

By Senators Saunders and Campbell

25-1382-99

1 A bill to be entitled
2 An act relating to insurance; amending s.
3 626.753, F.S.; revising restrictions on certain
4 activities of nonresident general lines agents
5 and solicitors; amending s. 626.792, F.S.;
6 revising restrictions on the activities of
7 nonresident life agents; amending s. 626.835,
8 F.S.; revising restrictions on the activities
9 of nonresident health agents; providing an
10 effective date.

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

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14 Section 1. Section 626.753, Florida Statutes, is
15 amended to read:

16 626.753 Sharing commissions; penalty.--

17 (1)(a) An agent may divide or share in commissions
18 only with his or her own employed solicitors and with other
19 agents appointed and licensed to write the same kind or kinds
20 of insurance.

21 (b) A resident agent and a nonresident agent, ~~subject~~
22 ~~to the provisions of s. 626.741,~~ may divide among themselves
23 commissions as to kinds of insurance for which both are
24 appointed and licensed.

25 (c) This section shall not be construed to prevent the
26 payment or receipt of renewal commissions or other deferred
27 commissions or pensions to or by any person solely because
28 such person has ceased to hold a license to act as an
29 insurance agent, and shall not prevent the payment of renewal
30 commissions or other deferred commissions to any incorporated
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1 insurance agency solely because any of its stockholders has
2 ceased to hold a license to act as an insurance agent.

3 (2) No such licensee shall share a commission with any
4 corporation unless such corporation is an insurance agency.

5 (3) A ~~resident~~ general lines agent may share
6 commissions derived from the sale of crop hail or
7 multiple-peril crop insurance with a production credit
8 association organized under 12 U.S.C.A. ss. 2071-2077 or a
9 federal land bank association organized under U.S.C.A. ss.
10 2091-2098 if the association has specifically approved the
11 insurance activity by its employees. The amount of commission
12 to be shared shall be determined by the general lines agent
13 and the company paying the commission.

14 (4) In addition to other penalties provided therefor,
15 the license of any licensee violating or participating in the
16 violation of this section shall be revoked.

17 Section 2. Section 626.792, Florida Statutes, 1998
18 Supplement, is amended to read:

19 626.792 Nonresident agents.--

20 (1) The department may issue a license as life agent
21 to a person not resident of this state, upon compliance with
22 the applicable provisions of this code, if the state or
23 province of Canada of such person's residence will accord the
24 same privilege to a resident of this state.

25 (2) The department may enter into reciprocal
26 agreements with the appropriate official of ~~any other state or~~
27 ~~province of~~ Canada waiving the written examination of any
28 applicant resident in such other state or province if:

29 (a) A written examination is required of an applicant
30 for a life insurance agent's license in such ~~other state or~~
31 province;

1 (b) The appropriate official of the ~~other state or~~
2 province certifies that the applicant holds a currently valid
3 license as a life insurance agent in such other state or
4 province and either passed such a written examination or was
5 the holder of a life insurance agent's license prior to the
6 time a written examination was required; and

7 (c) In such other state or province, a resident of
8 this state is privileged to procure a life insurance agent's
9 license upon the foregoing conditions and without
10 discrimination as to fees or otherwise in favor of the
11 residents of such ~~other state or~~ province.

12 ~~(3) No such applicant or licensee shall have a place~~
13 ~~of business in this state, nor be an officer, director,~~
14 ~~stockholder, or partner in any corporation or partnership~~
15 ~~doing business in this state as a life insurance agency.~~

16 (3)~~(4)~~ If the laws of a ~~another state or~~ province of
17 Canada require the sharing of commissions with resident agents
18 of that state or province on applications for life insurance,
19 or for life insurance including health insurance, written by
20 nonresident agents, then the same provisions shall apply when
21 resident agents of that state or province, licensed as
22 nonresident agents of this state, write applications for
23 insurance on residents of this state.

24 (4)~~(5)~~ The department may ~~shall~~ not issue a
25 nonresident life insurance agent's license to any nonresident
26 who at the time of issuance and throughout the existence of
27 the Florida license does not hold a resident license as life
28 agent issued by the nonresident's state or province of Canada.

29 (5)~~(6)~~ The licensee shall, throughout the existence of
30 the Florida nonresident life license and appointment, hold a
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1 license as a resident life agent in his or her state of
2 residence.

3 (6)~~(7)~~ Any individual who holds a Florida nonresident
4 agent's license, upon becoming a resident of this state may,
5 for a period not to exceed 90 days, continue to transact
6 insurance in this state under the nonresident license and
7 appointment. Such individual must make application for
8 resident licensure and must become licensed as a resident
9 agent within 90 days after becoming a resident of this state.

10 (7)~~(8)~~ Upon becoming a resident of this state, an
11 individual who holds a Florida nonresident agent's license is
12 no longer eligible for licensure as a nonresident agent if
13 such individual fails to make application for a resident
14 license and become licensed as a resident agent within 90
15 days. His license and any appointments shall be canceled
16 immediately. He may apply for a resident license pursuant to
17 s. 626.785.

18 Section 3. Section 626.835, Florida Statutes, 1998
19 Supplement, is amended to read:

20 626.835 Nonresident agents.--

21 (1) The department may issue a license as a health
22 agent to a person not a resident of this state, if the ~~state~~
23 ~~or~~ province of Canada of such person's residence will accord
24 the same privilege to a resident of this state.

25 (2) The department may enter into reciprocal
26 agreements with the appropriate official of any other state or
27 province of Canada waiving the written examination of any
28 applicant resident in such other state or province if:

29 (a) A written examination is required of an applicant
30 for a health insurance agent's license in such other state or
31 province;

1 (b) The appropriate official of the other state or
2 province certifies that the applicant holds a currently valid
3 license as a health insurance agent in such other state or
4 province and either has passed such a written examination or
5 was the holder of a health insurance agent's license prior to
6 the time a written examination was required; and

7 (c) In such other state or province, a resident of
8 this state is privileged to procure a health insurance agent's
9 license upon the foregoing conditions and without
10 discrimination as to fees or otherwise in favor of the
11 residents of such other state or province.

12 ~~(3) No such applicant or licensee shall have a place~~
13 ~~of business in this state, nor be an officer, director,~~
14 ~~stockholder, or partner in any corporation or partnership~~
15 ~~doing business in this state as a health insurance agency.~~

16 (3)~~(4)~~ If the laws of another state or province of
17 Canada require the sharing of commissions with resident agents
18 of that state or province on applications for health insurance
19 written by nonresident agents, then the same provisions shall
20 apply when resident agents of that state or province, licensed
21 as nonresident agents of this state, write applications for
22 insurance on residents of this state.

23 (4)~~(5)~~ The department shall not issue a nonresident
24 health insurance agent's license to any nonresident who at the
25 time of issuance and throughout the existence of the Florida
26 license does not hold a resident license as health agent
27 issued by the nonresident's state or province of Canada.

28 (5)~~(6)~~ The licensee shall, throughout the existence of
29 his or her Florida nonresident health license and appointment,
30 hold a license as a resident health agent in his or her state
31 of residence.

