 10. Subsection (6) of section 497.159, Florida  
350 Statutes, is amended to read:

351 497.159 Crimes.—

352 ~~(6) Any person who is not licensed under this chapter who~~  
353 ~~engages in activity requiring licensure under this chapter,~~  
354 ~~commits a misdemeanor of the second degree, punishable as~~  
355 ~~provided in s. 775.082 or s. 775.083.~~

356 Section 11. Subsection (13) of section 552.081, Florida  
357 Statutes, is amended to read:

358 552.081 Definitions.—As used in this chapter:



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359 (13) "Two-component explosives" means any two inert  
360 components that ~~which~~, when mixed, become capable of detonation  
361 by a detonator ~~a No. 6 blasting cap~~, and shall be classified as  
362 a Class "A" explosive when so mixed.

363 Section 12. Present subsection (2) of section 553.7921,  
364 Florida Statutes, is redesignated as subsection (3), a new  
365 subsection (2) is added to that section, and subsection (1) of  
366 that section is amended, to read:

367 553.7921 Fire alarm permit application to local enforcement  
368 agency.—

369 (1) A contractor must file a Uniform Fire Alarm Permit  
370 Application as provided in subsection (3) ~~(2)~~ with the local  
371 enforcement agency and must receive the fire alarm permit  
372 before:

373 ~~(a) installing or replacing a fire alarm,~~ if the local  
374 enforcement agency requires a plan review for the installation  
375 or replacement; ~~or~~

376 ~~(b) Repairing an existing alarm system that was previously~~  
377 ~~permitted by the local enforcement agency if the local~~  
378 ~~enforcement agency requires a fire alarm permit for the repair.~~

379 (2) If the local enforcement agency requires a fire alarm  
380 permit to repair an existing alarm system that was previously  
381 permitted by the local enforcement agency, a contractor may  
382 begin work after filing a Uniform Fire Alarm Permit Application  
383 as provided in subsection (3). A fire alarm repaired pursuant to  
384 this subsection may not be considered compliant until the  
385 required permit is issued and the local enforcement agency  
386 approves the repair.

387 Section 13. Effective January 1, 2022, subsection (3) of



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388 section 626.2815, Florida Statutes, is amended to read:

389 626.2815 Continuing education requirements.—

390 (3) Each licensee except a title insurance agent must  
391 complete a 4-hour ~~5-hour~~ update course every 2 years which is  
392 specific to the license held by the licensee. The course must be  
393 developed and offered by providers and approved by the  
394 department. The content of the course must address all lines of  
395 insurance for which examination and licensure are required and  
396 include the following subject areas: insurance law updates,  
397 ethics for insurance professionals, disciplinary trends and case  
398 studies, industry trends, premium discounts, determining  
399 suitability of products and services, and other similar  
400 insurance-related topics the department determines are relevant  
401 to legally and ethically carrying out the responsibilities of  
402 the license granted. A licensee who holds multiple insurance  
403 licenses must complete an update course that is specific to at  
404 least one of the licenses held. Except as otherwise specified,  
405 any remaining required hours of continuing education are  
406 elective and may consist of any continuing education course  
407 approved by the department under this section.

408 (a) Except as provided in paragraphs (b), (c), (d), (e),  
409 (i), and (j), each licensee must also complete 20 ~~19~~ hours of  
410 elective continuing education courses every 2 years.

411 (b) A licensee who has been licensed for 6 or more years  
412 must also complete a minimum of 16 ~~15~~ hours of elective  
413 continuing education every 2 years.

414 (c) A licensee who has been licensed for 25 years or more  
415 and is a CLU or a CPCU or has a Bachelor of Science degree in  
416 risk management or insurance with evidence of 18 or more



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417 semester hours in insurance-related courses must also complete a  
418 minimum of 6 ~~5~~ hours of elective continuing education courses  
419 every 2 years.

420 (d) An individual who holds a license as a customer  
421 representative and who is not a licensed life or health agent  
422 must also complete a minimum of 6 ~~5~~ hours of continuing  
423 education courses every 2 years.

424 (e) An individual subject to chapter 648 must complete the  
425 4-hour ~~5-hour~~ update course and a minimum of 10 ~~9~~ hours of  
426 elective continuing education courses every 2 years.

427 (f) Elective continuing education courses for public  
428 adjusters must be specifically designed for public adjusters and  
429 approved by the department. Notwithstanding this subsection,  
430 public adjusters for workers' compensation insurance or health  
431 insurance are not required to take continuing education courses  
432 pursuant to this section.

433 (g) Excess hours accumulated during any 2-year compliance  
434 period may be carried forward to the next compliance period.

435 (h) An individual teaching an approved course of  
436 instruction or lecturing at any approved seminar and attending  
437 the entire course or seminar qualifies for the same number of  
438 classroom hours as would be granted to a person taking and  
439 successfully completing such course or seminar. Credit is  
440 limited to the number of hours actually taught unless a person  
441 attends the entire course or seminar. An individual who is an  
442 official of or employed by a governmental entity in this state  
443 and serves as a professor, instructor, or in another position or  
444 office, the duties and responsibilities of which are determined  
445 by the department to require monitoring and review of insurance



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446 laws or insurance regulations and practices, is exempt from this  
447 section.

448 (i) For compliance periods beginning on or after October 1,  
449 2014, any person who holds a license as a title insurance agent  
450 must complete a minimum of 10 hours of continuing education  
451 credit every 2 years in title insurance and escrow management  
452 specific to this state and approved by the department, which  
453 must ~~shall~~ include at least 3 hours of continuing education on  
454 the subject matter of ethics, rules, or compliance with state  
455 and federal regulations relating specifically to title insurance  
456 and closing services.

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

461 Section 14. Subsections (1) and (2) of section 626.371,  
462 Florida Statutes, are amended to read:

463 626.371 Payment of fees, taxes for appointment period  
464 without appointment.-

465 (1) All initial and renewal appointments shall be submitted  
466 to the department on a monthly basis no later than 45 days after  
467 the date of appointment and become effective on the date  
468 requested on the appointment form.

469 (2) (a) If, upon application and qualification for an  
470 initial or renewal appointment and such investigation as the  
471 department may make, ~~it appears to~~ the department determines  
472 that an individual has not been properly appointed to represent  
473 an insurer or employer, that such individual ~~who~~ was formerly  
474 licensed or is currently licensed, ~~but not properly appointed to~~



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475 ~~represent an insurer or employer and that such individual who~~  
476 has been actively engaged or is currently actively engaged as  
477 such an appointee, ~~but without being appointed as required,~~ the  
478 department shall ~~may~~, if it finds that such failure to be  
479 appointed was an inadvertent error on the part of the insurer or  
480 employer so represented, notify the insurer or employer of its  
481 finding and of the requirement to pay all fees and taxes due  
482 pursuant to paragraph (b) within 21 days.

483 (b) The department may nevertheless issue or authorize the  
484 issuance of the appointment upon the insurer's or employer's  
485 timely payment to the department of as applied for but subject  
486 to the condition that, before the appointment is issued, all  
487 fees and taxes that which would have been due had the applicant  
488 been properly se appointed during such current and prior  
489 periods, including with applicable fees and taxes that would  
490 have been due pursuant to s. 624.501 for such current and prior  
491 periods of appointment, shall be paid to the department.

492 (c) Upon proper appointment of the individual and payment  
493 of all fees and taxes due pursuant to paragraph (b), paragraph  
494 (3) (a), and s. 624.501 by the insurer or employer, the  
495 department may no longer consider the inadvertent failure to  
496 appoint to be a violation of this code.

497 (d) If the insurer or employer does not pay the fees and  
498 taxes due pursuant to paragraph (b) within 21 days after notice  
499 by the department, the department shall suspend the insurer's or  
500 employer's authority to appoint licensees until all outstanding  
501 fees and taxes have been paid.

502 Section 15. Subsection (1) of section 626.8443, Florida  
503 Statutes, is amended to read:



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504 626.8443 Duration of suspension or revocation.—

505 (1) The department shall, in its order suspending a title  
506 insurance agent's or agency's license or appointment or in its  
507 order suspending the eligibility of a person to hold or apply  
508 for such license or appointment, specify the period during which  
509 the suspension is to be in effect, but such period may ~~shall~~ not  
510 exceed 2 years ~~1 year~~. The license, ~~or~~ appointment, or  
511 eligibility will ~~shall~~ remain suspended during the period so  
512 specified, subject, however, to any rescission or modification  
513 of the order by the department, or modification or reversal  
514 thereof by the court, prior to expiration of the suspension  
515 period. A license, appointment, or eligibility that ~~which~~ has  
516 been suspended may not be reinstated except upon request for  
517 such reinstatement, but the department may ~~shall~~ not grant such  
518 reinstatement if it finds that the circumstance or circumstances  
519 for which the license, appointment, and eligibility was  
520 suspended still exist or are likely to recur.

521 Section 16. Paragraph (e) of subsection (1) of section  
522 626.916, Florida Statutes, is amended to read:

523 626.916 Eligibility for export.—

524 (1) No insurance coverage shall be eligible for export  
525 unless it meets all of the following conditions:

526 ~~(c) For personal residential property risks, the retail or~~  
527 ~~producing agent must advise the insured in writing that coverage~~  
528 ~~may be available and may be less expensive from Citizens~~  
529 ~~Property Insurance Corporation. The notice must include other~~  
530 ~~information that states that assessments by Citizens Property~~  
531 ~~Insurance Corporation are higher and the coverage provided by~~  
532 ~~Citizens Property Insurance Corporation may be less than the~~





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533 ~~property's existing coverage. If the notice is signed by the~~  
534 ~~insured, it is presumed that the insured has been informed and~~  
535 ~~knows that policies from Citizens Property Insurance Corporation~~  
536 ~~may be less expensive, may provide less coverage, and will be~~  
537 ~~accompanied by higher assessments.~~

538 Section 17. Paragraph (e) is added to subsection (1) of  
539 section 626.9551, Florida Statutes, to read:

540 626.9551 Favored agent or insurer; coercion of debtors.—

541 (1) No person may:

542 (e) Require an insurance agent or agency to directly or  
543 indirectly provide the replacement cost estimator or other  
544 underwriting information of an insurer underwriting an insurance  
545 policy covering real property as a condition precedent or  
546 condition subsequent to the lending of money or extension of  
547 credit to be secured by real property when such information is  
548 the proprietary business information of an insurer as defined in  
549 s. 624.4212(1). An insurance agent or agency may not provide  
550 such information to any person without authorization from the  
551 insurer.

552 Section 18. Present subsections (4) through (10) of section  
553 627.715, Florida Statutes, are redesignated as subsections (5)  
554 through (11), respectively, and a new subsection (4) is added to  
555 that section, to read:

556 627.715 Flood insurance.—An authorized insurer may issue an  
557 insurance policy, contract, or endorsement providing personal  
558 lines residential coverage for the peril of flood or excess  
559 coverage for the peril of flood on any structure or the contents  
560 of personal property contained therein, subject to this section.  
561 This section does not apply to commercial lines residential or



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562 commercial lines nonresidential coverage for the peril of flood.  
563 An insurer may issue flood insurance policies, contracts,  
564 endorsements, or excess coverage on a standard, preferred,  
565 customized, flexible, or supplemental basis.

566 (4) An agent may export a contract or an endorsement  
567 providing flood coverage to an eligible surplus lines insurer  
568 without making a diligent effort to seek such coverage from  
569 three or more authorized insurers under s. 626.916(1) (a).

570 Section 19. Section 633.136, Florida Statutes, is amended  
571 to read:

572 633.136 Fire and Emergency Incident Information Reporting  
573 Program; duties; fire reports.—

574 (1) (a) The Fire and Emergency Incident Information  
575 Reporting Program is created within the division. The program  
576 shall:

577 1. Establish and maintain an electronic communication  
578 system capable of transmitting fire and emergency incident  
579 information to and between fire service providers ~~protection~~  
580 ~~agencies~~.

581 2. Initiate a Fire and Emergency Incident Information  
582 Reporting System that is ~~shall be~~ responsible for:

583 a. Receiving fire and emergency incident information from  
584 fire service providers ~~protection agencies~~.

585 b. Preparing and disseminating annual reports to the  
586 Governor, the President of the Senate, the Speaker of the House  
587 of Representatives, fire service providers ~~protection agencies~~,  
588 and, upon request, the public. Each report must ~~shall~~ include,  
589 but not be limited to, the information listed in the National  
590 Fire Incident Reporting System.



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591 c. Upon request, providing other states and federal  
592 agencies with fire and emergency incident data of this state.

593 3. Adopt rules to effectively and efficiently implement,  
594 administer, manage, maintain, and use the Fire and Emergency  
595 Incident Information Reporting Program. The rules shall be  
596 considered minimum requirements and may ~~shall~~ not preclude a  
597 fire service provider ~~protection agency~~ from implementing its  
598 own requirements that ~~which~~ may not conflict with the rules of  
599 the division.

600 4. By rule, establish procedures and a format for each fire  
601 service provider ~~protection agency~~ to voluntarily monitor its  
602 records and submit reports to the program.

603 5. Maintain ~~Establish~~ an electronic information database  
604 that is accessible and searchable by fire service providers  
605 ~~protection agencies~~.

606 (b) The division shall consult with the Florida Forest  
607 Service of the Department of Agriculture and Consumer Services  
608 and the State Surgeon General of the Department of Health to  
609 coordinate data, ensure accuracy of the data, and limit  
610 duplication of efforts in data collection, analysis, and  
611 reporting.

612 (2) The Fire and Emergency Incident Information System  
613 Technical Advisory Panel is created within the division. The  
614 panel shall advise, review, and recommend to the State Fire  
615 Marshal with respect to the requirements of this section. The  
616 membership of the panel consists ~~shall consist~~ of the ~~following~~  
617 15 members:

618 ~~(a) The current 13 members~~ of the Firefighters Employment,  
619 Standards, and Training Council as established in s. 633.402.



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620 ~~(b) One member from the Florida Forest Service of the~~  
621 ~~Department of Agriculture and Consumer Services, appointed by~~  
622 ~~the director of the Florida Forest Service.~~

623 ~~(c) One member from the Department of Health, appointed by~~  
624 ~~the State Surgeon General.~~

625 (3) As used in ~~For the purpose of~~ this section, the term  
626 "fire service provider" has the same meaning as in s. 633.102  
627 ~~"fire protection agency" shall be defined by rule by the~~  
628 ~~division.~~

629 Section 20. Subsection (18) of section 633.202, Florida  
630 Statutes, is amended to read:

631 633.202 Florida Fire Prevention Code.-

632 (18) The authority having jurisdiction shall determine the  
633 minimum radio signal strength for fire department communications  
634 in all new high-rise and existing high-rise buildings. Existing  
635 buildings are not required to comply with minimum radio strength  
636 for fire department communications and two-way radio system  
637 enhancement communications as required by the Florida Fire  
638 Prevention Code until January 1, 2023 ~~2022~~. However, by January  
639 1, 2022 ~~December 31, 2019~~, an existing building that is not in  
640 compliance with the requirements for minimum radio strength for  
641 fire department communications must have completed a minimum  
642 radio strength assessment ~~apply for an appropriate permit~~ for  
643 the required installation with the local government agency  
644 having jurisdiction and must demonstrate that the building will  
645 become compliant by January 1, 2023 ~~2022~~. Existing apartment  
646 buildings are not required to comply until January 1, 2025.  
647 However, existing apartment buildings must have completed a  
648 minimum radio strength assessment ~~are required to apply for the~~



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649 ~~appropriate permit~~ for the required communications installation  
650 by December 31, 2022.

651 Section 21. Section 633.217, Florida Statutes, is created  
652 to read:

653 633.217 Influencing a firesafety inspector; prohibited  
654 acts.-

655 (1) A person may not influence a firesafety inspector by:

656 (a) Threatening, coercing, tricking, or attempting to  
657 threaten, coerce, or trick the firesafety inspector into  
658 violating any provision of the Florida Fire Prevention Code, any  
659 rule adopted by the State Fire Marshal, or any provision of this  
660 chapter.

661 (b) Offering any compensation to the firesafety inspector  
662 to induce a violation of the Florida Fire Prevention Code, any  
663 rule adopted by the State Fire Marshal, or any provision of this  
664 chapter.

665 (2) A firesafety inspector may not knowingly and  
666 intentionally request, solicit, accept, or agree to accept  
667 compensation offered as described in paragraph (1) (b).

668  
669 ===== T I T L E A M E N D M E N T =====

670 And the title is amended as follows:

671 Delete lines 23 - 120

672 and insert:

673 circumstances; amending s. 497.101, F.S.; revising  
674 provisions relating to membership of the Board of  
675 Funeral, Cemetery, and Consumer Services within the  
676 Department of Financial Services; authorizing use of  
677 communications media technology for board member



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678 participation and determination of a quorum of the  
679 board; defining the term "communications media  
680 technology"; deleting a requirement for the department  
681 to adopt certain rules; making technical changes;  
682 creating s. 497.1411, F.S.; defining terms; providing  
683 for permanent disqualification of applicants for  
684 licensure under ch. 497, F.S., for certain offenses;  
685 providing for disqualifying periods for applicants for  
686 certain offenses; requiring the board to adopt rules;  
687 providing for calculation of disqualifying periods;  
688 providing conditions for licensure after completion of  
689 a disqualifying period; specifying the effect of a  
690 pardon or restoration of civil rights; providing for  
691 exemptions from disqualification if certain conditions  
692 are met; requiring an applicant for an exemption to  
693 provide certain evidence that he or she will not  
694 present a danger if licensed; granting the board the  
695 discretion to approve or deny an exemption; providing  
696 applicability; providing construction; amending s.  
697 497.142, F.S.; revising criminal history disclosure  
698 requirements for applicants seeking licensure under  
699 ch. 497, F.S.; amending s. 497.157, F.S.; prohibiting  
700 persons from acting as or advertising themselves as  
701 being funeral directors, embalmers, direct disposers,  
702 or preneed sales agents unless they are so licensed;  
703 prohibiting persons from engaging in certain  
704 activities requiring licensure without holding  
705 required licenses; revising the criminal penalty for  
706 unlicensed activity; making technical changes;



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707 amending s. 497.159, F.S.; conforming a provision to  
708 changes made by the act; amending s. 552.081, F.S.;  
709 revising the definition of the term "two-component  
710 explosives" for the purpose of regulation by the  
711 Division of State Fire Marshal; amending s. 553.7921,  
712 F.S.; authorizing a contractor repairing certain  
713 existing fire alarm systems to begin work after filing  
714 an application for a required permit but before  
715 receiving the permit; providing construction; amending  
716 s. 626.2815, F.S.; revising continuing education  
717 requirements for certain persons licensed to solicit,  
718 sell, or adjust insurance; amending s. 626.371, F.S.;  
719 requiring submission of renewal appointments of  
720 certain insurance representatives within a certain  
721 timeframe; requiring the department to notify certain  
722 insurers or employers regarding inadvertent failures  
723 to appoint; requiring insurers and employers to pay  
724 certain fees and taxes within a certain timeframe;  
725 authorizing the department to issue appointments under  
726 certain circumstances; prohibiting the department from  
727 considering inadvertent failures to appoint to be  
728 violations under certain circumstances; requiring the  
729 department to suspend an insurer's or employer's  
730 authority to appoint licensees under certain  
731 circumstances; amending s. 626.8443, F.S.; increasing  
732 the maximum period of suspension of a title insurance  
733 agent's or agency's license; making technical changes;  
734 amending s. 626.916, F.S.; deleting a requirement for  
735 agents to advise insureds that certain coverage may be



736 available for personal residential property risks to  
737 be eligible for export under the Surplus Lines Law;  
738 amending s. 626.9551, F.S.; prohibiting a person from  
739 requiring an insurance agent or agency to provide  
740 replacement cost estimators or certain other  
741 proprietary business information under certain  
742 circumstances; prohibiting an insurance agent or  
743 agency from providing replacement cost estimators or  
744 certain other proprietary business information without  
745 written authorization; amending s. 627.715, F.S.;  
746 providing an exemption from a diligent effort  
747 requirement for agents exporting contracts or  
748 endorsements providing flood coverage; amending s.  
749 633.136, F.S.; replacing fire protection agencies in  
750 the Fire and Emergency Incident Information Reporting  
751 Program with fire service providers; revising the  
752 composition of the Fire and Emergency Incident  
753 Information System Technical Advisory Panel; defining  
754 the term "fire service provider"; amending s. 633.202,  
755 F.S.; extending a deadline for certain buildings to  
756 comply with a minimum radio signal strength  
757 requirement under the Florida Fire Prevention Code;  
758 requiring such buildings to meet certain conditions by  
759 a specified date; revising a condition that existing  
760 apartment buildings must meet by a specified date;  
761 making technical changes; creating s. 633.217, F.S.;  
762 prohibiting certain acts to influence a firesafety  
763 inspector to violate certain laws; prohibiting a  
764 firesafety inspector from knowingly and intentionally





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765        requesting, soliciting, accepting, or agreeing to  
766        accept certain compensation; amending s. 633.402,  
767        F.S.; revising the

By Senator Burgess

20-00626C-21

20211408\_\_

1 A bill to be entitled  
 2 An act relating to the Department of Financial  
 3 Services; amending s. 20.121, F.S.; specifying powers  
 4 and duties of the Division of Public Assistance Fraud;  
 5 amending s. 284.30, F.S.; requiring the State Risk  
 6 Management Trust Fund to provide insurance for certain  
 7 firefighter cancer-related benefits; making technical  
 8 changes; amending s. 284.31, F.S.; requiring the  
 9 Insurance Risk Management Trust Fund to provide a  
 10 separate account for certain firefighter cancer-  
 11 related benefits; making technical changes; amending  
 12 s. 284.385, F.S.; specifying a condition that must be  
 13 met before certain firefighter cancer-related benefits  
 14 may be paid from the State Risk Management Trust Fund;  
 15 making technical changes; creating s. 284.45, F.S.;  
 16 prohibiting individuals working for entities covered  
 17 by the State Risk Management Trust Fund from engaging  
 18 in retaliatory conduct against sexual harassment  
 19 victims; defining the term "sexual harassment victim";  
 20 specifying a criminal penalty for the willful and  
 21 knowing dissemination of a sexual harassment victim's  
 22 personal identifying information, except under certain  
 23 circumstances; specifying protected personal  
 24 identifying information; amending s. 497.101, F.S.;  
 25 revising provisions relating to membership of the  
 26 Board of Funeral, Cemetery, and Consumer Services  
 27 within the Department of Financial Services;  
 28 authorizing use of communications media technology for  
 29 board member participation and determination of a

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**CODING:** Words ~~stricken~~ are deletions; words underlined are additions.

20-00626C-21

20211408\_\_

30 quorum of the board; defining the term "communications  
 31 media technology"; deleting a requirement for the  
 32 department to adopt certain rules; making technical  
 33 changes; creating s. 497.1411, F.S.; defining terms;  
 34 providing for permanent disqualification of applicants  
 35 for licensure under ch. 497, F.S., for certain  
 36 offenses; providing for disqualifying periods for  
 37 applicants for certain offenses; requiring the board  
 38 to adopt rules; providing for calculation of  
 39 disqualifying periods; providing conditions for  
 40 licensure after completion of a disqualifying period;  
 41 specifying the effect of a pardon or restoration of  
 42 civil rights; providing for exemptions from  
 43 disqualification if certain conditions are met;  
 44 requiring an applicant for an exemption to provide  
 45 certain evidence that he or she will not present a  
 46 danger if licensed; granting the board the discretion  
 47 to approve or deny an exemption; providing  
 48 applicability; providing construction; amending s.  
 49 497.142, F.S.; revising criminal history disclosure  
 50 requirements for applicants seeking licensure under  
 51 ch. 497, F.S.; amending s. 497.157, F.S.; prohibiting  
 52 persons from acting as or advertising themselves as  
 53 being funeral directors, embalmers, direct disposers,  
 54 or preneed sales agents unless they are so licensed;  
 55 prohibiting persons from engaging in certain  
 56 activities requiring licensure without holding  
 57 required licenses; revising the criminal penalty for  
 58 unlicensed activity; making technical changes;

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59 amending s. 497.159, F.S.; conforming a provision to  
 60 changes made by the act; amending s. 552.081, F.S.;  
 61 revising the definition of the term "two-component  
 62 explosives" for the purpose of regulation by the  
 63 Division of State Fire Marshal; amending s. 553.7921,  
 64 F.S.; authorizing a contractor repairing certain  
 65 existing fire alarm systems to begin work after filing  
 66 an application for a required permit but before  
 67 receiving the permit; providing construction; amending  
 68 s. 626.2815, F.S.; revising continuing education  
 69 requirements for certain persons licensed to solicit,  
 70 sell, or adjust insurance; amending s. 626.371, F.S.;  
 71 requiring submission of renewal appointments of  
 72 certain insurance representatives within a certain  
 73 timeframe; requiring the department to notify certain  
 74 insurers or employers regarding inadvertent failures  
 75 to appoint; requiring insurers and employers to pay  
 76 certain fees and taxes within a certain timeframe;  
 77 authorizing the department to issue appointments under  
 78 certain circumstances; prohibiting the department from  
 79 considering inadvertent failures to appoint to be  
 80 violations under certain circumstances; requiring the  
 81 department to suspend an insurer's or employer's  
 82 authority to appoint licensees under certain  
 83 circumstances; amending s. 626.8443, F.S.; increasing  
 84 the maximum period of suspension of a title insurance  
 85 agent's or agency's license; making technical changes;  
 86 amending s. 626.916, F.S.; deleting a requirement for  
 87 agents to advise insureds that certain coverage may be

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88 available for personal residential property risks to  
 89 be eligible for export under the Surplus Lines Law;  
 90 amending s. 626.9551, F.S.; prohibiting requirements  
 91 for the provision of replacement cost estimators or  
 92 certain other proprietary business information under  
 93 certain circumstances; amending s. 627.715, F.S.;  
 94 providing an exemption from a diligent effort  
 95 requirement for surplus lines agents exporting  
 96 contracts or endorsements providing flood coverage;  
 97 amending s. 633.102, F.S.; revising the authority of  
 98 certain fire protection system contractors to design  
 99 or alter certain fire protection systems; providing  
 100 for resolution of conflicts between the Florida  
 101 Building Code and the Florida Fire Prevention Code;  
 102 amending s. 633.136, F.S.; replacing fire protection  
 103 agencies in the Fire and Emergency Incident  
 104 Information Reporting Program with fire service  
 105 providers; revising the composition of the Fire and  
 106 Emergency Incident Information System Technical  
 107 Advisory Panel; defining the term "fire service  
 108 provider"; amending s. 633.202, F.S.; extending a  
 109 deadline for certain buildings to comply with a  
 110 minimum radio signal strength requirement under the  
 111 Florida Fire Prevention Code; requiring such buildings  
 112 to meet certain conditions by a specified date;  
 113 revising a condition that existing apartment buildings  
 114 must meet by a specified date; making technical  
 115 changes; creating s. 633.217, F.S.; prohibiting  
 116 certain acts to influence a firesafety inspector to

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117 violate certain laws; prohibiting a firesafety  
 118 inspector from knowingly and willfully accepting an  
 119 attempt to influence him or her to violate certain  
 120 laws; amending s. 633.402, F.S.; revising the  
 121 composition of the Firefighters Employment, Standards,  
 122 and Training Council; amending s. 633.416, F.S.;  
 123 providing that certain persons serving as volunteer  
 124 firefighters may serve as a regular or permanent  
 125 firefighter for a limited period, subject to certain  
 126 restrictions; amending s. 648.30, F.S.; prohibiting  
 127 the aiding or abetting of unlicensed activity of a  
 128 bail bond agent or temporary bail bond agent;  
 129 providing criminal penalties; amending s. 843.08,  
 130 F.S.; prohibiting false personation of personnel or  
 131 representatives of the Division of Investigative and  
 132 Forensic Services; amending s. 943.045, F.S.; revising  
 133 the definition of the term "criminal justice agency"  
 134 to include the investigations component of the  
 135 department which investigates certain crimes;  
 136 reenacting s. 497.141(5)(a), F.S., relating to  
 137 licensing and general application procedures, to  
 138 incorporate the amendment made to s. 497.142, F.S., in  
 139 a reference thereto; providing effective dates.

141 Be It Enacted by the Legislature of the State of Florida:  
 142

143 Section 1. Paragraph (f) of subsection (2) of section  
 144 20.121, Florida Statutes, is amended to read:

145 20.121 Department of Financial Services.—There is created a

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146 Department of Financial Services.

147 (2) DIVISIONS.—The Department of Financial Services shall  
 148 consist of the following divisions and office:

149 (f) The Division of Public Assistance Fraud, which shall  
 150 function as a criminal justice agency for purposes of ss.  
 151 943.045-943.08. The division shall conduct investigations  
 152 pursuant to s. 414.411 within or outside of this state as it  
 153 deems necessary. If, during an investigation, the division has  
 154 reason to believe that any criminal law of this state has or may  
 155 have been violated, it shall refer any records supporting such  
 156 violation to state or federal law enforcement or prosecutorial  
 157 agencies and shall provide investigative assistance to those  
 158 agencies as required.

159 Section 2. Section 284.30, Florida Statutes, is amended to  
 160 read:

161 284.30 State Risk Management Trust Fund; coverages to be  
 162 provided.—A state self-insurance fund, designated as the "State  
 163 Risk Management Trust Fund," is created to be set up by the  
 164 Department of Financial Services and administered with a program  
 165 of risk management, which fund is to provide insurance, as  
 166 authorized by s. 284.33, for workers' compensation, general  
 167 liability, fleet automotive liability, federal civil rights  
 168 actions under 42 U.S.C. s. 1983 or similar federal statutes,  
 169 benefits payable under s. 112.1816(2), and court-awarded  
 170 attorney ~~attorney's~~ fees in other proceedings against the state  
 171 except for such awards in eminent domain or for inverse  
 172 condemnation or for awards by the Public Employees Relations  
 173 Commission. A party to a suit in any court, to be entitled to  
 174 have his or her attorney ~~attorney's~~ fees paid by the state or

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175 any of its agencies, must serve a copy of the pleading claiming  
 176 the fees on the Department of Financial Services; and thereafter  
 177 the department shall be entitled to participate with the agency  
 178 in the defense of the suit and any appeal thereof with respect  
 179 to such fees.

180 Section 3. Section 284.31, Florida Statutes, is amended to  
 181 read:

182 284.31 Scope and types of coverages; separate accounts.—The  
 183 Insurance Risk Management Trust Fund must ~~shall~~, unless  
 184 specifically excluded by the Department of Financial Services,  
 185 cover all departments of the State of Florida and their  
 186 employees, agents, and volunteers and must ~~shall~~ provide  
 187 separate accounts for workers' compensation, general liability,  
 188 fleet automotive liability, federal civil rights actions under  
 189 42 U.S.C. s. 1983 or similar federal statutes, benefits payable  
 190 under s. 112.1816(2), and court-awarded attorney ~~attorney's~~ fees  
 191 in other proceedings against the state except for such awards in  
 192 eminent domain or for inverse condemnation or for awards by the  
 193 Public Employees Relations Commission. Unless specifically  
 194 excluded by the Department of Financial Services, the Insurance  
 195 Risk Management Trust Fund must ~~shall~~ provide fleet automotive  
 196 liability coverage to motor vehicles titled to the state, or to  
 197 any department of the state, when such motor vehicles are used  
 198 by community transportation coordinators performing, under  
 199 contract to the appropriate department of the state, services  
 200 for the transportation disadvantaged under part I of chapter  
 201 427. Such fleet automotive liability coverage is ~~shall be~~  
 202 primary and is ~~shall be~~ subject to ~~the provisions of~~ s. 768.28  
 203 and parts II and III of chapter 284, and applicable rules

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204 adopted thereunder, and the terms and conditions of the  
 205 certificate of coverage issued by the Department of Financial  
 206 Services.

207 Section 4. Section 284.385, Florida Statutes, is amended to  
 208 read:

209 284.385 Reporting and handling of claims.—

210 (1) All departments covered by the State Risk Management  
 211 Trust Fund under this part shall immediately report all known or  
 212 potential claims to the Department of Financial Services for  
 213 handling, except employment complaints that ~~which~~ have not been  
 214 filed with the Florida Human Relations Commission, Equal  
 215 Employment Opportunity Commission, or any similar agency. When  
 216 deemed necessary, the Department of Financial Services shall  
 217 assign or reassign the claim to counsel. The assigned counsel  
 218 shall report regularly to the Department of Financial Services  
 219 or to the covered department on the status of any such claims or  
 220 litigation as required by the Department of Financial Services.  
 221 ~~No~~ Such claims may not ~~claim~~ ~~shall~~ be compromised or settled for  
 222 monetary compensation without the prior approval of the  
 223 Department of Financial Services and prior notification to the  
 224 covered department. All departments shall cooperate with the  
 225 Department of Financial Services in its handling of claims. The  
 226 Department of Financial Services and the Department of  
 227 Management Services, with the cooperation of the state attorneys  
 228 and the clerks of the courts, shall develop a system to  
 229 coordinate the exchange of information concerning claims for and  
 230 against the state, its agencies, and its subdivisions, to assist  
 231 in collection of amounts due to them. The covered department is  
 232 responsible ~~shall have the responsibility~~ for the settlement of

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233 any claim for injunctive or affirmative relief under 42 U.S.C.  
 234 s. 1983 or similar federal or state statutes. The payment of a  
 235 settlement or judgment for any claim covered and reported under  
 236 this part ~~may shall~~ be made only from the State Risk Management  
 237 Trust Fund.

238 (2) Benefits provided under s. 112.1816(2) may not be paid  
 239 from the fund until each request for any out-of-pocket  
 240 deductible, copayment, or coinsurance costs and one-time cash  
 241 payout has been validated and approved by the Department of  
 242 Management Services.

243 Section 5. Section 284.45, Florida Statutes, is created to  
 244 read:

245 284.45 Sexual harassment victims.—

246 (1) An individual working for an entity covered by the  
 247 State Risk Management Trust Fund may not engage in retaliatory  
 248 conduct of any kind against a sexual harassment victim. As used  
 249 in this section, the term "sexual harassment victim" means an  
 250 individual employed, or being considered for employment, with an  
 251 entity participating in the State Risk Management Trust Fund who  
 252 becomes a victim of workplace sexual harassment through the  
 253 course of employment, or while being considered for employment,  
 254 with the entity.

255 (2) The willful and knowing dissemination of personal  
 256 identifying information of a sexual harassment victim, which is  
 257 confidential and exempt pursuant to s. 119.071(2)(n), to any  
 258 party other than a governmental entity in furtherance of its  
 259 official duties or pursuant to a court order is a misdemeanor of  
 260 the first degree, punishable as provided in s. 775.082. For  
 261 purposes of this subsection, the term "personal identifying

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262 information" includes the name of the sexual harassment victim  
 263 and his or her:

264 (a) Home address;

265 (b) Home phone number;

266 (c) Cellular phone number;

267 (d) E-mail address;

268 (e) Social media account username or uniform resource

269 locator (URL); or

270 (f) Any other information that could reasonably be used to  
 271 identify an alleged sexual harassment victim.

272 Section 6. Subsections (1), (2), (3), (6), and (8) of  
 273 section 497.101, Florida Statutes, are amended to read:

274 497.101 Board of Funeral, Cemetery, and Consumer Services;  
 275 membership; appointment; terms.—

276 (1) The Board of Funeral, Cemetery, and Consumer Services  
 277 is created within the Department of Financial Services and shall  
 278 consist of 10 members, 9 of whom shall be appointed by the  
 279 Governor from nominations made by the Chief Financial Officer  
 280 and confirmed by the Senate. The Chief Financial Officer shall  
 281 nominate one to three persons for each of the nine vacancies on  
 282 the board, and the Governor shall fill each vacancy on the board  
 283 by appointing one of the ~~three~~ persons nominated by the Chief  
 284 Financial Officer to fill that vacancy. If the Governor objects  
 285 to each of the ~~three~~ nominations for a vacancy, she or he shall  
 286 inform the Chief Financial Officer in writing. Upon notification  
 287 of an objection by the Governor, the Chief Financial Officer  
 288 shall submit one to three additional nominations for that  
 289 vacancy until the vacancy is filled. One member must be the  
 290 State Health Officer or her or his designee.

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291 (2) Two members of the board ~~must shall~~ be funeral  
 292 directors licensed under part III of this chapter who are  
 293 associated with a funeral establishment. One member of the board  
 294 ~~must shall~~ be a funeral director licensed under part III of this  
 295 chapter who is associated with a funeral establishment licensed  
 296 under part III of this chapter ~~which that~~ has a valid preneed  
 297 license issued pursuant to this chapter and who owns or operates  
 298 a cinerator facility approved under chapter 403 and licensed  
 299 under part VI of this chapter. Two members of the board ~~must~~  
 300 ~~shall~~ be persons whose primary occupation is associated with a  
 301 cemetery company licensed pursuant to this chapter. ~~Two Three~~  
 302 members of the board ~~must shall~~ be consumers who are residents  
 303 of ~~this the~~ state, have never been licensed as funeral directors  
 304 or embalmers, are not connected with a cemetery or cemetery  
 305 company licensed pursuant to this chapter, and are not connected  
 306 with the death care industry or the practice of embalming,  
 307 funeral directing, or direct disposition. One of the ~~two~~  
 308 consumer members ~~must shall~~ be at least 60 years of age, ~~and one~~  
 309 ~~shall be licensed as a certified public accountant under chapter~~  
 310 ~~473. One member of the board must be a consumer who is a~~  
 311 resident of this state; is licensed as a certified public  
 312 accountant under chapter 473; has never been licensed as a  
 313 funeral director or an embalmer; is not a principal or an  
 314 employee of any licensee licensed under this chapter; and does  
 315 not otherwise have control, as defined in s. 497.005, over any  
 316 licensee licensed under this chapter. One member of the board  
 317 ~~must shall~~ be a principal of a monument establishment licensed  
 318 under this chapter as a monument builder. One member ~~must shall~~  
 319 be the State Health Officer or her or his designee. There ~~may~~

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320 ~~shall~~ not be two or more board members who are principals or  
 321 employees of the same company or partnership or group of  
 322 companies or partnerships under common control.  
 323 (3) Board members shall be appointed for terms of 4 years,  
 324 and the State Health Officer shall serve as long as that person  
 325 holds that office. The designee of the State Health Officer  
 326 shall serve at the pleasure of the Governor. ~~When the terms of~~  
 327 ~~the initial board members expire, the Chief Financial Officer~~  
 328 ~~shall stagger the terms of the successor members as follows: one~~  
 329 ~~funeral director, one cemetery representative, the monument~~  
 330 ~~builder, and one consumer member shall be appointed for terms of~~  
 331 ~~2 years, and the remaining members shall be appointed for terms~~  
 332 ~~of 4 years. All subsequent terms shall be for 4 years.~~  
 333 (6) The board shall maintain its headquarters and records  
 334 ~~of the board shall be~~ in the Division of Funeral, Cemetery, and  
 335 Consumer Services of the Department of Financial Services in the  
 336 City of Tallahassee. The board may be contacted through the  
 337 Division of Funeral, Cemetery, and Consumer Services of the  
 338 Department of Financial Services in the City of Tallahassee. The  
 339 Chief Financial Officer shall annually appoint from among the  
 340 board members a chair and vice chair of the board. The board  
 341 shall meet at least every 6 months, and more often as necessary.  
 342 Special meetings of the board shall be convened upon the  
 343 direction of the Chief Financial Officer. A quorum is necessary  
 344 for the conduct of business by the board. The participation by a  
 345 board member in a meeting conducted through communications media  
 346 technology constitutes that individual's presence at such  
 347 meeting. Board members appearing at a board meeting in person as  
 348 well as board members appearing through the use of

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349 communications media technology shall be counted for the  
 350 determination of a quorum. As used in this subsection,  
 351 "communications media technology" means the electronic  
 352 transmission of printed matter, audio, full-motion video,  
 353 freeze-frame video, compressed video, and digital video by any  
 354 method available. Unless otherwise provided by law, a majority  
 355 of the board members eligible to vote constitutes a quorum for  
 356 the purpose of conducting its business ~~six board members shall~~  
 357 constitute a quorum for the conduct of the board's business.

358 ~~(8) The department shall adopt rules establishing forms by~~  
 359 ~~which persons may apply for membership on the board and~~  
 360 ~~procedures for applying for such membership. Such forms shall~~  
 361 ~~require disclosure of the existence and nature of all current~~  
 362 ~~and past employments by or contracts with, and direct or~~  
 363 ~~indirect affiliations or interests in, any entity or business~~  
 364 ~~that at any time was licensed by the board or by the former~~  
 365 ~~Board of Funeral and Cemetery Services or the former Board of~~  
 366 ~~Funeral Directors and Embalmers or that is or was otherwise~~  
 367 ~~involved in the death care industry, as specified by department~~  
 368 ~~rule.~~

369 Section 7. Section 497.1411, Florida Statutes, is created  
 370 to read:

371 497.1411 Disqualification of applicants and licensees;  
 372 penalties against licensees; rulemaking.-

373 (1) For purposes of this section, the term:

374 (a) "Applicant" means an individual applying for licensure  
 375 or relicensure under this chapter, or an officer, a director, a  
 376 majority owner, a partner, a manager, or another person who  
 377 manages or controls an entity applying for licensure or

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378 relicensure under this chapter.

379 (b) "Felony of the first degree" or "capital felony"  
 380 includes all felonies designated as such in this state at the  
 381 time of the commission of the offense, as well as any offense in  
 382 another jurisdiction which is substantially similar to an  
 383 offense so designated in this state.

384 (c) "Financial services business" means any financial  
 385 activity regulated by the department, the Office of Insurance  
 386 Regulation, or the Office of Financial Regulation.

387 (2) An applicant who has been found guilty of, or has  
 388 pleaded guilty or nolo contendere to any of the following  
 389 crimes, regardless of adjudication, is permanently barred from  
 390 licensure under this chapter:

391 (a) A felony of the first degree.

392 (b) A capital felony.

393 (c) A felony money laundering offense.

394 (d) A felony embezzlement.

395 (3) An applicant who has been found guilty of, or has  
 396 pleaded guilty or nolo contendere to a crime not included in  
 397 subsection (2), regardless of adjudication, is subject to:

398 (a) A 10-year disqualifying period for all felonies  
 399 involving moral turpitude which are not specifically included in  
 400 the permanent bar from licensure contained in subsection (2).

401 (b) A 5-year disqualifying period for all felonies to which  
 402 neither the permanent bar from licensure in subsection (2) nor  
 403 the 10-year disqualifying period in paragraph (a) applies.

404 (c) A 5-year disqualifying period for all misdemeanors  
 405 directly related to the financial services business.

406 (4) The board shall adopt rules to administer this section.



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407 The rules must provide for additional disqualifying periods due  
 408 to the commitment of multiple crimes and may include other  
 409 factors reasonably related to the applicant's criminal history.  
 410 The rules must provide for mitigating and aggravating factors.  
 411 However, mitigation may not result in a period of  
 412 disqualification of less than 5 years and may not mitigate the  
 413 disqualifying periods in paragraphs (3) (b) and (c).

414 (5) For purposes of this section, a disqualifying period  
 415 begins upon the applicant's final release from supervision or  
 416 upon completion of the applicant's criminal sentence. The  
 417 department may not issue a license to an applicant unless all  
 418 related fines, court costs and fees, and court-ordered  
 419 restitution have been paid.

420 (6) After the disqualifying period has expired, the burden  
 421 is on the applicant to demonstrate that he or she has been  
 422 rehabilitated, does not pose a risk to the public, is fit and  
 423 trustworthy to engage in business regulated by this chapter, and  
 424 is otherwise qualified for licensure.

425 (7) Notwithstanding subsections (2) and (3), an applicant  
 426 who has been found guilty of, or has pleaded guilty or nolo  
 427 contendere to, a crime in subsection (2) or subsection (3) and  
 428 who has subsequently been granted a pardon or the restoration of  
 429 civil rights pursuant to chapter 940 and s. 8, Art. IV of the  
 430 State Constitution, or a pardon or the restoration of civil  
 431 rights under the laws of another jurisdiction with respect to a  
 432 conviction in that jurisdiction, is not barred or disqualified  
 433 from licensure under this chapter. However, such a pardon or  
 434 restoration of civil rights does not require the department to  
 435 award such license.

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436 (8) (a) The board may grant an exemption from  
 437 disqualification to any person disqualified from licensure under  
 438 subsection (3) if:

439 1. The applicant has paid in full any fee, fine, fund,  
 440 lien, civil judgment, restitution, or cost of prosecution  
 441 imposed by the court as part of the judgment and sentence for  
 442 any disqualifying offense; and

443 2. At least 5 years have elapsed since the applicant  
 444 completed or has been lawfully released from confinement,  
 445 supervision, or a nonmonetary condition imposed by the court for  
 446 a disqualifying offense.

447 (b) For the board to grant an exemption under this  
 448 subsection, the applicant must clearly and convincingly  
 449 demonstrate that he or she would not pose a risk to persons or  
 450 property if licensed under this chapter, evidence of which must  
 451 include, but need not be limited to, facts and circumstances  
 452 surrounding the disqualifying offense, the time that has elapsed  
 453 since the offense, the nature of the offense and harm caused to  
 454 the victim, the applicant's history before and after the  
 455 offense, and any other evidence or circumstances indicating that  
 456 the applicant will not present a danger if licensed or  
 457 certified.

458 (c) The board has discretion whether to grant or deny an  
 459 exemption under this subsection. The board's decision is subject  
 460 to chapter 120.

461 (9) The disqualification periods provided in this section  
 462 do not apply to the renewal of a license or to a new application  
 463 for licensure if the applicant has an active license as of July  
 464 1, 2021, and the applicable criminal history was considered by

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465 the board on the prior approval of any active license held by  
 466 the applicant. This subsection does not affect any criminal  
 467 history disclosure requirements of this chapter.

468 Section 8. Subsection (9) and paragraph (c) of subsection  
 469 (10) of section 497.142, Florida Statutes, are amended to read:  
 470 497.142 Licensing; fingerprinting and criminal background  
 471 checks.—

472 (9) If any applicant under this chapter has been, ~~within~~  
 473 ~~the 10 years preceding the application under this chapter,~~  
 474 convicted or found guilty of, or entered a plea of nolo  
 475 contendere to, regardless of adjudication, any crime in any  
 476 jurisdiction, the application shall not be deemed complete until  
 477 such time as the applicant provides such certified true copies  
 478 of the court records evidencing the conviction, finding, or plea  
 479 as required by this section ~~or,~~ as the licensing authority may  
 480 by rule require.

481 (10) (c) Crimes to be disclosed are:

482 1. Any felony ~~or misdemeanor,~~ no matter when committed,  
 483 ~~that was directly or indirectly related to or involving any~~  
 484 ~~aspect of the practice or business of funeral directing,~~  
 485 ~~embalming, direct disposition, cremation, funeral or cemetery~~  
 486 ~~preneed sales, funeral establishment operations, cemetery~~  
 487 ~~operations, or cemetery monument or marker sales or~~  
 488 ~~installation.~~

489 2. Any misdemeanor, no matter when committed, which was  
 490 directly or indirectly related to the financial services  
 491 business as defined in s. 497.1411 ~~Any other felony not already~~  
 492 ~~disclosed under subparagraph 1. that was committed within the 20~~  
 493 ~~years immediately preceding the application under this chapter.~~

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494 3. Any other misdemeanor not already disclosed under  
 495 subparagraph 2. which ~~subparagraph 1. that~~ was committed within  
 496 the 5 years immediately preceding the application under this  
 497 chapter.

498 Section 9. Present subsections (2) through (5) of section  
 499 497.157, Florida Statutes, are redesignated as subsections (4)  
 500 through (7), respectively, new subsections (2) and (3) and  
 501 subsection (8) are added to that section, and present subsection  
 502 (3) of that section is amended, to read:

503 497.157 Unlicensed practice; remedies concerning violations  
 504 by unlicensed persons.—

505 (2) A person may not be, act as, or advertise or hold  
 506 himself or herself out to be a funeral director, an embalmer, or  
 507 a direct disposer unless he or she is currently licensed by the  
 508 department.

509 (3) A person may not be, act as, or advertise or hold  
 510 himself or herself out to be a preneed sales agent unless he or  
 511 she is currently licensed by the department and appointed by a  
 512 preneed main licensee for which he or she is executing preneed  
 513 contracts.

514 ~~(5)(3)~~ Where the department determines that an emergency  
 515 exists regarding any violation of this chapter by any unlicensed  
 516 person or entity, the department may issue and serve an  
 517 immediate final order upon such unlicensed person or entity, in  
 518 accordance with s. 120.569(2)(n). Such an immediate final order  
 519 may impose such prohibitions and requirements as are reasonably  
 520 necessary to protect the public health, safety, and welfare, and  
 521 is shall be effective when served.

522 (a) For the purpose of enforcing such an immediate final

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523 order, the department may file an emergency or other proceeding  
 524 in the circuit courts of the state seeking enforcement of the  
 525 immediate final order by injunctive or other order of the court.  
 526 The court shall issue its injunction or other order enforcing  
 527 the immediate final order pending administrative resolution of  
 528 the matter under subsection (4) ~~(2)~~, unless the court determines  
 529 that such action would work a manifest injustice under the  
 530 circumstances. Venue for judicial actions under this paragraph  
 531 ~~must shall~~ be, at the election of the department, in the courts  
 532 of Leon County, or in a county where the respondent resides or  
 533 has a place of business.

534 (b) After serving an immediate final order to cease and  
 535 desist upon any person or entity, the department shall within 10  
 536 days issue and serve upon the same person or entity an  
 537 administrative complaint as set forth in subsection (4) ~~(2)~~,  
 538 except that, absent order of a court to the contrary, the  
 539 immediate final order will shall be effective throughout the  
 540 pendency of proceedings under subsection (4) ~~(2)~~.

541 (8) Any person who is not licensed under this chapter and  
 542 who engages in activity requiring licensure under this chapter  
 543 commits a felony of the third degree, punishable as provided in  
 544 s. 775.082, s. 775.083, or s. 775.084.

545 Section 10. Subsection (6) of section 497.159, Florida  
 546 Statutes, is amended to read:  
 547 497.159 Crimes.—

548 ~~(6) Any person who is not licensed under this chapter who~~  
 549 ~~engages in activity requiring licensure under this chapter,~~  
 550 ~~commits a misdemeanor of the second degree, punishable as~~  
 551 ~~provided in s. 775.082 or s. 775.083.~~

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552 Section 11. Subsection (13) of section 552.081, Florida  
 553 Statutes, is amended to read:

554 552.081 Definitions.—As used in this chapter:

555 (13) "Two-component explosives" means any two inert  
 556 components ~~that which~~, when mixed, become capable of detonation  
 557 by a detonator ~~a No. 6 blasting cap~~, and shall be classified as  
 558 a Class "A" explosive when so mixed.

559 Section 12. Present subsection (2) of section 553.7921,  
 560 Florida Statutes, is redesignated as subsection (3), a new  
 561 subsection (2) is added to that section, and subsection (1) of  
 562 that section is amended, to read:

563 553.7921 Fire alarm permit application to local enforcement  
 564 agency.—

565 (1) A contractor must file a Uniform Fire Alarm Permit  
 566 Application as provided in subsection (3) ~~(2)~~ with the local  
 567 enforcement agency and must receive the fire alarm permit  
 568 before:

569 ~~(a) installing or replacing a fire alarm, if the local~~  
 570 ~~enforcement agency requires a plan review for the installation~~  
 571 ~~or replacement; or~~

572 ~~(b) Repairing an existing alarm system that was previously~~  
 573 ~~permitted by the local enforcement agency if the local~~  
 574 ~~enforcement agency requires a fire alarm permit for the repair.~~

575 (2) If the local enforcement agency requires a fire alarm  
 576 permit to repair an existing alarm system that was previously  
 577 permitted by the local enforcement agency, a contractor may  
 578 begin work after filing a Uniform Fire Alarm Permit Application  
 579 as provided in subsection (3). A fire alarm repaired pursuant to  
 580 this subsection may not be considered compliant until the

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581 required permit is issued and the local enforcement agency  
 582 approves the repair.

583 Section 13. Effective January 1, 2022, subsection (3) of  
 584 section 626.2815, Florida Statutes, is amended to read:

585 626.2815 Continuing education requirements.—

586 (3) Each licensee except a title insurance agent must  
 587 complete a 4-hour ~~5-hour~~ update course every 2 years which is  
 588 specific to the license held by the licensee. The course must be  
 589 developed and offered by providers and approved by the  
 590 department. The content of the course must address all lines of  
 591 insurance for which examination and licensure are required and  
 592 include the following subject areas: insurance law updates,  
 593 ethics for insurance professionals, disciplinary trends and case  
 594 studies, industry trends, premium discounts, determining  
 595 suitability of products and services, and other similar  
 596 insurance-related topics the department determines are relevant  
 597 to legally and ethically carrying out the responsibilities of  
 598 the license granted. A licensee who holds multiple insurance  
 599 licenses must complete an update course that is specific to at  
 600 least one of the licenses held. Except as otherwise specified,  
 601 any remaining required hours of continuing education are  
 602 elective and may consist of any continuing education course  
 603 approved by the department under this section.

604 (a) Except as provided in paragraphs (b), (c), (d), (e),  
 605 (i), and (j), each licensee must also complete 20 ~~19~~ hours of  
 606 elective continuing education courses every 2 years.

607 (b) A licensee who has been licensed for 6 or more years  
 608 must also complete a minimum of 16 ~~15~~ hours of elective  
 609 continuing education every 2 years.

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610 (c) A licensee who has been licensed for 25 years or more  
 611 and is a CLU or a CPCU or has a Bachelor of Science degree in  
 612 risk management or insurance with evidence of 18 or more  
 613 semester hours in insurance-related courses must also complete a  
 614 minimum of 6 ~~5~~ hours of elective continuing education courses  
 615 every 2 years.

616 (d) An individual who holds a license as a customer  
 617 representative and who is not a licensed life or health agent  
 618 must also complete a minimum of 6 ~~5~~ hours of continuing  
 619 education courses every 2 years.

620 (e) An individual subject to chapter 648 must complete the  
 621 4-hour ~~5-hour~~ update course and a minimum of 10 ~~9~~ hours of  
 622 elective continuing education courses every 2 years.

623 (f) Elective continuing education courses for public  
 624 adjusters must be specifically designed for public adjusters and  
 625 approved by the department. Notwithstanding this subsection,  
 626 public adjusters for workers' compensation insurance or health  
 627 insurance are not required to take continuing education courses  
 628 pursuant to this section.

629 (g) Excess hours accumulated during any 2-year compliance  
 630 period may be carried forward to the next compliance period.

631 (h) An individual teaching an approved course of  
 632 instruction or lecturing at any approved seminar and attending  
 633 the entire course or seminar qualifies for the same number of  
 634 classroom hours as would be granted to a person taking and  
 635 successfully completing such course or seminar. Credit is  
 636 limited to the number of hours actually taught unless a person  
 637 attends the entire course or seminar. An individual who is an  
 638 official of or employed by a governmental entity in this state

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639 and serves as a professor, instructor, or in another position or  
640 office, the duties and responsibilities of which are determined  
641 by the department to require monitoring and review of insurance  
642 laws or insurance regulations and practices, is exempt from this  
643 section.

644 (i) For compliance periods beginning on or after October 1,  
645 2014, any person who holds a license as a title insurance agent  
646 must complete a minimum of 10 hours of continuing education  
647 credit every 2 years in title insurance and escrow management  
648 specific to this state and approved by the department, which  
649 ~~must shall~~ include at least 3 hours of continuing education on  
650 the subject matter of ethics, rules, or compliance with state  
651 and federal regulations relating specifically to title insurance  
652 and closing services.

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

657 Section 14. Subsections (1) and (2) of section 626.371,  
658 Florida Statutes, are amended to read:

659 626.371 Payment of fees, taxes for appointment period  
660 without appointment.—

661 (1) All initial and renewal appointments shall be submitted  
662 to the department on a monthly basis no later than 45 days after  
663 the date of appointment and become effective on the date  
664 requested on the appointment form.

665 (2) (a) If, upon application and qualification for an  
666 initial or renewal appointment and such investigation as the  
667 department may make, ~~it appears to~~ the department determines

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668 that an individual has not been properly appointed to represent  
669 an insurer or employer, that such individual ~~who~~ was formerly  
670 licensed or is currently licensed, ~~but not properly appointed to~~  
671 ~~represent an insurer or employer~~ and that such individual who  
672 has been actively engaged or is currently actively engaged as  
673 such an appointee, ~~but without being appointed as required,~~ the  
674 department ~~shall~~ may, if it finds that such failure to be  
675 appointed was an inadvertent error on the part of the insurer or  
676 employer so represented, notify the insurer or employer of its  
677 finding and of the requirement to pay all fees and taxes due  
678 pursuant to paragraph (b) within 21 days.

679 (b) The department may nevertheless issue or authorize the  
680 issuance of the appointment upon the insurer's or employer's  
681 timely payment to the department of as applied for but subject  
682 to the condition that, before the appointment is issued, all  
683 fees and taxes that which would have been due had the applicant  
684 been properly ~~se~~ appointed during such current and prior  
685 periods, including with applicable fees that would have been due  
686 pursuant to s. 624.501 for such current and prior periods of  
687 appointment, shall be paid to the department.

688 (c) Upon proper appointment of the individual and payment  
689 of all fees and taxes due pursuant to paragraph (b), paragraph  
690 (3) (a), and s. 624.501 by the insurer or employer, the  
691 department may no longer consider the inadvertent failure to  
692 appoint to be a violation of this code.

693 (d) If the insurer or employer does not pay the fees and  
694 taxes due pursuant to paragraph (b) within 21 days after notice  
695 by the department, the department shall suspend the insurer's or  
696 employer's authority to appoint licensees until all outstanding

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697 fees have been paid.

698 Section 15. Subsection (1) of section 626.8443, Florida  
699 Statutes, is amended to read:

700 626.8443 Duration of suspension or revocation.—

701 (1) The department shall, in its order suspending a title  
702 insurance agent's or agency's license or appointment or in its  
703 order suspending the eligibility of a person to hold or apply  
704 for such license or appointment, specify the period during which  
705 the suspension is to be in effect, but such period may ~~shall~~ not  
706 exceed 2 years ~~1 year~~. The license, ~~or~~ appointment, or  
707 eligibility will ~~shall~~ remain suspended during the period so  
708 specified, subject, however, to any rescission or modification  
709 of the order by the department, or modification or reversal  
710 thereof by the court, prior to expiration of the suspension  
711 period. A license, appointment, or eligibility that ~~which~~ has  
712 been suspended may not be reinstated except upon request for  
713 such reinstatement, but the department may ~~shall~~ not grant such  
714 reinstatement if it finds that the circumstance or circumstances  
715 for which the license, appointment, and eligibility was  
716 suspended still exist or are likely to recur.

717 Section 16. Paragraph (e) of subsection (1) of section  
718 626.916, Florida Statutes, is amended to read:

719 626.916 Eligibility for export.—

720 (1) No insurance coverage shall be eligible for export  
721 unless it meets all of the following conditions:

722 ~~(e) For personal residential property risks, the retail or~~  
723 ~~producing agent must advise the insured in writing that coverage~~  
724 ~~may be available and may be less expensive from Citizens~~  
725 ~~Property Insurance Corporation. The notice must include other~~

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726 ~~information that states that assessments by Citizens Property~~  
727 ~~Insurance Corporation are higher and the coverage provided by~~  
728 ~~Citizens Property Insurance Corporation may be less than the~~  
729 ~~property's existing coverage. If the notice is signed by the~~  
730 ~~insured, it is presumed that the insured has been informed and~~  
731 ~~knows that policies from Citizens Property Insurance Corporation~~  
732 ~~may be less expensive, may provide less coverage, and will be~~  
733 ~~accompanied by higher assessments.~~

734 Section 17. Paragraph (e) is added to subsection (1) of  
735 section 626.9551, Florida Statutes, to read:

736 626.9551 Favored agent or insurer; coercion of debtors.—

737 (1) No person may:

738 (e) Require, directly or indirectly, the provision of, and  
739 an insurance agent or a broker may not provide, directly or  
740 indirectly, as a condition precedent or condition subsequent to  
741 the lending of money or extension of credit to be secured by  
742 real property, the replacement cost estimator or other  
743 underwriting information that is proprietary business  
744 information, as defined in s. 624.4212(1), to the insurer  
745 underwriting the insurance policy covering such property.

746 Section 18. Present subsections (4) through (10) of section  
747 627.715, Florida Statutes, are redesignated as subsections (5)  
748 through (11), respectively, and a new subsection (4) is added to  
749 that section, to read:

750 627.715 Flood insurance.—An authorized insurer may issue an  
751 insurance policy, contract, or endorsement providing personal  
752 lines residential coverage for the peril of flood or excess  
753 coverage for the peril of flood on any structure or the contents  
754 of personal property contained therein, subject to this section.

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755 This section does not apply to commercial lines residential or  
 756 commercial lines nonresidential coverage for the peril of flood.  
 757 An insurer may issue flood insurance policies, contracts,  
 758 endorsements, or excess coverage on a standard, preferred,  
 759 customized, flexible, or supplemental basis.

760 (4) A surplus lines agent may export a contract or an  
 761 endorsement providing flood coverage to an eligible surplus  
 762 lines insurer without making a diligent effort to seek such  
 763 coverage from three or more authorized insurers under s.  
 764 626.916(1) (a). If there are fewer than three admitted insurers,  
 765 the number of declinations necessary to meet the diligent-effort  
 766 requirement may not be fewer than the number of authorized  
 767 insurers providing flood coverage.

768 Section 19. Subsection (3) of section 633.102, Florida  
 769 Statutes, is amended to read:

770 633.102 Definitions.—As used in this chapter, the term:

771 (3) (a) "Contractor I" means a contractor whose business  
 772 includes the execution of contracts requiring the ability to lay  
 773 out, fabricate, install, inspect, alter, repair, and service all  
 774 types of fire protection systems, excluding preengineered  
 775 systems.

776 (b) "Contractor II" means a contractor whose business is  
 777 limited to the execution of contracts requiring the ability to  
 778 lay out, fabricate, install, inspect, alter, repair, and service  
 779 water sprinkler systems, water spray systems, foam-water  
 780 sprinkler systems, foam-water spray systems, standpipes,  
 781 combination standpipes and sprinkler risers, all piping that is  
 782 an integral part of the system beginning at the point of service  
 783 as defined in this section, sprinkler tank heaters, air lines,

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784 thermal systems used in connection with sprinklers, and tanks  
 785 and pumps connected thereto, excluding preengineered systems.

786 (c) "Contractor III" means a contractor whose business is  
 787 limited to the execution of contracts requiring the ability to  
 788 fabricate, install, inspect, alter, repair, and service carbon  
 789 dioxide systems, foam extinguishing systems, dry chemical  
 790 systems, and Halon and other chemical systems, excluding  
 791 preengineered systems.

792 (d) "Contractor IV" means a contractor whose business is  
 793 limited to the execution of contracts requiring the ability to  
 794 lay out, fabricate, install, inspect, alter, repair, and service  
 795 automatic fire sprinkler systems for detached one-family  
 796 dwellings, detached two-family dwellings, and mobile homes,  
 797 excluding preengineered systems and excluding single-family  
 798 homes in cluster units, such as apartments, condominiums, and  
 799 assisted living facilities or any building that is connected to  
 800 other dwellings. A Contractor IV is limited to the scope of  
 801 practice specified in NFPA 13D.

802 (e) "Contractor V" means a contractor whose business is  
 803 limited to the execution of contracts requiring the ability to  
 804 fabricate, install, inspect, alter, repair, and service the  
 805 underground piping for a fire protection system using water as  
 806 the extinguishing agent beginning at the point of service as  
 807 defined in this act and ending no more than 1 foot above the  
 808 finished floor.

809  
 810 ~~The definitions in~~ This subsection may not be construed to  
 811 include engineers or architects within the defined terms and  
 812 does not limit or prohibit a licensed fire protection

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813 engineer or architect with fire protection design experience  
 814 from designing any type of fire protection system. A distinction  
 815 is made between system design concepts prepared by the design  
 816 professional and system layout as defined in this section and  
 817 typically prepared by the contractor. However, a person  
 818 certified as a Contractor I ~~or~~ Contractor II, ~~or Contractor IV~~  
 819 ~~under this chapter~~ may design new fire protection systems of 49  
 820 or fewer sprinklers; ~~and~~ may design the alteration of an  
 821 existing fire sprinkler system if the alteration consists of the  
 822 relocation, addition, or deletion of ~~not more than~~ 49 or fewer  
 823 sprinklers, notwithstanding the size of the existing fire  
 824 sprinkler system; or may design the alteration of an existing  
 825 fire sprinkler system if the alteration consists of the  
 826 relocation or deletion of 249 or fewer sprinklers,  
 827 notwithstanding the size of the existing fire sprinkler system,  
 828 if there is no change of occupancy, as defined in the Florida  
 829 Building Code and the Florida Fire Prevention Code, of the  
 830 affected areas and there is no change in the water demand as  
 831 defined in NFPA 13, "Standard for the Installation of Sprinkler  
 832 Systems," and if the occupancy hazard classification as defined  
 833 in NFPA 13 is reduced or remains the same as a result of the  
 834 alteration. Conflicts between the Florida Building Code and the  
 835 Florida Fire Prevention Code shall be resolved pursuant to s.  
 836 553.73(1)(d). A person certified as a Contractor I, Contractor  
 837 II, or Contractor IV may design or alter a fire protection  
 838 system, the scope of which complies with NFPA 13D, "Standard for  
 839 the Installation of Sprinkler Systems in One- and Two-Family  
 840 Dwellings and Manufactured Homes," as adopted by the State Fire  
 841 Marshal, notwithstanding the number of fire sprinklers.

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842 Contractor-developed plans may not be required by any local  
 843 permitting authority to be sealed by a registered professional  
 844 engineer.  
 845 Section 20. Section 633.136, Florida Statutes, is amended  
 846 to read:  
 847 633.136 Fire and Emergency Incident Information Reporting  
 848 Program; duties; fire reports.—  
 849 (1) (a) The Fire and Emergency Incident Information  
 850 Reporting Program is created within the division. The program  
 851 shall:  
 852 1. Establish and maintain an electronic communication  
 853 system capable of transmitting fire and emergency incident  
 854 information to and between fire service providers ~~protection~~  
 855 ~~agencies~~.  
 856 2. Initiate a Fire and Emergency Incident Information  
 857 Reporting System that ~~is~~ shall be responsible for:  
 858 a. Receiving fire and emergency incident information from  
 859 fire service providers ~~protection agencies~~.  
 860 b. Preparing and disseminating annual reports to the  
 861 Governor, the President of the Senate, the Speaker of the House  
 862 of Representatives, fire service providers ~~protection agencies~~,  
 863 and, upon request, the public. Each report ~~must~~ shall include,  
 864 but not be limited to, the information listed in the National  
 865 Fire Incident Reporting System.  
 866 c. Upon request, providing other states and federal  
 867 agencies with fire and emergency incident data of this state.  
 868 3. Adopt rules to effectively and efficiently implement,  
 869 administer, manage, maintain, and use the Fire and Emergency  
 870 Incident Information Reporting Program. The rules shall be

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871 considered minimum requirements and ~~may shall~~ not preclude a  
872 fire service provider ~~protection agency~~ from implementing its  
873 own requirements ~~that which~~ may not conflict with the rules of  
874 the division.

875 4. By rule, establish procedures and a format for each fire  
876 service provider ~~protection agency~~ to voluntarily monitor its  
877 records and submit reports to the program.

878 5. ~~Maintain~~ Establish an electronic information database  
879 that is accessible and searchable by fire service providers  
880 ~~protection agencies~~.

881 (b) The division shall consult with the Florida Forest  
882 Service of the Department of Agriculture and Consumer Services  
883 and the State Surgeon General of the Department of Health to  
884 coordinate data, ensure accuracy of the data, and limit  
885 duplication of efforts in data collection, analysis, and  
886 reporting.

887 (2) The Fire and Emergency Incident Information System  
888 Technical Advisory Panel is created within the division. The  
889 panel shall advise, review, and recommend to the State Fire  
890 Marshal with respect to the requirements of this section. The  
891 membership of the panel consists ~~shall consist~~ of the following  
892 15 members:

893 ~~(a) The current 13 members~~ of the Firefighters Employment,  
894 Standards, and Training Council as established in s. 633.402.

895 ~~(b) One member from the Florida Forest Service of the~~  
896 ~~Department of Agriculture and Consumer Services, appointed by~~  
897 ~~the director of the Florida Forest Service.~~

898 ~~(c) One member from the Department of Health, appointed by~~  
899 ~~the State Surgeon General.~~

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900 (3) As used in ~~For the purpose of~~ this section, the term  
901 "fire service provider" has the same meaning as in s. 633.102  
902 ~~"fire protection agency"~~ shall be defined by rule by the  
903 ~~division~~.

904 Section 21. Subsection (18) of section 633.202, Florida  
905 Statutes, is amended to read:

906 633.202 Florida Fire Prevention Code.—

907 (18) The authority having jurisdiction shall determine the  
908 minimum radio signal strength for fire department communications  
909 in all new high-rise and existing high-rise buildings. Existing  
910 buildings are not required to comply with minimum radio strength  
911 for fire department communications and two-way radio system  
912 enhancement communications as required by the Florida Fire  
913 Prevention Code until January 1, 2023 ~~2022~~. However, by January  
914 1, 2022 ~~December 31, 2019~~, an existing building that is not in  
915 compliance with the requirements for minimum radio strength for  
916 fire department communications must have completed a minimum  
917 radio strength assessment ~~apply for an appropriate permit~~ for  
918 the required installation with the local government agency  
919 having jurisdiction and must demonstrate that the building will  
920 become compliant by January 1, 2023 ~~2022~~. Existing apartment  
921 buildings are not required to comply until January 1, 2025.  
922 However, existing apartment buildings must have completed a  
923 minimum radio strength assessment ~~are required to apply for the~~  
924 ~~appropriate permit~~ for the required communications installation  
925 by December 31, 2022.

926 Section 22. Section 633.217, Florida Statutes, is created  
927 to read:

928 633.217 Influencing a firesafety inspector; prohibited

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929 acts.930 (1) A person may not influence a firesafety inspector by:

931 (a) Threatening, coercing, tricking, or attempting to  
 932 threaten, coerce, or trick the firesafety inspector into  
 933 violating any provision of the Florida Fire Prevention Code, any  
 934 rule adopted by the State Fire Marshal, or any provision of this  
 935 chapter.

936 (b) Offering any compensation to the firesafety inspector  
 937 to induce a violation of the Florida Fire Prevention Code, any  
 938 rule adopted by the State Fire Marshal, or any provision of this  
 939 chapter.

940 (2) A firesafety inspector may not knowingly and willfully  
 941 accept an attempt by a person to influence the firesafety  
 942 inspector into violating any provision of the Florida Fire  
 943 Prevention Code, any rule adopted by the State Fire Marshal, or  
 944 any provision of this chapter.

945 Section 23. Subsection (1) of section 633.402, Florida  
 946 Statutes, is amended to read:

947 633.402 Firefighters Employment, Standards, and Training  
 948 Council; organization; meetings; quorum; compensation; seal;  
 949 special powers; firefighter training.—

950 (1) There is created within the department a Firefighters  
 951 Employment, Standards, and Training Council of 15 ~~14~~ members.

952 (a) The members shall be appointed as follows:

953 1. Two fire chiefs appointed by the Florida Fire Chiefs  
 954 Association.

955 2. Two firefighters, who are not officers, appointed by the  
 956 Florida Professional Firefighters Association.

957 3. Two firefighter officers, who are not fire chiefs,

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958 appointed by the State Fire Marshal.

959 4. One individual appointed by the Florida League of  
 960 Cities.

961 5. One individual appointed by the Florida Association of  
 962 Counties.

963 6. One individual appointed by the Florida Association of  
 964 Special Districts.

965 7. One individual appointed by the Florida Fire Marshals'  
 966 and Inspectors' Association.

967 8. One employee of the Florida Forest Service of the  
 968 Department of Agriculture and Consumer Services appointed by the  
 969 director of the Florida Forest Service.

970 9. One individual appointed by the State Fire Marshal.

971 10. One director or instructor of a state-certified  
 972 firefighting training facility appointed by the State Fire  
 973 Marshal.

974 11. One individual ~~The remaining member, who shall be~~  
 975 ~~appointed by the State Fire Marshal, who~~ may not be a member or  
 976 representative of the firefighting profession or of any local  
 977 government.

978 12. One individual from the Department of Health, appointed  
 979 by the Surgeon General.

980 (b) To be eligible for appointment as a member under  
 981 subparagraph (a)1., subparagraph (a)2., subparagraph (a)3.,  
 982 subparagraph (a)8., or subparagraph (a)10., a person must have  
 983 had at least 4 years' experience in the firefighting profession.  
 984 Members shall serve only as long as they continue to meet the  
 985 criteria under which they were appointed, or unless a member has  
 986 failed to appear at three consecutive and properly noticed

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987 meetings unless excused by the chair.

988 Section 24. Subsection (1) of section 633.416, Florida

989 Statutes, is amended to read:

990 633.416 Firefighter employment and volunteer firefighter

991 service; saving clause.—

992 (1) A fire service provider may not employ an individual

993 to:

994 (a) Extinguish fires for the protection of life or property

995 or to supervise individuals who perform such services unless the

996 individual holds a current and valid Firefighter Certificate of

997 Compliance. However, a person who is currently serving as a

998 volunteer firefighter and holds a volunteer firefighter

999 certificate of completion with a fire service provider, who is

1000 then employed as a regular or permanent firefighter by such fire

1001 service provider, may function, for a period of 1 year under the

1002 direct supervision of an individual holding a valid Firefighter

1003 Certificate of Compliance, in the same capacity in which he or

1004 she acted as a volunteer firefighter, provided that he or she

1005 has completed all training required by the volunteer

1006 organization. Under no circumstance can this period extend

1007 beyond 1 year either collectively or consecutively from the

1008 start of employment to obtain a Firefighter Certificate of

1009 Compliance; or

1010 (b) Serve as the administrative and command head of a fire

1011 service provider for a period in excess of 1 year unless the

1012 individual holds a current and valid Firefighter Certificate of

1013 Compliance or Special Certificate of Compliance.

1014 Section 25. Section 648.30, Florida Statutes, is amended to

1015 read:

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1016 648.30 Licensure and appointment required; prohibited acts;

1017 penalties.—

1018 (1) A person may not act in the capacity of a bail bond

1019 agent or temporary bail bond agent or perform any of the

1020 functions, duties, or powers prescribed for bail bond agents or

1021 temporary bail bond agents under this chapter unless that person

1022 is qualified, licensed, and appointed as provided in this

1023 chapter.

1024 (2) A person may not represent himself or herself to be a

1025 bail enforcement agent, bounty hunter, or other similar title in

1026 this state.

1027 (3) A person, other than a certified law enforcement

1028 officer, may not apprehend, detain, or arrest a principal on a

1029 bond, wherever issued, unless that person is qualified,

1030 licensed, and appointed as provided in this chapter or licensed

1031 as a bail bond agent or bail bond enforcement agent, or holds an

1032 equivalent license by the state where the bond was written.

1033 (4) Any person who violates this section commits a felony

1034 of the third degree, punishable as provided in s. 775.082, s.

1035 775.083, or s. 775.084.

1036 (5) Any licensee under this chapter who knowingly aids or

1037 abets an unlicensed person in violating this section commits a

1038 felony of the third degree, punishable as provided in s.

1039 775.082, s. 775.083, or s. 775.084.

1040 Section 26. Section 843.08, Florida Statutes, is amended to

1041 read:

1042 843.08 False personation.—A person who falsely assumes or

1043 pretends to be a firefighter, a sheriff, an officer of the

1044 Florida Highway Patrol, an officer of the Fish and Wildlife

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1045 Conservation Commission, an officer of the Department of  
 1046 Environmental Protection, ~~a fire or arson investigator of the~~  
 1047 ~~Department of Financial Services~~, an officer of the Department  
 1048 of Financial Services, any personnel or representative of the  
 1049 Division of Investigative and Forensic Services, an officer of  
 1050 the Department of Corrections, a correctional probation officer,  
 1051 a deputy sheriff, a state attorney or an assistant state  
 1052 attorney, a statewide prosecutor or an assistant statewide  
 1053 prosecutor, a state attorney investigator, a coroner, a police  
 1054 officer, a lottery special agent or lottery investigator, a  
 1055 beverage enforcement agent, a school guardian as described in s.  
 1056 30.15(1)(k), a security officer licensed under chapter 493, any  
 1057 member of the Florida Commission on Offender Review or any  
 1058 administrative aide or supervisor employed by the commission,  
 1059 any personnel or representative of the Department of Law  
 1060 Enforcement, or a federal law enforcement officer as defined in  
 1061 s. 901.1505, and takes upon himself or herself to act as such,  
 1062 or to require any other person to aid or assist him or her in a  
 1063 matter pertaining to the duty of any such officer, commits a  
 1064 felony of the third degree, punishable as provided in s.  
 1065 775.082, s. 775.083, or s. 775.084. However, a person who  
 1066 falsely personates any such officer during the course of the  
 1067 commission of a felony commits a felony of the second degree,  
 1068 punishable as provided in s. 775.082, s. 775.083, or s. 775.084.  
 1069 If the commission of the felony results in the death or personal  
 1070 injury of another human being, the person commits a felony of  
 1071 the first degree, punishable as provided in s. 775.082, s.  
 1072 775.083, or s. 775.084.

1073 Section 27. Paragraph (f) is added to subsection (11) of

20-00626C-21 20211408\_\_

1074 section 943.045, Florida Statutes, to read:  
 1075 943.045 Definitions; ss. 943.045-943.08.—The following  
 1076 words and phrases as used in ss. 943.045-943.08 shall have the  
 1077 following meanings:  
 1078 (11) "Criminal justice agency" means:  
 1079 (f) The investigations component of the Department of  
 1080 Financial Services which investigates the crimes of fraud and  
 1081 official misconduct in all public assistance given to residents  
 1082 of this state or provided to others by the state.

1083 Section 28. For the purpose of incorporating the amendment  
 1084 made by this act to section 497.142, Florida Statutes, in a  
 1085 reference thereto, paragraph (a) of subsection (5) of section  
 1086 497.141, Florida Statutes, is reenacted to read:  
 1087 497.141 Licensing; general application procedures.—  
 1088 (5)(a) The licensing authority may not issue, and effective  
 1089 July 1, 2011, may not renew, a license under this chapter to an  
 1090 applicant that has a criminal record required to be disclosed  
 1091 under s. 497.142(10) unless the applicant demonstrates that  
 1092 issuance of the license, according to rules adopted by the  
 1093 licensing authority, does not create a danger to the public. A  
 1094 licensee who previously disclosed her or his criminal record  
 1095 upon initial application or renewal of her or his license must  
 1096 disclose only a criminal offense for which the licensee was  
 1097 convicted or entered a plea of guilty or nolo contendere since  
 1098 the most recent renewal of her or his license or, if the license  
 1099 has not been renewed, since the licensee's initial application.

1100 Section 29. Except as otherwise expressly provided in this  
 1101 act and except for this section, which shall take effect upon  
 1102 this act becoming a law, this act shall take effect July 1,

1103 | 20-00626C-21  
2021.

20211408\_\_

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/10/21

Meeting Date

1408

Bill Number (if applicable)

Topic Department of Financial Services

Amendment Barcode (if applicable)

Name Timothy J Meenan

Job Title Lobbyist

Address 300 S Duval St Ste 410  
Street

Phone 850 425 4000

Tallahassee FL 32302  
City State Zip

Email tim@meenanlawfirm.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing NAIFA-FL

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

**This form is part of the public record for this meeting.**

**THE FLORIDA SENATE**  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/10/21

Meeting Date

1408

Bill Number (if applicable)

Topic Department of Financial Services

Amendment Barcode (if applicable)

Name Meredith Stanfield

Job Title Director of Legislative and Cabinet Affairs

Address PL 11, The Capitol

Phone 850 413 2890

Street

Tallahassee

City

FL

State

32399

Zip

Email Meredith.Stanfield@MyFloridaCFO.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Florida Department of Financial Services

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/10/21

Meeting Date

1408

Bill Number (if applicable)

Topic Department of Financial Services

Amendment Barcode (if applicable)

Name BG Murphy

Job Title Director of Government Affairs

Address 217 Shamrock St

Phone 863-698-8820

Street

Tallahassee

City

FL

State

32309

Zip

Email bmurphy@fgia.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Florida Association of Insurance Agents

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)



**YOU MUST PRINT AND DELIVER THIS FORM TO THE ASSIGNED TESTIMONY ROOM**

**THE FLORIDA SENATE**

**APPEARANCE RECORD**

3/9/21

Meeting Date

1408

Bill Number (if applicable)

Topic Department of Financial Services

Amendment Barcode (if applicable)

Name Eric Prutsman

Job Title Lobbyist

Address 537 E Park Ave

Phone (850) 224-1900

Street

Tallahassee

FL

32301

Email eric@teamjlb.com

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Florida Fire Marshalls and Inspectors Association

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

3/10/21

Meeting Date

1408

Bill Number (if applicable)

918012

Amendment Barcode (if applicable)

Topic Department of Financial Services

Name Meredith Stanfield

Job Title Director of Legislative and Cabinet Affairs

Address PL 11, The Capitol

Street

Phone 850 413 2890

Tallahassee

City

FL

State

32399

Zip

Email Meredith.Stanfield@MyFloridaCfo.com

Speaking: [ ] For [ ] Against [ ] Information

Waive Speaking: [X] In Support [ ] Against (The Chair will read this information into the record.)

Representing Florida Department of Financial Services

Appearing at request of Chair: [ ] Yes [ ] No

Lobbyist registered with Legislature: [X] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.



The Florida Senate

## Committee Agenda Request

**To:** Senator Jim Boyd, Chair  
Committee on Banking and Insurance

**Subject:** Committee Agenda Request

**Date:** March 1, 2021

---

I respectfully request that **Senate Bill #1408**, relating to Department of Financial Services, be placed on the:

- committee agenda at your earliest possible convenience.
- next committee agenda.

A handwritten signature in blue ink, appearing to read "Danny Burgess".

---

Senator Danny Burgess  
Florida Senate, District 20



# THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

## COMMITTEES:

Banking and Insurance, *Chair*  
Agriculture  
Appropriations Subcommittee on Agriculture,  
Environment, and General Government  
Appropriations Subcommittee on Transportation,  
Tourism, and Economic Development  
Criminal Justice  
Judiciary

## JOINT COMMITTEE:

Joint Legislative Auditing Committee

## SENATOR JIM BOYD

21st District

March 10, 2021

James Knudson  
Staff Director  
Senate Committee on Banking and Insurance  
320 Knott Building  
404 South Monroe Street  
Tallahassee, FL 32399

Dear Mr. Knudson:

Pursuant to Senate Rule 2.28(4), please accept this letter as my request to submit for "informational purposes only", how I intended to vote for bills presented at the March 10, 2021 meeting of the Committee on Banking and Insurance. I was not present when these votes were taken due to presenting bills in other committees.

SB 534: Voting in the affirmative  
CS/SB 686: Voting in the affirmative  
SB 742: Voting in the affirmative  
SB 1024: Voting in the affirmative  
SB 1408: Voting in the affirmative

If you require additional documentation, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Jim Boyd".

Jim Boyd

## REPLY TO:

- 717 Manatee Avenue West, Bradenton, Florida 34205 (941) 742-6445
- 312 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5021

Senate's Website: [www.flsenate.gov](http://www.flsenate.gov)

**WILTON SIMPSON**  
President of the Senate

**AARON BEAN**  
President Pro Tempore

# CourtSmart Tag Report

Room: KB 412  
Caption: Senate Banking and Insurance

Case No.: -

Type:  
Judge:

Started: 3/10/2021 8:01:37 AM

Ends: 3/10/2021 9:21:05 AM

Length: 01:19:29

8:01:36 AM Meeting called to order by Chair Boyd  
8:01:40 AM Member roll call  
8:02:30 AM Tab 1 - CS/SB 286 by Senator Perry  
8:03:32 AM Senator Perry explains the bill  
8:03:44 AM No questions on the bill  
8:03:56 AM Public testimony  
8:04:03 AM Carl Rasmussen, waives in support  
8:04:15 AM No debate on the bill  
8:04:34 AM Senator Perry waives to close  
8:04:41 AM Roll call vote  
8:04:48 AM Bill was passed  
8:05:12 AM Tab 4 - SB 742 by Senator Perry  
8:05:50 AM Senator Perry explains the bill  
8:06:06 AM No questions on the bill  
8:06:43 AM Take up amendment 194946. Senator Perry explains the amendment  
8:07:25 AM Take up amendment to the amendment 335766 - by Senator Taddeo  
8:08:07 AM Amendment to the amendment withdrawn by Senator Taddeo  
8:08:21 AM No public testimony  
8:08:36 AM No debate  
8:08:44 AM Amendment 194946 adopted  
8:09:01 AM Public testimony  
8:09:11 AM Ashley Kalifeh, waives in support  
8:09:36 AM Hillary Cassel, speaking against the bill  
8:11:10 AM Carl Rasmussen, waives in support  
8:12:09 AM Jeffrey Carter, speaking against the bill  
8:12:32 AM Stephen Cain, speaking against the bill  
8:13:44 AM BG Murphy, waives in support  
8:13:58 AM Mark Delegal, speaking for the bill  
8:17:41 AM Questions from Senator Rouson to Mr. Delegal  
8:18:42 AM Response from Mr. Delegal  
8:19:06 AM Question from Senator Rouson  
8:19:31 AM Response from Mr. Delegal  
8:19:41 AM Senator Thurston with a question for Mr. Delegal  
8:20:13 AM Response from Mr. Delegal  
8:21:34 AM Follow up question from Senator Thurston  
8:22:34 AM Response from Mr. Delegal  
8:24:09 AM Question from Chair Broxson  
8:25:10 AM Response from Mr. Delegal  
8:25:18 AM Question from Senator Taddeo  
8:25:32 AM Response from Mr. Delegal  
8:26:14 AM Follow up from Senator Taddeo  
8:26:17 AM Response from Mr. Delegal  
8:26:41 AM Senator Thurston with a question for Mr. Delegal  
8:27:41 AM Response from Mr. Delegal  
8:30:43 AM Reggie Garcia, speaking against the bill  
8:32:35 AM Candace Bunker, waiving in support  
8:32:40 AM Chair Broxson asks if there is any debate on the bill as amended  
8:33:35 AM Senator Thurston in debate on the bill as amended  
8:34:19 AM Senator Rouson in debate on the bill as amended  
8:34:45 AM Senator Taddeo in debate on the bill as amended  
8:35:48 AM Senator Perry closes on the bill as amended  
8:37:17 AM Roll call vote on CS/SB 742

8:38:20 AM Bill reported favorably  
8:38:43 AM Tab 5 - SB 1024 by Senator Brodeur  
8:39:06 AM Senator Brodeur explains amendment 976652  
8:39:55 AM No questions on the amendment  
8:40:20 AM No objections to the amendment, amendment adopted  
8:40:49 AM Senator Rouson with questions on the bill  
8:41:13 AM Response from Senator Brodeur  
8:41:33 AM Senator Thurston with questions on the bill  
8:42:33 AM Response from Senator Brodeur  
8:43:15 AM Follow up from Senator Thurston  
8:43:43 AM Response from Senator Brodeur  
8:44:50 AM Public Testimony  
8:45:08 AM Meredith Stanfield, waives in support  
8:45:28 AM Adam Roberts, speaking in support of the bill  
8:45:52 AM Senator Stargel in debate on the bill  
8:46:50 AM Senator Rouson in debate on the bill  
8:47:46 AM Senator Brodeur closes on the bill  
8:48:44 AM Roll call vote on the bill  
8:48:52 AM Bill reported favorably  
8:49:03 AM Take up tab 2 - SB 534 by Senator Gibson, presented by Senator Thurston  
8:50:04 AM No public testimony  
8:50:44 AM No debate on the bill  
8:50:50 AM Senator Thurston closes on the bill  
8:51:03 AM Roll call vote on the bill  
8:51:12 AM Bill reported favorably  
8:51:35 AM Informal recess called by Chair Broxson  
8:52:03 AM Tab 3 - CS/SB 686 by Senator Brandes  
8:52:50 AM Senator Brandes explains the bill  
8:53:19 AM No questions on the bill  
8:53:30 AM Senator Rouson explains amendment 938316  
8:54:48 AM Senator Thurston with questions for Senator Rouson  
8:56:04 AM Follow up from Senator Thurston  
8:56:17 AM Response from Senator Rouson  
8:56:25 AM Public testimony  
8:56:34 AM Jeffrey Carter speaking in support of the amendment  
8:57:01 AM Tiffany Faddis, speaking in support of the amendment  
8:59:18 AM Senator Brandes in debate on the amendment  
9:00:25 AM Senator Rouson closes on the amendment  
9:02:18 AM Amendment failed  
9:03:20 AM Take up amendment 787724 by Senator Brandes  
9:03:50 AM No debate on the amendment  
9:04:00 AM Senator Brandes waives to close  
9:04:13 AM Senator Stewart with questions on the bill  
9:04:47 AM Response from Senator Brandes  
9:05:50 AM Public testimony  
9:06:40 AM Tiffany Faddis, Florida Justice Association, speaking against the bill  
9:08:51 AM Jeffrey Carter, Merlin Law Group, speaking against the bill  
9:10:46 AM No debate on the bill  
9:11:05 AM Senator Brandes closes on the bill  
9:11:17 AM Roll call vote taken on the bill  
9:11:47 AM Bill reported favorably  
9:12:16 AM Tab 6 - SB 1408 by Senator Burgess  
9:12:40 AM Senator Burgess explains the bill  
9:13:04 AM Take up amendment 918012  
9:15:41 AM Public Testimony  
9:16:41 AM Meredith Stanfield, waives in support of amendment  
9:17:14 AM Tim, waiving in support of the amendment  
9:17:25 AM Senator Burgess waives to close, the amendment is adopted  
9:17:27 AM Public Testimony  
9:17:44 AM Eric Purtsman, waives in support of the bill  
9:18:10 AM BG Murphy, waives in support of the bill  
9:18:28 AM Meredith Stanfield, speaking in support of the bill

**9:18:59 AM** Roll call vote on the bill  
**9:19:05 AM** Bill reported favorably  
**9:19:30 AM** Senator Gruters votes yes on CS/SB 286  
**9:19:57 AM** Senator Burgess records votes on bills  
**9:20:01 AM** Senator Rodrigues votes yes on CS/SB 286  
**9:20:13 AM** Senator Brandes records votes on bills  
**9:20:32 AM** Chair Broxson adjourns meeting