

By Representative Sublette

1 A bill to be entitled
2 An act relating to insurance commission
3 sharing; amending s. 626.753, F.S.; prohibiting
4 the sharing of insurance commissions with
5 unlicensed persons under certain circumstances;
6 providing an application exception; providing
7 an effective date.

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

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11 Section 1. Subsection (4) of section 626.753, Florida
12 Statutes, is renumbered as subsection (5) and a new subsection
13 (4) is added to said section to read:

14 626.753 Sharing commissions; penalty.--

15 (4) A nonlicensed person or entity may not share in
16 the commission on the sale of property and casualty insurance
17 by the creation of a foreign partnership, corporation, or
18 other entity which is controlled by a nonlicensed person or
19 entity within this state and which uses or employs a
20 nonresident agent licensed under s. 626.741 and uses
21 unlicensed personnel to initiate customer contact with a
22 nonresident agent. This subsection does not apply to a
23 financial institution as defined in s. 655.005(1)(h) and (p)
24 or a parent, subsidiary, or affiliate of such institution.

25 Section 2. This act shall take effect October 1, 2000.

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HOUSE SUMMARY

Prohibits nonlicensed persons or entities from sharing in property and casualty insurance sales commissions made through entities controlled by a nonlicensed person or entity using or employing nonresident licensed agents and unlicensed personnel to initiate customer contact with a nonresident agent. Excepts financial institutions and their parents, subsidiaries, or affiliates.