

By Senator Holzendorf

2-395-01

1                                   A bill to be entitled  
2           An act relating to insurance; creating the  
3           Producer Licensing Model Act; providing purpose  
4           and scope; defining terms; providing for  
5           licensing; providing for applications for  
6           examination and license; providing for  
7           nonresident licensing; providing an exemption  
8           from examination; requiring notification to the  
9           Department of Insurance if an assumed name is  
10          used; providing for denial, nonrenewal, and  
11          revocation of license; providing for  
12          commissions and appointments; providing for  
13          reciprocity; providing for reporting of  
14          actions; authorizing the Department of  
15          Insurance to adopt rules; providing for  
16          severability; providing for repeal of  
17          inconsistent statutes; providing an effective  
18          date.

19  
20 Be It Enacted by the Legislature of the State of Florida:

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22           Section 1. Purpose and scope.--  
23           (1) This act governs the qualifications and procedures  
24 for the licensing of insurance producers. It simplifies and  
25 organizes some statutory provisions to improve efficiency,  
26 permits the use of new technology, and reduces costs  
27 associated with issuing and renewing insurance licenses.  
28           (2) This act does not apply to excess and surplus  
29 lines agents and brokers licensed under part VIII of chapter  
30 626, Florida Statutes, except as provided in section 8 and  
31 section 16(3).

1           Section 2. Definitions.--As used in this act, the  
2 term:

3           (1) "Business entity" means a corporation,  
4 association, partnership, limited liability company, limited  
5 liability partnership, or other legal entity.

6           (2) "Home state" means the District of Columbia or any  
7 state or territory of the United States in which an insurance  
8 producer maintains his or her principal place of residence or  
9 principal place of business and is licensed to act as an  
10 insurance producer.

11           (3) "Insurance" means any of the lines of insurance  
12 defined in part V of chapter 624, Florida Statutes.

13           (4) "Insurance producer" means a person who is  
14 required to be licensed under the laws of this state to sell,  
15 solicit, or negotiate insurance.

16           (5) "Insurer" means any person engaged as indemnitor,  
17 surety, or contractor in the business of entering into  
18 contracts of insurance or of annuity.

19           (6) "License" means a document issued by the  
20 Department of Insurance which authorizes a person to act as an  
21 insurance producer for the lines of authority specified in the  
22 document. The license itself does not create any authority,  
23 actual, apparent, or inherent, in the holder to represent or  
24 commit an insurance carrier.

25           (7) "Limited lines insurance" means those lines of  
26 insurance defined in section 626.321, Florida Statutes.

27           (8) "Limited lines producer" means a person authorized  
28 by the Department of Insurance to sell, solicit, or negotiate  
29 limited lines insurance.

30           (9) "Negotiate" means the act of conferring directly  
31 with or offering advice directly to a purchaser or prospective

1 purchaser of a particular contract of insurance concerning any  
2 of the substantive benefits, terms, or conditions of the  
3 contract, provided that the person engaged in that act either  
4 sells insurance or obtains insurance from insurers for  
5 purchasers.

6 (10) "Person" means an individual or a business  
7 entity.

8 (11) "Sell" means to exchange a contract of insurance  
9 by any means, for money or its equivalent, on behalf of an  
10 insurance company.

11 (12) "Solicit" means to attempt to sell insurance or  
12 ask or urge a person to apply for a particular kind of  
13 insurance from a particular company.

14 (13) "Terminate" means to cancel the relationship  
15 between an insurance producer and the insurer or to terminate  
16 a producer's authority to transact insurance.

17 (14) "Uniform business entity application" means the  
18 National Association of Insurance Commissioners Uniform  
19 Business Entity Application for resident and nonresident  
20 business entities.

21 (15) "Uniform application" means the National  
22 Association of Insurance Commissioners Uniform Application for  
23 resident and nonresident producer licensing.

24 Section 3. License required.--A person may not sell,  
25 solicit, or negotiate insurance in this state for any class of  
26 insurance unless the person is licensed for that class in  
27 accordance with this act.

28 Section 4. Exceptions to licensing.--

29 (1) This act does not require an insurer to obtain an  
30 insurance producer license. As used in this section, the term  
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1 "insurer" does not include an insurer's officers, directors,  
2 employees, subsidiaries, or affiliates.

3 (2) A license as an insurance producer is required of  
4 the following:

5 (a) An officer, director, or employee of an insurer or  
6 of an insurance producer if the officer, director, or employee  
7 does not receive any commission on policies written or sold to  
8 insure risks residing, located, or to be performed in this  
9 state and:

10 1. The officer, director, or employee's activities are  
11 executive, administrative, managerial, clerical, or a  
12 combination of these and are only indirectly related to the  
13 sale, solicitation, or negotiation of insurance;

14 2. The officer, director, or employee's function  
15 relates to underwriting, loss control, inspection, or the  
16 processing, adjusting, investigating, or settling of a claim  
17 on a contract of insurance; or

18 3. The officer, director, or employee is acting in the  
19 capacity of a special agent or agency supervisor assisting  
20 insurance producers under circumstances in which the person's  
21 activities are limited to providing technical advice and  
22 assistance to licensed insurance producers and do not include  
23 the sale, solicitation, or negotiation of insurance.

24 (b) A person who secures and furnishes information for  
25 the purpose of group life insurance, group property and  
26 casualty insurance, group annuities, group or blanket accident  
27 and health insurance, or for the purpose of enrolling  
28 individuals under plans, issuing certificates under plans, or  
29 otherwise assisting in administering plans, or who performs  
30 administrative services related to mass-marketed property and  
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1 casualty insurance, when no commission is paid to the person  
2 for the service.

3 (c) An employer or association or its officers,  
4 directors, employees, or the trustees of an employee trust  
5 plan, to the extent that the employers, officers, employees,  
6 director, or trustees are engaged in the administration or  
7 operation of a program of employee benefits for the employer's  
8 or association's own employees or the employees of its  
9 subsidiaries or affiliates, which program involves the use of  
10 insurance issued by an insurer, as long as the employers,  
11 associations, officers, directors, employees, or trustees are  
12 not in any manner compensated, directly or indirectly, by the  
13 company issuing the contracts.

14 (d) Employees of insurers or organizations employed by  
15 insurers who are engaging in the inspection, rating, or  
16 classification of risks, or in the supervision of the training  
17 of insurance producers, and who are not individually engaged  
18 in the sale, solicitation, or negotiation of insurance.

19 (e) A person whose activities in this state are  
20 limited to advertising without the intent to solicit insurance  
21 in this state through communications in printed publications  
22 or other forms of electronic mass media whose distribution is  
23 not limited to residents of the state, unless the persons  
24 sells, solicits, or negotiates insurance that would insure  
25 risks residing, located, or to be performed in this state.

26 (f) A person who is not a resident of this state who  
27 sells, solicits, or negotiates a contract of insurance for  
28 commercial property and casualty risks to an insured with  
29 risks located in more than one state insured under that  
30 contract, provided that that person is otherwise licensed as  
31 an insurance producer to sell, solicit, or negotiate that

1 insurance in the state where the insured maintains its  
2 principal place of business and the contract of insurance  
3 insures risks located in that state.

4 (g) A salaried full-time employee who counsels or  
5 advises his or her employer relative to the insurance  
6 interests of the employer or of the subsidiaries or business  
7 affiliates of the employer, provided that the employee does  
8 not sell or solicit insurance or receive a commission.

9 Section 5. Application for examination.--

10 (1) A resident individual applying for an insurance  
11 producer license must pass a written examination unless exempt  
12 under section 9. The examination shall test the knowledge of  
13 the individual concerning the lines of authority for which  
14 application is made, the duties and responsibilities of an  
15 insurance producer, and the insurance laws and regulations of  
16 this state. Examinations required by this section must be  
17 developed and conducted under rules prescribed by the  
18 Department of Insurance.

19 (2) The Department of Insurance may make arrangements,  
20 including contracting with an outside testing service, for  
21 administering examinations and collecting the nonrefundable  
22 fee prescribed in section 624.501, Florida Statutes.

23 (3) Each individual applying for an examination must  
24 remit a nonrefundable fee as prescribed by the Department of  
25 Insurance as set forth in section 624.501, Florida Statutes.

26 (4) An individual who fails to appear for the  
27 examination as scheduled or fails to pass the examination must  
28 reapply for an examination and remit all required fees and  
29 forms before being rescheduled for another examination.

30 Section 6. Application for license.--

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1           (1) A person applying for a resident insurance  
2 producer license must apply to the Department of Insurance on  
3 the uniform application and declare under penalty of refusal,  
4 suspension, or revocation of the license that the statements  
5 made in the application are true, correct, and complete to the  
6 best of the individual's knowledge and belief. Before  
7 approving the application, the Department of Insurance must  
8 find that the individual:

9           (a) Is at least 18 years of age;

10           (b) Has not committed any act that is a ground for  
11 denial, suspension, or revocation set forth in section 12;

12           (c) Has completed any prelicensing course of study  
13 required by law for the lines of authority for which the  
14 person has applied;

15           (d) Has paid the fees set forth in section 624.501,  
16 Florida Statutes; and

17           (e) Has successfully passed the examination for the  
18 lines of authority for which the person has applied.

19           (2) The Department of Insurance may require any  
20 documents reasonably necessary to verify the information  
21 contained in an application.

22           (3) Each insurer that sells, solicits, or negotiates  
23 any form of limited line credit insurance shall provide to  
24 each individual whose duties will include selling, soliciting,  
25 or negotiating limited line credit insurance a program of  
26 instruction that is approved by the Department of Insurance.

27           Section 7. License.--

28           (1) Unless denied licensure under section 12, persons  
29 who have met the requirements of sections 5 and 6 shall be  
30 issued an insurance producer license. An insurance producer  
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1 may receive qualification for a license in one or more of the  
2 following lines of authority:

3 (a) Life insurance coverage on human lives, including  
4 benefits of endowment and annuities, which may include  
5 benefits in the event of death or dismemberment by accident  
6 and benefits for disability income.

7 (b) Accident and health or sickness insurance coverage  
8 for sickness, bodily injury, or accidental death, which may  
9 include benefits for disability income.

10 (c) Property insurance coverage for the direct or  
11 consequential loss or damage to property of any kind.

12 (d) Casualty insurance coverage against legal  
13 liability, including that for death, injury, or disability or  
14 damage to real or personal property.

15 (e) Variable life and variable annuity products  
16 insurance coverage provided under variable life insurance  
17 contracts and variable annuities.

18 (f) Limited lines insurance.

19 (g) Any other line of insurance permitted under state  
20 laws.

21 (2) An insurance producer license remains in effect,  
22 unless revoked or suspended, as long as the fee set forth in  
23 section 624.501, Florida Statutes, has been paid and the  
24 education requirements for resident individual producers have  
25 been met by the due date.

26 (3) An individual insurance producer who allows his or  
27 her license to lapse may, within 12 months after the due date  
28 of the renewal fee, reinstate the same license without the  
29 necessity of passing a written examination. However, a penalty  
30 in the amount of twice the unpaid renewal fee is required for  
31 any renewal fee received after the due date.



1           (4) A licensed insurance producer who is unable to  
2 comply with license renewal procedures due to military service  
3 or other extenuating circumstance such as long-term medical  
4 disability may request a waiver of those procedures. The  
5 producer may also request a waiver of any examination  
6 requirement or any other fine or sanction imposed for failure  
7 to comply with renewal procedures.

8           (5) The license shall specify the licensee's name,  
9 address, personal identification number, and the date of  
10 issuance, the lines of authority, the expiration date, and any  
11 other information the Department of Insurance deems necessary.

12           (6) Licensees shall inform the Department of Insurance  
13 by any means acceptable to the department of a change of  
14 address within 30 days after the change occurs.

15           Section 8. Nonresident licensing.--

16           (1) Unless denied licensure pursuant to section 12, a  
17 nonresident person shall receive a nonresident producer  
18 license if:

19           (a) The person is currently licensed as a resident and  
20 in good standing in his or her home state;

21           (b) The person has submitted the proper request for  
22 licensure and has paid the fees required by section 624.501,  
23 Florida Statutes;

24           (c) The person has submitted or transmitted to the  
25 Department of Insurance the application for licensure which  
26 the person submitted to his or her home state, or in lieu of  
27 the same, a completed uniform application; and

28           (d) The person's home state awards nonresident  
29 producer licenses to residents of this state on the same  
30 basis.

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1           (2) The Department of Insurance may verify the  
2 producer's licensing status through the producer database  
3 maintained by the National Association of Insurance  
4 Commissioners, its affiliates, or its subsidiaries.

5           (3) A nonresident producer who moves from one state to  
6 another state or a resident producer who moves from this state  
7 to another state must file a change of address and provide  
8 certification from the new resident state within 30 days after  
9 the change of legal residence. A fee or license application is  
10 not required.

11           (4) Notwithstanding any other provision of this act, a  
12 person licensed as a surplus lines producer in his or her home  
13 state shall receive a nonresident surplus lines producer  
14 license pursuant to subsection (1). Except for subsection (1),  
15 nothing in this section otherwise amends or supersedes any  
16 provision of the Florida Statutes relating to surplus lines  
17 insurance.

18           (5) Notwithstanding any other provisions of this act,  
19 a person licensed as a limited lines producer in his or her  
20 home state shall receive a nonresident limited lines producer  
21 license, pursuant to subsection (1), granting the same scope  
22 of authority as granted under the license issued by the  
23 producer's home state. For the purposes of this subsection,  
24 limited lines insurance is any authority granted by the home  
25 state which restricts the authority under the license to less  
26 than the total authority prescribed in the associated major  
27 lines under section 7(1)(a)-(e).

28           Section 9. Exemption from examination.--

29           (1) An individual who applies for an insurance  
30 producer license in this state who was previously licensed for  
31 the same lines of authority in another state is not required

1 to complete any prelicensing education or examination. The  
2 exemption is available only if the person is currently  
3 licensed in that state or if the application is received  
4 within 90 days after the cancellation of the applicant's  
5 previous license and if the prior state issues a certification  
6 that, at the time of cancellation, the applicant was in good  
7 standing in that state or that the state's producer database  
8 records, maintained by the National Association of Insurance  
9 Commissioners, its affiliates, or its subsidiaries, indicate  
10 that the producer is or was licensed in good standing for the  
11 line of authority requested.

12 (2) A person licensed as an insurance producer in  
13 another state who moves to this state must apply within 90  
14 days after establishing legal residence to become a resident  
15 licensee under section 6. Prelicensing education and  
16 examination are not required of that person to obtain any line  
17 of authority previously held in the prior state unless the  
18 Department of Insurance requires otherwise by rule.

19 Section 10. Assumed names.--An insurance producer  
20 doing business under any name other than the producer's legal  
21 name must notify the Department of Insurance prior to using  
22 the assumed name.

23 Section 11. Temporary licensing.--

24 (1) The Department of Insurance may issue a temporary  
25 insurance producer license for a period not to exceed 180 days  
26 without requiring an examination if it finds that the  
27 temporary license is necessary for the servicing of an  
28 insurance business in the following cases:

29 (a) To the surviving spouse or court-appointed  
30 personal representative of a licensed insurance producer who  
31 dies or becomes mentally or physically disabled, to allow

1 adequate time for the sale of the insurance business owned by  
2 the producer or for the recovery or return of the producer to  
3 the business or to provide for the training and licensing of  
4 new personnel to operate the producer's business.

5 (b) To a member or employee of a business entity  
6 licensed as an insurance producer, upon the death or  
7 disability of an individual designated in the business entity  
8 application or the license.

9 (c) To the designee of a licensed insurance producer  
10 entering active service in the armed forces of the United  
11 States of America.

12 (d) In any other circumstance under which the  
13 Department of Insurance considers that the public interest  
14 will be best served by the issuance of this license.

15 (2) The Department of Insurance may by order limit the  
16 authority of any temporary licensee in any way considered  
17 necessary to protect insureds and the public. The Department  
18 of Insurance may require the temporary licensee to have a  
19 suitable sponsor who is a licensed producer or insurer and who  
20 assumes responsibility for all acts of the temporary licensee,  
21 and may impose other similar requirements designed to protect  
22 insureds and the public. The Department of Insurance may by  
23 order revoke a temporary license if the interests of insureds  
24 or the public are endangered. A temporary license may not  
25 continue after the owner or the personal representative  
26 disposes of the business.

27 Section 12. License denial, nonrenewal, or  
28 revocation.--

29 (1) The Department of Insurance may place on  
30 probation, suspend, revoke, or refuse to issue or renew an  
31 insurance producer's license or may levy a civil penalty in

- 1 accordance with section 626.681, Florida Statutes, or any  
2 combination of actions, for any one or more of the following  
3 causes:
- 4 (a) Providing incorrect, misleading, incomplete, or  
5 materially untrue information in the license application.
- 6 (b) Violating any insurance laws, or violating any  
7 rule, subpoena, or order of the Department of Insurance or of  
8 the comparable agency of another state.
- 9 (c) Obtaining or attempting to obtain a license  
10 through misrepresentation or fraud.
- 11 (d) Improperly withholding, misappropriating, or  
12 converting any moneys or properties received in the course of  
13 doing insurance business.
- 14 (e) Intentionally misrepresenting the terms of an  
15 actual or proposed insurance contract or application for  
16 insurance.
- 17 (f) Having been convicted of a felony.
- 18 (g) Having admitted or been found to have committed  
19 any insurance unfair trade practice or fraud.
- 20 (h) Using fraudulent, coercive, or dishonest  
21 practices, or demonstrating incompetence, untrustworthiness,  
22 or financial irresponsibility in the conduct of business in  
23 this state or elsewhere.
- 24 (i) Having an insurance producer license, or its  
25 equivalent, denied, suspended, or revoked in any other state,  
26 province, district, or territory.
- 27 (j) Forging another's name to an application for  
28 insurance or to any document related to an insurance  
29 transaction.
- 30 (k) Improperly using notes or any other reference  
31 material to complete an examination for an insurance license.

1           (1) Knowingly accepting insurance business from an  
2 individual who is not licensed.

3           (m) Failing to comply with an administrative or court  
4 order imposing a child-support obligation.

5           (2) If the Department of Insurance fails to renew or  
6 denies an application for a license, it shall advise, in  
7 writing, the applicant or licensee of the reason for the  
8 denial or nonrenewal. The applicant or licensee may make  
9 written demand upon the Department of Insurance within 15 days  
10 for a hearing to determine the reasonableness of the action.  
11 The hearing must be held pursuant to chapter 120, Florida  
12 Statutes.

13           (3) The license of a business entity may be suspended,  
14 revoked, or refused if the Department of Insurance finds,  
15 after hearing, that an individual licensee's violation was  
16 known or should have been known by one or more of the  
17 partners, officers, or managers acting on behalf of the  
18 partnership or corporation and that the violation was not  
19 reported to the department nor corrective action taken.

20           (4) In addition to or in lieu of any applicable  
21 denial, suspension, or revocation of a license, a person may,  
22 after hearing, be subject to a civil fine in accordance with  
23 section 626.681, Florida Statutes.

24           (5) The Department of Insurance shall retain the  
25 authority to enforce the provisions of and impose any penalty  
26 or remedy authorized by this act and chapter 626, Florida  
27 Statutes, against any person who is under investigation for or  
28 charged with a violation of this act or chapter 626, Florida  
29 Statutes, even if the person's license or registration has  
30 been surrendered or has lapsed by operation of law.

31           Section 13. Commissions.--

1           (1) An insurance company or insurance producer may not  
2 pay a commission, service fee, brokerage, or other valuable  
3 consideration to a person for selling, soliciting, or  
4 negotiating insurance in this state if that person is required  
5 to be licensed under this act and is not so licensed.

6           (2) A person may not accept a commission, service fee,  
7 brokerage, or other valuable consideration for selling,  
8 soliciting, or negotiating insurance in this state if that  
9 person is required to be licensed under this act and is not so  
10 licensed.

11           (3) Renewal or other deferred commissions may be paid  
12 to a person for selling, soliciting, or negotiating insurance  
13 in this state if the person was required to be licensed under  
14 this act at the time of the sale, solicitation, or negotiation  
15 and was so licensed at that time.

16           (4) An insurer or insurance producer may pay or assign  
17 commissions, service fees, brokerages, or other valuable  
18 consideration to an insurance agency or to persons who do not  
19 sell, solicit, or negotiate insurance in this state, unless  
20 the payment would violate section 626.572, Florida Statutes.

21           Section 14. Appointments.--

22           (1) An insurance producer may not act as an agent of  
23 an insurer unless the insurance producer becomes an appointed  
24 agent of that insurer. An insurance producer who is not acting  
25 as an agent of an insurer is not required to become appointed.

26           (2) Upon receipt of the notice of appointment, the  
27 Department of Insurance must verify within a reasonable time  
28 not to exceed 30 days that the insurance producer is eligible  
29 for appointment. If the insurance producer is found to be  
30 ineligible for appointment, the department shall, within 5  
31 days, notify the insurer of that determination.

1           (3) An insurer shall pay an appointment fee, in the  
2 amount and method of payment set forth in section 624.501,  
3 Florida Statutes, for each insurance producer appointed by the  
4 insurer.

5           (4) An insurer shall remit, in a manner prescribed by  
6 the Department of Insurance, a renewal appointment fee in the  
7 amount set forth in section 624.501, Florida Statutes.

8           Section 15. Notification to Department of Insurance of  
9 termination.--

10           (1) An insurer or authorized representative of the  
11 insurer that terminates the appointment, employment, contract,  
12 or other insurance business relationship with a producer shall  
13 notify the Department of Insurance within 30 days following  
14 the effective date of the termination, using a format  
15 prescribed by the department, if the reason for termination is  
16 one of the reasons set forth in section 12 or if the insurer  
17 knows that the producer has been found by a court, government  
18 body, or self-regulatory organization authorized by law to  
19 have engaged in any of the activities in section 12. Upon the  
20 written request of the Department of Insurance, the insurer  
21 shall provide additional information, documents, records, or  
22 other data pertaining to the termination or activity of the  
23 producer.

24           (2) An insurer or authorized representative of the  
25 insurer that terminates the appointment, employment, or  
26 contract with a producer for any reason not set forth in  
27 section 12 shall notify the Department of Insurance within 30  
28 days following the effective date of the termination, using a  
29 format prescribed by the department. Upon written request of  
30 the Department of Insurance, the insurer shall provide

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1 additional information, documents, records, or other data  
2 pertaining to the termination.

3 (3) The insurer or the authorized representative of  
4 the insurer shall promptly notify the Department of Insurance  
5 in a format acceptable to the department if, upon further  
6 review or investigation, the insurer discovers additional  
7 information that should have been reported to the department  
8 in accordance with subsection (1) had the insurer then known  
9 of its existence.

10 (4)(a) Within 15 days after making the notification  
11 required by subsection (1), subsection (2), or subsection (3),  
12 the insurer shall mail a copy of the notification to the  
13 producer at his or her last known address. If the producer is  
14 terminated for cause for any of the reasons listed in section  
15 12, the insurer shall provide a copy of the notification to  
16 the producer at his or her last known address by certified  
17 mail, return receipt requested, postage prepaid, or by  
18 overnight delivery using a nationally recognized carrier.

19 (b) Within 30 days after the producer has received the  
20 original or additional notification, the producer may file  
21 written comments concerning the substance of the notification  
22 with the Department of Insurance. The producer shall by the  
23 same means, simultaneously send a copy of the comments to the  
24 reporting insurer, and the comments shall become a part of the  
25 Department of Insurance's file and accompany each copy of a  
26 report distributed or disclosed for any reason concerning the  
27 producer.

28 (5)(a) In the absence of actual malice, an insurer,  
29 the authorized representative of the insurer, a producer, the  
30 Department of Insurance, or an organization of which the  
31 Insurance Commissioner is a member and which compiles the

1 information and makes it available to other insurance  
2 commissioners or to regulatory or law enforcement agencies is  
3 not subject to civil liability, and a civil cause of action of  
4 any nature may not arise against these entities of their  
5 respective agents or employees as a result of any statement or  
6 information required by or provided under this section or any  
7 information relating to any statement that is requested in  
8 writing by the Department of Insurance, from an insurer or  
9 producer, or a statement by a terminating insurer or producer  
10 to an insurer or producer, limited solely and exclusively to  
11 whether a termination for cause under subsection (1) was  
12 reported to the Department of Insurance, provided that the  
13 propriety of any termination for cause under subsection (1) is  
14 certified in writing by an officer or authorized  
15 representative of the insurer or producer terminating the  
16 relationship.

17 (b) In any action brought against a person that has  
18 immunity under paragraph (a) for making any statement required  
19 by this section or providing any information relating to any  
20 statement that has been requested by the Department of  
21 Insurance, the party bringing the action must plead  
22 specifically in any allegation that paragraph (a) does not  
23 apply because the person making the statement or providing the  
24 information did so with actual malice.

25 (c) Neither paragraph (a) nor (b) abrogates or  
26 modifies any other statutory or common-law privilege or  
27 immunity.

28 (6) An insurer, the authorized representative of the  
29 insurer, or a producer that fails to report as required under  
30 this section or that is found to have reported with actual  
31 malice by a court of competent jurisdiction may, after notice

1 and hearing, have its license or certificate of authority  
2 suspended or revoked and may be fined in accordance with  
3 section 626.681, Florida Statutes.

4 Section 16. Reciprocity.--

5 (1) The Department of Insurance may not assess a  
6 greater fee for an insurance license or related service to a  
7 person not residing in this state based solely on the fact  
8 that the person does not reside in this state.

9 (2) The Department of Insurance may waive any  
10 requirements for a nonresident license applicant with a valid  
11 license from his or her home state, except the requirements  
12 imposed by section 8, if the applicant's home state awards  
13 nonresident licenses to residents of this state on the same  
14 basis.

15 (3) A nonresident producer's satisfaction of his or  
16 her home state's continuing-education requirements for  
17 licensed insurance producers constitutes satisfaction of this  
18 state's continuing-education requirements if the nonresident  
19 producer's home state recognizes the satisfaction of its  
20 continuing-education requirements imposed upon producers from  
21 this state on the same basis.

22 Section 17. Reporting of actions.--

23 (1) A producer shall report to the Department of  
24 Insurance any administrative action taken against the producer  
25 in another jurisdiction or by another governmental agency in  
26 this state within 30 days after the final disposition of the  
27 matter. This report must include a copy of the order, consent  
28 to order, or other relevant legal documents.

29 (2) Within 30 days after the initial pretrial hearing  
30 date, a producer must report to the Department of Insurance  
31 any criminal prosecution of the producer undertaken in any

1 jurisdiction. The report must include a copy of the initial  
2 complaint filed, the order resulting from the hearing, and any  
3 other relevant legal documents.

4           Section 18. Regulations.--The Department of Insurance  
5 may, in accordance with chapter 120, Florida Statutes, adopt  
6 rules necessary to carry out the purposes of this act.

7           Section 19. Severability.--If any provision of this  
8 act or its application to any person or circumstances, is held  
9 invalid, the invalidity does not affect other provisions or  
10 application of the act which can be given effect without the  
11 invalid provision or application, and to this end the  
12 provisions of this act are declared severable.

13           Section 20. Any statute inconsistent with this act is  
14 repealed to the extent of the inconsistency.

15           Section 21. This act shall take effect January 1,  
16 2002.

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19 SENATE SUMMARY

20 Creates the Insurance Producer Licensing Act. (See bill  
21 for details.)  
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