

1 A bill to be entitled
2 An act relating to insurance; amending s.
3 627.4035, F.S.; providing for the payment of
4 insurance premiums by a debit or credit card,
5 automatic electronic funds transfer, or payroll
6 deduction plan; amending s. 627.7015, F.S.;
7 defining "claim" for purposes of alternative
8 procedures for resolution of disputed property
9 insurance claims; amending s. 627.901, F.S.;
10 revising the limits on premium financing
11 service charges; amending s. 626.9541, F.S.;
12 clarifying certain activities that constitute
13 illegal dealings in premiums; prohibiting
14 insurers from refusing to insure solely because
15 the insured or applicant is a public official;
16 amending s. 631.913, F.S.; limiting the
17 obligation of the Florida Workers' Compensation
18 Insurance Guaranty Association, Incorporated
19 for a covered claim for return of unearned
20 premium; amending s. 631.914, F.S.; revising
21 requirements for reporting premium for
22 assessment calculations; amending s. 631.924,
23 F.S.; including insolvent insurers under
24 provisions for a stay of proceedings; amending
25 s. 624.406, F.S.; providing for reinsurance
26 under a workers' compensation insurance policy;
27 amending s. 624.603, F.S.; providing an
28 exception to include workers' compensation
29 coverages under health insurance; amending s.
30 631.141, F.S.; providing for trust funds to be
31 transferred to the receiver in delinquency

1 proceedings to pay for unreimbursed expenses;
2 amending ss. 624.04, 624.303, 624.313, 624.317,
3 624.504, 624.506, 624.521, 626.022, 626.112,
4 626.733, 626.7354, 626.741, 626.753, 626.829,
5 634.171, 634.420, 642.034, 642.036, and
6 642.045, F.S.; deleting references to
7 solicitors to conform to prior deletions;
8 amending ss. 624.34, 626.202, and 626.601,
9 F.S.; revising certain fingerprinting
10 requirements; amending s. 624.501, F.S.;
11 providing for a fee for certain late
12 appointment filings; amending s. 626.015, F.S.;
13 deleting a definition of administrative agent;
14 amending s. 626.171, F.S.; revising applicant
15 address requirements; specifying required
16 background investigation information; amending
17 ss. 626.175, 626.7355, 626.731, 626.831,
18 626.8414, 626.865, 626.866, 626.867, 626.874,
19 626.9916, 648.34, and 648.355, F.S.; revising
20 licensure eligibility criteria to specify
21 United States citizenship or certain legal
22 alien status; providing for the adoption of
23 rules; amending s. 626.201, F.S.; revising
24 certain fingerprint requirements; amending s.
25 626.221, F.S.; revising appointment application
26 filing time period requirements; amending s.
27 626.2815, F.S.; requiring certain continuing
28 education hour and subject requirements;
29 deleting references to solicitors to conform to
30 prior deletions; revising a continuing
31 education board member title; amending s.

1 626.2816, F.S.; revising a cross-reference;
2 clarifying a continuing education requirement;
3 amending s. 626.2817, F.S.; deleting a
4 prelicensure rule requirement; amending s.
5 626.311, F.S.; providing for the appointment of
6 certain licensees; amending s. 626.321, F.S.;
7 deleting references to solicitors to conform to
8 prior deletions; providing for one application
9 for a license and payment of applicable fees;
10 amending s. 626.322, F.S.; clarifying the
11 effect of insurer authorization of effectuation
12 of certain appointments; amending s. 626.341,
13 F.S.; including a department-designated person
14 to administer appointment processes for certain
15 appointment-related actions; amending s.
16 626.371, F.S.; providing requirements for
17 submittal and effective date of appointments;
18 imposing a delinquent fee for certain
19 notification failures; providing fee payment
20 requirements; amending s. 626.381, F.S.;
21 including a department-designated person to
22 administer appointment processes for certain
23 appointment-related actions; providing for a
24 fee for certain late appointment filings;
25 amending s. 626.451, F.S.; including a
26 department-designated person to administer
27 appointment processes for certain
28 appointment-related actions; clarifying the
29 effect of insurer authorization of effectuation
30 of certain appointments; requiring licensee
31 notification of the department of certain

1 criminal proceedings; amending s. 626.461,
2 F.S.; including a department-designated person
3 to administer appointment processes for certain
4 appointment-related actions; deleting
5 references to solicitors to conform to prior
6 deletions; amending s. 626.471, F.S.; including
7 a department-designated person to administer
8 appointment processes for certain
9 appointment-related actions; providing for
10 termination of certain appointments; requiring
11 notice of termination; amending s. 626.843,
12 F.S.; revising procedures for renewing title
13 insurance agent appointments; amending s.
14 626.7315, F.S.; providing an exception to a
15 prohibition against certain individuals
16 receiving money on account of or for an
17 insurer; amending ss. 626.732, 626.7851,
18 626.8311, and 626.8417, F.S.; revising certain
19 education subject requirements; amending s.
20 626.7351, F.S.; revising licensure eligibility
21 criteria to specify United States citizenship
22 or certain legal alien status; revising certain
23 education subject requirements; providing
24 additional education course requirements;
25 amending s. 626.785, F.S.; revising licensure
26 eligibility criteria to specify United States
27 citizenship or certain legal alien status;
28 increasing the amount of coverage for
29 burial-related expenses that may be sold by a
30 life insurance agent under contract with a
31 funeral establishment; amending s. 626.797,

1 F.S.; revising an association title; amending
2 s. 626.869, F.S.; deleting a provision relating
3 to limited licenses for certain adjusters;
4 revising certain education requirements;
5 amending s. 626.878, F.S.; specifying
6 implementation requirements for the
7 department's ethics rules; amending s.
8 626.9541, F.S.; revising sliding as an unfair
9 method of competition and unfair or deceptive
10 act or practice; amending s. 632.634, F.S.;
11 specifying registration of a society only upon
12 department request; amending s. 627.7295, F.S.;
13 revising the per-policy fees that general lines
14 agents may charge on certain policies; amending
15 s. 648.27, F.S.; imposing a delinquent fee for
16 certain notification failures; providing fee
17 payment requirements; deleting obsolete runner
18 references; amending s. 648.382, F.S.;
19 clarifying the effect of insurer authorization
20 of effectuation of certain appointments;
21 imposing a delinquent fee for certain
22 notification failures; providing fee payment
23 requirements; amending s. 648.383, F.S.;
24 including a department-designated person to
25 administer appointment processes for certain
26 appointment-related actions; providing for a
27 fee for certain late appointment filings;
28 amending s. 648.50, F.S.; deleting obsolete
29 runner references; repealing s. 626.032, F.S.,
30 relating to continuing education and required
31 designation of administrative agents; repealing

1 s. 626.361, F.S., relating to the effective
2 date of appointments; amending s. 324.032,
3 F.S.; providing requirements with respect to
4 vehicle liability insurance for persons
5 operating for-hire passenger vehicles;
6 providing an effective date.

7

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

9

10 Section 1. Subsection (1) of section 627.4035, Florida
11 Statutes, is amended to read:

12 627.4035 Cash payment of premiums; claims.--

13 (1) The premiums for insurance contracts issued in
14 this state or covering risk located in this state shall be
15 paid in cash consisting of coins, currency, checks, or money
16 orders or by using a debit card, credit card, automatic
17 electronic funds transfer, or payroll deduction plan.

18 Section 2. Subsection (9) is added to section
19 627.7015, Florida Statutes, to read:

20 627.7015 Alternative procedure for resolution of
21 disputed property insurance claims.--

22 (9) For purposes of this section, the term "claim"
23 refers to any dispute between an insurer and an insured
24 relating to a material issue of fact other than a dispute:

25 (a) With respect to which the insurer has a reasonable
26 basis to suspect fraud;

27 (b) Where, based on agreed-upon facts as to the cause
28 of loss, there is no coverage under the policy;

29 (c) With respect to which the insurer has a reasonable
30 basis to believe that the claimant has intentionally made a
31 material misrepresentation of fact which is relevant to the

1 claim, and the entire request for payment of a loss has been
2 denied on the basis of the material misrepresentation; or

3 (d) With respect to which the amount in controversy is
4 less than \$500, unless the parties agree to mediate a dispute
5 involving a lesser amount.

6 Section 3. Subsection (1) of section 627.901, Florida
7 Statutes, is amended to read:

8 627.901 Premium financing by an insurance agent or
9 agency.--

10 (1) A general lines agent may make reasonable service
11 charges for financing insurance premiums on policies issued or
12 business produced by such an agent or agency, s. 626.9541
13 notwithstanding. The service charge shall not exceed ~~\$3~~\$1
14 ~~per installment, or a \$6 total service charge per year, for~~
15 ~~any premium balance of \$120 or less. For any premium balance~~
16 ~~greater than \$120 but not more than \$220, the service charge~~
17 ~~shall not exceed \$9 per year. The maximum service charge for~~
18 ~~any premium balance greater than \$220 shall not exceed \$36~~ \$12
19 per year. In lieu of such service charges, an insurance agent
20 or agency, at the sole discretion of such agent or agency, may
21 charge a rate of interest not to exceed 18 percent simple
22 interest per year on:

23 (a) The unpaid balance; or

24 (b) The average unpaid balance as billed over the term
25 of the policy and subject to endorsement changes. The interest
26 authorized by this paragraph may be billed in equal
27 installments.

28 Section 4. Paragraphs (o) and (x) of subsection (1) of
29 section 626.9541, Florida Statutes, are amended to read:

30 626.9541 Unfair methods of competition and unfair or
31 deceptive acts or practices defined.--

1 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR
2 DECEPTIVE ACTS.--The following are defined as unfair methods
3 of competition and unfair or deceptive acts or practices:

4 (o) Illegal dealings in premiums; excess or reduced
5 charges for insurance.--

6 1. Knowingly collecting any sum as a premium or charge
7 for insurance, which is not then provided, or is not in due
8 course to be provided, subject to acceptance of the risk by
9 the insurer, by an insurance policy issued by an insurer as
10 permitted by this code.

11 2. Knowingly collecting as a premium or charge for
12 insurance any sum in excess of or less than the premium or
13 charge applicable to such insurance, in accordance with the
14 applicable classifications and rates as filed with and
15 approved by the department, and as specified in the policy;
16 or, in cases when classifications, premiums, or rates are not
17 required by this code to be so filed and approved, premiums
18 and charges collected from a Florida resident in excess of or
19 less than those specified in the policy and as fixed by the
20 insurer. This provision shall not be deemed to prohibit the
21 charging and collection, by surplus lines agents licensed
22 under part VIII of this chapter, of the amount of applicable
23 state and federal taxes, or fees as authorized by s.

24 626.916(4), in addition to the premium required by the insurer
25 or the charging and collection, by licensed agents, of the
26 exact amount of any discount or other such fee charged by a
27 credit card facility in connection with the use of a credit
28 card, as authorized by subparagraph (q)3., in addition to the
29 premium required by the insurer. This subparagraph shall not
30 be construed to prohibit collection of a premium for a
31

1 universal life or a variable or indeterminate value insurance
2 policy made in accordance with the terms of the contract.

3 3.a. Imposing or requesting an additional premium for
4 a policy of motor vehicle liability, personal injury
5 protection, medical payment, or collision insurance or any
6 combination thereof or refusing to renew the policy solely
7 because the insured was involved in a motor vehicle accident
8 unless the insurer's file contains information from which the
9 insurer in good faith determines that the insured was
10 substantially at fault in the accident.

11 b. An insurer which imposes and collects such a
12 surcharge or which refuses to renew such policy shall, in
13 conjunction with the notice of premium due or notice of
14 nonrenewal, notify the named insured that he or she is
15 entitled to reimbursement of such amount or renewal of the
16 policy under the conditions listed below and will subsequently
17 reimburse him or her or renew the policy, if the named insured
18 demonstrates that the operator involved in the accident was:

19 (I) Lawfully parked;

20 (II) Reimbursed by, or on behalf of, a person
21 responsible for the accident or has a judgment against such
22 person;

23 (III) Struck in the rear by another vehicle headed in
24 the same direction and was not convicted of a moving traffic
25 violation in connection with the accident;

26 (IV) Hit by a "hit-and-run" driver, if the accident
27 was reported to the proper authorities within 24 hours after
28 discovering the accident;

29 (V) Not convicted of a moving traffic violation in
30 connection with the accident, but the operator of the other
31

1 automobile involved in such accident was convicted of a moving
2 traffic violation;

3 (VI) Finally adjudicated not to be liable by a court
4 of competent jurisdiction;

5 (VII) In receipt of a traffic citation which was
6 dismissed or nolle prossed; or

7 (VIII) Not at fault as evidenced by a written
8 statement from the insured establishing facts demonstrating
9 lack of fault which are not rebutted by information in the
10 insurer's file from which the insurer in good faith determines
11 that the insured was substantially at fault.

12 c. In addition to the other provisions of this
13 subparagraph, an insurer may not fail to renew a policy if the
14 insured has had only one accident in which he or she was at
15 fault within the current 3-year period. However, an insurer
16 may nonrenew a policy for reasons other than accidents in
17 accordance with s. 627.728. This subparagraph does not
18 prohibit nonrenewal of a policy under which the insured has
19 had three or more accidents, regardless of fault, during the
20 most recent 3-year period.

21 4. Imposing or requesting an additional premium for,
22 or refusing to renew, a policy for motor vehicle insurance
23 solely because the insured committed a noncriminal traffic
24 infraction as described in s. 318.14 unless the infraction is:

25 a. A second infraction committed within an 18-month
26 period, or a third or subsequent infraction committed within a
27 36-month period.

28 b. A violation of s. 316.183, when such violation is a
29 result of exceeding the lawful speed limit by more than 15
30 miles per hour.

31

1 5. Upon the request of the insured, the insurer and
2 licensed agent shall supply to the insured the complete proof
3 of fault or other criteria which justifies the additional
4 charge or cancellation.

5 6. No insurer shall impose or request an additional
6 premium for motor vehicle insurance, cancel or refuse to issue
7 a policy, or refuse to renew a policy because the insured or
8 the applicant is a handicapped or physically disabled person,
9 so long as such handicap or physical disability does not
10 substantially impair such person's mechanically assisted
11 driving ability.

12 7. No insurer may cancel or otherwise terminate any
13 insurance contract or coverage, or require execution of a
14 consent to rate endorsement, during the stated policy term for
15 the purpose of offering to issue, or issuing, a similar or
16 identical contract or coverage to the same insured with the
17 same exposure at a higher premium rate or continuing an
18 existing contract or coverage with the same exposure at an
19 increased premium.

20 8. No insurer may issue a nonrenewal notice on any
21 insurance contract or coverage, or require execution of a
22 consent to rate endorsement, for the purpose of offering to
23 issue, or issuing, a similar or identical contract or coverage
24 to the same insured at a higher premium rate or continuing an
25 existing contract or coverage at an increased premium without
26 meeting any applicable notice requirements.

27 9. No insurer shall, with respect to premiums charged
28 for motor vehicle insurance, unfairly discriminate solely on
29 the basis of age, sex, marital status, or scholastic
30 achievement.

31

1 10. Imposing or requesting an additional premium for
2 motor vehicle comprehensive or uninsured motorist coverage
3 solely because the insured was involved in a motor vehicle
4 accident or was convicted of a moving traffic violation.

5 11. No insurer shall cancel or issue a nonrenewal
6 notice on any insurance policy or contract without complying
7 with any applicable cancellation or nonrenewal provision
8 required under the Florida Insurance Code.

9 12. No insurer shall impose or request an additional
10 premium, cancel a policy, or issue a nonrenewal notice on any
11 insurance policy or contract because of any traffic infraction
12 when adjudication has been withheld and no points have been
13 assessed pursuant to s. 318.14(9) and (10). However, this
14 subparagraph does not apply to traffic infractions involving
15 accidents in which the insurer has incurred a loss due to the
16 fault of the insured.

17 (x) Refusal to insure.--In addition to other
18 provisions of this code, the refusal to insure, or continue to
19 insure, any individual or risk solely because of:

20 1. Race, color, creed, marital status, sex, or
21 national origin;

22 2. The residence, age, or lawful occupation of the
23 individual or the location of the risk, unless there is a
24 reasonable relationship between the residence, age, or lawful
25 occupation of the individual or the location of the risk and
26 the coverage issued or to be issued;

27 3. The insured's or applicant's failure to agree to
28 place collateral business with any insurer, unless the
29 coverage applied for would provide liability coverage which is
30 excess over that provided in policies maintained on property
31 or motor vehicles;

1 4. The insured's or applicant's failure to purchase
2 noninsurance services or commodities, including automobile
3 services as defined in s. 624.124; ~~or~~

4 5. The fact that the insured or applicant is a public
5 official; or

6 ~~6.5.~~ The fact that the insured or applicant had been
7 previously refused insurance coverage by any insurer, when
8 such refusal to insure or continue to insure for this reason
9 occurs with such frequency as to indicate a general business
10 practice.

11 Section 5. Subsection (1) of section 631.913, Florida
12 Statutes, is amended to read:

13 631.913 Powers and duties of the corporation.--

14 (1) The corporation is obligated to the extent of the
15 full amount of the covered claims:

16 (a) Existing before the adjudication of insolvency and
17 arising within 30 days after the determination of insolvency;

18 (b) Existing before the policy expiration date if less
19 than 30 days after the determination of insolvency; or

20 (c) Existing before the insured replaces the policy or
21 causes its cancellation, if the insured does so within 30 days
22 after the determination of insolvency.

23
24 Notwithstanding such criteria, the corporation's obligation
25 for a covered claim for the return of unearned premium shall
26 not exceed \$50,000 per policy. In addition, the corporation is
27 not obligated to a policyholder or claimant in an amount in
28 excess of the obligation of the insolvent insurer under the
29 policy from which the claim arises.

30 Section 6. Paragraph (a) of subsection (1) of section
31 631.914, Florida Statutes, is amended to read:

1 631.914 Assessments.--

2 (1)(a) To the extent necessary to secure the funds for
3 the payment of covered claims, and also to pay the reasonable
4 costs to administer the same, the department, upon
5 certification by the board, shall levy assessments on each
6 insurer in the proportion that the insurer's net direct
7 written premiums in this state bears to the total of said net
8 direct written premiums received in this state by all such
9 workers' compensation insurers for the preceding calendar
10 year. Assessments shall be remitted to and administered by
11 the board of directors in the manner specified by the approved
12 plan of operation. The board shall give each insurer so
13 assessed at least 30 days' written notice of the date the
14 assessment is due and payable. Each assessment shall be a
15 uniform percentage applicable to the net direct written
16 premiums of each insurer writing workers' compensation
17 insurance.

18 1. Beginning July 1, 1997, assessments levied against
19 insurers, other than self-insurance funds, shall not exceed in
20 any calendar year more than 2 percent of that insurer's net
21 direct written premiums in this state for workers'
22 compensation insurance during the calendar year next preceding
23 the date of such assessments.

24 2. Beginning July 1, 1997, assessments levied against
25 self-insurance funds shall not exceed in any calendar year
26 more than 1.50 percent of that self-insurance fund's net
27 direct written premiums in this state for workers'
28 compensation insurance during the calendar year next preceding
29 the date of such assessments.

30 3. Beginning July 1, 2003, assessments levied against
31 insurers and self-insurance funds pursuant to this paragraph

1 are computed and levied on the basis of the full policy
2 premium value on the net direct premiums written in the state
3 for workers' compensation insurance during the calendar year
4 next preceding the date of the assessment without taking into
5 account any applicable discount or credit for deductibles.
6 Insurers and self-insurance funds must report premiums in
7 compliance with this subparagraph.

8 Section 7. Section 631.924, Florida Statutes, is
9 amended to read:

10 631.924 Stay of proceedings; reopening of default
11 judgments.--All proceedings in which the insolvent insurer or
12 self-insurance fund is a party or is obligated to defend a
13 party in any court or before any quasi-judicial body or
14 administrative board in this state must be stayed for 6
15 months, or such additional period from the date the insolvency
16 is adjudicated, by a court of competent jurisdiction to allow
17 proper defense by the association of all pending causes of
18 action as to any covered claims. The stay may be extended for
19 a period of time greater than 6 months upon proper application
20 to a court of competent jurisdiction. The association, either
21 on its own behalf or on behalf of the insured, may apply to
22 have any judgment, order, decision, verdict, or finding based
23 on the default of the insolvent insurer or self-insurance fund
24 or its failure to defend an insured set aside by the same
25 court or administrator that made the judgment, order,
26 decision, verdict, or finding and may defend against the claim
27 on the merits. If the association so requests, the stay of
28 proceedings may be shortened or waived.

29 Section 8. Subsection (4) of section 624.406, Florida
30 Statutes, is amended to read:

31

1 624.406 Combinations of insuring powers, one
2 insurer.--An insurer which otherwise qualifies therefor may be
3 authorized to transact any one kind or combination of kinds of
4 insurance as defined in part V except:

5 (4) A health insurer may also transact excess
6 insurance, specific and aggregate, for self-insurers of a plan
7 of health insurance and multiple-employer welfare arrangements
8 and reinsurance for the medical and lost wages benefits
9 provided under a workers' compensation insurance policy.

10 Section 9. Section 624.603, Florida Statutes, is
11 amended to read:

12 624.603 "Health insurance" defined.--"Health
13 insurance," also known as "disability insurance," is insurance
14 of human beings against bodily injury, disablement, or death
15 by accident or accidental means, or the expense thereof, or
16 against disablement or expense resulting from sickness, and
17 every insurance appertaining thereto. Health insurance does
18 not include workers' compensation coverages, except as
19 provided in s. 624.406(4).

20 Section 10. Subsection (7) of section 631.141, Florida
21 Statutes, is amended to read:

22 631.141 Conduct of delinquency proceeding; domestic
23 and alien insurers.--

24 (7)(a) In connection with a delinquency proceeding,
25 the department may appoint one or more special agents to act
26 for it, and it may employ such counsel, clerks, and assistants
27 as it deems necessary. The compensation of the special
28 agents, counsel, clerks, or assistants and all expenses of
29 taking possession of the insurer and of conducting the
30 proceeding shall be fixed by the receiver, subject to the
31 approval of the court, and shall be paid out of the funds or

1 assets of the insurer. Within the limits of duties imposed
2 upon them, special agents shall possess all the powers given
3 to and, in the exercise of those powers, shall be subject to
4 all duties imposed upon the receiver with respect to such
5 proceeding.

6 (b) In the event that initiation of delinquency
7 proceedings does not result in appointment of the department
8 as receiver, or in the event that the funds or assets of an
9 insurer for which the department is appointed as receiver are
10 insufficient to cover the cost of compensation to special
11 agents, counsel, clerks, or assistants and all expenses of
12 taking, or attempting to take, possession of the insurer, and
13 of conducting the proceeding, there is appropriated, upon
14 approval of the Chief Financial Officer, from the Insurance
15 Regulation Trust Fund to the Division of Rehabilitation and
16 Liquidation a sum that is sufficient to cover the unreimbursed
17 costs.

18 Section 11. Section 624.04, Florida Statutes, is
19 amended to read:

20 624.04 "Person" defined.--"Person" includes an
21 individual, insurer, company, association, organization,
22 Lloyds, society, reciprocal insurer or interinsurance
23 exchange, partnership, syndicate, business trust, corporation,
24 agent, general agent, broker, ~~solicitor~~, service
25 representative, adjuster, and every legal entity.

26 Section 12. Subsection (2) of section 624.303, Florida
27 Statutes, is amended to read:

28 624.303 Seal; certified copies as evidence.--

29 (2) All certificates executed by the department, other
30 than licenses of agents, ~~solicitors~~, or adjusters or similar
31 licenses or permits, shall bear its seal.

1 Section 13. Paragraph (a) of subsection (2) of section
2 624.313, Florida Statutes, is amended to read:

3 624.313 Publications.--

4 (2) The department may prepare and have printed and
5 published in pamphlet or book form the following:

6 (a) As needed, questions and answers for the use of
7 persons applying for an examination for licensing as agents ~~or~~
8 ~~solicitors~~ for property, casualty, surety, health, and
9 miscellaneous insurers.

10 Section 14. Subsection (2) of section 624.317, Florida
11 Statutes, is amended to read:

12 624.317 Investigation of agents, adjusters,
13 administrators, service companies, and others.--If it has
14 reason to believe that any person has violated or is violating
15 any provision of this code, or upon the written complaint
16 signed by any interested person indicating that any such
17 violation may exist, the department shall conduct such
18 investigation as it deems necessary of the accounts, records,
19 documents, and transactions pertaining to or affecting the
20 insurance affairs of any:

21 (2) Insurance agent or, customer representative, ~~or~~
22 ~~solicitor~~, subject to the requirements of s. 626.601.

23 Section 15. Section 624.34, Florida Statutes, is
24 amended to read:

25 624.34 Authority of Department of Law Enforcement to
26 accept fingerprints of, and exchange criminal history records
27 with respect to, certain persons.--

28 (1) The Department of Law Enforcement may accept
29 fingerprints of organizers, incorporators, subscribers,
30 officers, stockholders, directors, or any other persons

31

1 involved, directly or indirectly, in the organization,
2 operation, or management of:

3 (a) Any insurer or proposed insurer transacting or
4 proposing to transact insurance in this state.

5 (b) Any other entity which is examined or investigated
6 or which is eligible to be examined or investigated under the
7 provisions of the Florida Insurance Code.

8 (2) The Department of Law Enforcement may accept
9 fingerprints of individuals who apply for a license as an
10 agent, customer representative, adjuster, service
11 representative, or managing general agent or the fingerprints
12 of the majority owner, sole proprietor, partners, officers,
13 and directors of a corporation or other legal entity that
14 applies for licensure with the department under the provisions
15 of the Florida Insurance Code.

16 (3) The Department of Law Enforcement may, to the
17 extent provided for by federal law, exchange state,
18 multistate, and federal criminal history records with the
19 department and the office for the purpose of the issuance,
20 denial, suspension, or revocation of a certificate of
21 authority, certification, or license to operate in this state.

22 (4) The Department of Law Enforcement may accept
23 fingerprints of any other person required by statute or rule
24 to submit fingerprints to the department or office or any
25 applicant or licensee regulated by the department or office
26 who is required to demonstrate that he or she has not been
27 convicted of or pled guilty or nolo contendere to a felony or
28 a misdemeanor.

29 (5) The Department of Law Enforcement shall, upon
30 receipt of fingerprints from the department or office, submit
31

1 the fingerprints to the Federal Bureau of Investigation to
2 check federal criminal history records.

3 (6) Statewide criminal records obtained through the
4 Department of Law Enforcement, federal criminal records
5 obtained through the Federal Bureau of Investigation, and
6 local criminal records obtained through local law enforcement
7 agencies shall be used by the department and office for the
8 purpose of issuance, denial, suspension, or revocation of
9 certificates of authority, certifications, or licenses issued
10 to operate in this state.

11 Section 16. Paragraph (b) of subsection (6) of section
12 624.501, Florida Statutes, is amended, and subsection (28) is
13 added to that section, to read:

14 624.501 Filing, license, appointment, and
15 miscellaneous fees.--The department shall collect in advance,
16 and persons so served shall pay to it in advance, fees,
17 licenses, and miscellaneous charges as follows:

18 (6) Insurance representatives, property, marine,
19 casualty, and surety insurance.

20 (b) ~~Solicitor's~~ or Customer representative's original
21 appointment and biennial renewal or continuation thereof:

22	Appointment fee.....	\$42.00
23	State tax.....	12.00
24	County tax.....	6.00
25	Total.....	\$60.00

26 (28) Late filing of appointment renewals for agents,
27 adjusters, and other insurance representatives, each
28 appointment.....\$20.00

29 Section 17. Section 624.504, Florida Statutes, is
30 amended to read:

31 624.504 Liability for state, county tax.--

1 ~~(1)~~ Each authorized insurer that uses insurance agents
2 in this state shall be liable for and shall pay the state and
3 county taxes required therefor under s. 624.501 or s. 624.505.

4 ~~(2) Each insurance agent in this state that uses~~
5 ~~solicitors shall be liable for and shall pay the state and~~
6 ~~county taxes required therefor under s. 624.501.~~

7 Section 18. Subsection (1) of section 624.506, Florida
8 Statutes, is amended to read:

9 624.506 County tax; deposit and remittance.--

10 (1) The Insurance Commissioner and Treasurer shall
11 deposit in the Agents ~~and Solicitors~~ County Tax Trust Fund all
12 moneys accepted as county tax under this part. She or he shall
13 keep a separate account for all moneys so collected for each
14 county and, after deducting therefrom the service charges
15 provided for in s. 215.20, shall remit the balance to the
16 counties.

17 Section 19. Subsection (1) of section 624.521, Florida
18 Statutes, is amended to read:

19 624.521 Deposit of certain tax receipts; refund of
20 improper payments.--

21 (1) The Department of Insurance shall promptly deposit
22 in the State Treasury to the credit of the Insurance
23 Commissioner's Regulatory Trust Fund all "state tax" portions
24 of agents' ~~and solicitors~~ licenses collected under s. 624.501
25 necessary to fund the Division of Insurance Fraud. The balance
26 of the tax shall be credited to the General Fund. All moneys
27 received by the Department of Insurance not in accordance with
28 the provisions of this code or not in the exact amount as
29 specified by the applicable provisions of this code shall be
30 returned to the remitter. The records of the department shall
31 show the date and reason for such return.

1 Section 20. Section 626.015, Florida Statutes, is
2 amended to read:

3 626.015 Definitions.--As used in this part:

4 (1) "Adjuster" means a public adjuster as defined in
5 s. 626.854, independent adjuster as defined in s. 626.855, or
6 company employee adjuster as defined in s. 626.856.

7 ~~(2) "Administrative agent" means a life agent or
8 health agent who:~~

9 ~~(a) Is employed by a full-time licensed life agent or
10 health agent who shall supervise and be accountable for the
11 actions of the administrative agent.~~

12 ~~(b) Performs primarily administrative functions.~~

13 ~~(c) Receives no insurance commissions.~~

14 ~~(d) Does not solicit or transact business outside of
15 the confines of an insurance agency office.~~

16 (2)~~(3)~~ "Agent" means a general lines agent, life
17 agent, health agent, or title agent, or all such agents, as
18 indicated by context. The term "agent" includes an insurance
19 producer or producer, but does not include a customer
20 representative, limited customer representative, or service
21 representative.

22 (3)~~(4)~~ "Appointment" means the authority given by an
23 insurer or employer to a licensee to transact insurance or
24 adjust claims on behalf of an insurer or employer.

25 (4)~~(5)~~ "Customer representative" means an individual
26 appointed by a general lines agent or agency to assist that
27 agent or agency in transacting the business of insurance from
28 the office of that agent or agency.

29 (5)~~(6)~~ "Department" means the Department of Insurance.
30
31

1 ~~(6)~~(7) "General lines agent" means an agent
2 transacting any one or more of the following kinds of
3 insurance:

4 (a) Property insurance.

5 (b) Casualty insurance, including commercial liability
6 insurance underwritten by a risk retention group, a commercial
7 self-insurance fund as defined in s. 624.462, or a workers'
8 compensation self-insurance fund established pursuant to s.
9 624.4621.

10 (c) Surety insurance.

11 (d) Health insurance, when transacted by an insurer
12 also represented by the same agent as to property or casualty
13 or surety insurance.

14 (e) Marine insurance.

15 ~~(7)~~(8) "Health agent" means an agent representing a
16 health maintenance organization or, as to health insurance
17 only, an insurer transacting health insurance.

18 ~~(8)~~(9) "Home state" means the District of Columbia and
19 any state or territory of the United States in which an
20 insurance agent maintains his or her principal place of
21 residence and is licensed to act as an insurance agent.

22 ~~(9)~~(10) "Insurance agency" means a business location
23 at which an individual, firm, partnership, corporation,
24 association, or other entity, other than an employee of the
25 individual, firm, partnership, corporation, association, or
26 other entity and other than an insurer as defined by s. 624.03
27 or an adjuster as defined by subsection (1), engages in any
28 activity or employs individuals to engage in any activity
29 which by law may be performed only by a licensed insurance
30 agent.

31

1 (10)~~(11)~~ "License" means a document issued by the
2 department authorizing a person to be appointed to transact
3 insurance or adjust claims for the kind, line, or class of
4 insurance identified in the document.

5 (11)~~(12)~~ "Life agent" means an individual representing
6 an insurer as to life insurance and annuity contracts,
7 including agents appointed to transact life insurance,
8 fixed-dollar annuity contracts, or variable contracts by the
9 same insurer.

10 (12)~~(13)~~ "Limited customer representative" means a
11 customer representative appointed by a general lines agent or
12 agency to assist that agent or agency in transacting only the
13 business of private passenger motor vehicle insurance from the
14 office of that agent or agency. A limited customer
15 representative is subject to the Florida Insurance Code in the
16 same manner as a customer representative, unless otherwise
17 specified.

18 (13)~~(14)~~ "Limited lines insurance" means those
19 categories of business specified in ss. 626.321 and 635.011.

20 (14)~~(15)~~ "Line of authority" means a kind, line, or
21 class of insurance an agent is authorized to transact.

22 (15)~~(16)~~(a) "Managing general agent" means any person
23 managing all or part of the insurance business of an insurer,
24 including the management of a separate division, department,
25 or underwriting office, and acting as an agent for that
26 insurer, whether known as a managing general agent, manager,
27 or other similar term, who, with or without authority,
28 separately or together with affiliates, produces directly or
29 indirectly, or underwrites an amount of gross direct written
30 premium equal to or more than 5 percent of the policyholder
31 surplus as reported in the last annual statement of the

1 insurer in any single quarter or year and also does one or
2 more of the following:

- 3 1. Adjusts or pays claims.
- 4 2. Negotiates reinsurance on behalf of the insurer.

5 (b) The following persons shall not be considered
6 managing general agents:

- 7 1. An employee of the insurer.
- 8 2. A United States manager of the United States branch
9 of an alien insurer.

10 3. An underwriting manager managing all the insurance
11 operations of the insurer pursuant to a contract, who is under
12 the common control of the insurer subject to regulation under
13 ss. 628.801-628.803, and whose compensation is not based on
14 the volume of premiums written.

15 4. Administrators as defined by s. 626.88.

16 5. The attorney in fact authorized by and acting for
17 the subscribers of a reciprocal insurer under powers of
18 attorney.

19 (16)~~(17)~~ "Resident" means an individual domiciled and
20 residing in this state.

21 (17)~~(18)~~ "Service representative" means an individual
22 employed by an insurer or managing general agent for the
23 purpose of assisting a general lines agent in negotiating and
24 effecting insurance contracts when accompanied by a licensed
25 general lines agent. A service representative shall not be
26 simultaneously licensed as a general lines agent in this
27 state. This subsection does not apply to life insurance.

28 (18)~~(19)~~ "Uniform application" means the uniform
29 application of the National Association of Insurance
30 Commissioners for nonresident agent licensing, effective
31

1 January 15, 2001, or subsequent versions adopted by rule by
2 the department.

3 Section 21. Subsection (1) of section 626.022, Florida
4 Statutes, is amended to read:

5 626.022 Scope of part.--

6 (1) This part applies as to insurance agents,
7 ~~solicitors~~, service representatives, adjusters, and insurance
8 agencies; as to any and all kinds of insurance; and as to
9 stock insurers, mutual insurers, reciprocal insurers, and all
10 other types of insurers, except that:

11 (a) It does not apply as to reinsurance, except that
12 ss. 626.011-626.031, ss. 626.102-626.181, ss. 626.191-626.211,
13 ss. 626.291-626.301, s. 626.331, ss. 626.342-626.521, ss.
14 626.541-626.591, and ss. 626.601-626.711 shall apply as to
15 reinsurance intermediaries as defined in s. 626.7492.

16 (b) The applicability of this chapter as to fraternal
17 benefit societies shall be as provided in chapter 632.

18 (c) It does not apply to a bail bond agent, as defined
19 in s. 648.25, except as provided in chapter 648 or chapter
20 903.

21 (d) This part does not apply to a certified public
22 accountant licensed under chapter 473 who is acting within the
23 scope of the practice of public accounting, as defined in s.
24 473.302, provided that the activities of the certified public
25 accountant are limited to advising a client of the necessity
26 of obtaining insurance, the amount of insurance needed, or the
27 line of coverage needed, and provided that the certified
28 public accountant does not directly or indirectly receive or
29 share in any commission or referral fee, ~~or solicitor's fee~~.

30 Section 22. Paragraph (a) of subsection (7) of section
31 626.112, Florida Statutes, is amended to read:

1 626.112 License and appointment required; agents,
2 customer representatives, adjusters, insurance agencies,
3 service representatives, managing general agents.--

4 (7)(a) No individual, firm, partnership, corporation,
5 association, or any other entity shall act in its own name or
6 under a trade name, directly or indirectly, as an insurance
7 agency, when required to be licensed by this subsection,
8 unless it complies with s. 626.172 with respect to possessing
9 an insurance agency license for each place of business at
10 which it engages in any activity which may be performed only
11 by a licensed insurance agent ~~or solicitor~~.

12 Section 23. Paragraph (a) of subsection (2) and
13 subsection (5) of section 626.171, Florida Statutes, are
14 amended to read:

15 626.171 Application for license.--

16 (2) In the application, the applicant shall set forth:

17 (a) His or her full name, age, social security number,
18 residence address, and place of business address, and mailing
19 address.

20 (5) An application for a license as an agent, customer
21 representative, adjuster, insurance agency, service
22 representative, managing general agent, or reinsurance
23 intermediary must be accompanied by a set of the individual
24 applicant's fingerprints, or, if the applicant is not an
25 individual, by a set of the fingerprints of the sole
26 proprietor, majority owner, partners, officers, and directors,
27 on a form adopted by rule of the department and accompanied by
28 the fingerprint processing fee set forth in s. 624.501.

29 Fingerprints shall be used to investigate the applicant's
30 qualifications pursuant to s. 626.201.The fingerprints shall
31

1 be ~~taken certified~~ by a law enforcement agency or other
2 department-approved entity officer.

3 Section 24. Subsection (1) of section 626.175, Florida
4 Statutes, is amended to read:

5 626.175 Temporary licensing.--

6 (1) The department may issue a nonrenewable temporary
7 license for a period not to exceed 6 months authorizing
8 appointment of a general lines insurance agent or a life
9 agent, or an industrial fire or burglary agent, subject to the
10 conditions described in this section. The fees paid for a
11 temporary license and appointment shall be as specified in s.
12 624.501. Fees paid shall not be refunded after a temporary
13 license has been issued.

14 (a) An applicant for a temporary license must be:

15 1. A natural person at least 18 years of age.

16 2. A United States citizen or legal alien who
17 possesses work authorization from the United States
18 Immigration and Naturalization Service.

19 (b)(a)1. In the case of a general lines agent, the
20 department may issue a temporary license to an employee, a
21 family member, a business associate, or a personal
22 representative of a licensed general lines agent for the
23 purpose of continuing or winding up the business affairs of
24 the agent or agency in the event the licensed agent has died
25 or become unable to perform his or her duties because of
26 military service or illness or other physical or mental
27 disability, subject to the following conditions:

28 a. No other individual connected with the agent's
29 business may be licensed as a general lines agent.

30
31

1 b. The proposed temporary licensee shall be qualified
2 for a regular general lines agent license under this code
3 except as to residence, examination, education, or experience.

4 c. Application for the temporary license shall have
5 been made by the applicant upon statements and affidavit filed
6 with the department on forms prescribed and furnished by the
7 department.

8 d. Under a temporary license and appointment, the
9 licensee shall not represent any insurer not last represented
10 by the agent being replaced and shall not be licensed or
11 appointed as to any additional kind, line, or class of
12 insurance other than those covered by the last existing agency
13 appointments of the replaced agent. If an insurer withdraws
14 from the agency during the temporary license period, the
15 temporary licensee may be appointed by another similar insurer
16 but only for the period remaining under the temporary license.

17 2. A regular general lines agent license may be issued
18 to a temporary licensee upon meeting the qualifications for a
19 general lines agent license under s. 626.731.

20 ~~(c)(b)~~ In the case of a life agent, the department may
21 issue a temporary license:

22 1. To the executor or administrator of the estate of a
23 deceased individual licensed and appointed as a life agent at
24 the time of death;

25 2. To a surviving next of kin of the deceased
26 individual, if no administrator or executor has been appointed
27 and qualified; however, any license and appointment under this
28 subparagraph shall be canceled upon issuance of a license to
29 an executor or administrator under subparagraph 1.; or

30 3. To an individual otherwise qualified to be licensed
31 as an agent who has completed the educational or training

1 requirements prescribed in s. 626.7851 and has successfully
2 sat for the required examination prior to termination of such
3 6-month period. The department may issue this temporary
4 license only in the case of a life agent to represent an
5 insurer of the industrial or ordinary-combination class.

6 (d)~~(e)~~ In the case of a limited license authorizing
7 appointment as an industrial fire or burglary agent, the
8 department may issue a temporary license to an individual
9 otherwise qualified to be licensed as an agent who has
10 completed the educational or training requirements prescribed
11 in s. 626.732 and has successfully sat for the required
12 examination prior to termination of the 6-month period.

13 Section 25. Section 626.202, Florida Statutes, is
14 amended to read:

15 626.202 Fingerprinting requirements.--If there is a
16 change in ownership or control of any entity licensed under
17 this chapter, or if a new partner, officer, or director is
18 employed or appointed, a set of fingerprints of the new owner,
19 partner, officer, or director must be filed with the
20 department within 30 days after the change. The acquisition of
21 10 percent or more of the voting securities of a licensed
22 entity is considered a change of ownership or control. The
23 fingerprints must be taken ~~certified~~ by a law enforcement
24 agency or other department-approved entity ~~officer~~ and be
25 accompanied by the fingerprint processing fee in s. 624.501.

26 Section 26. Section 626.201, Florida Statutes, is
27 amended to read:

28 626.201 Investigation.--

29 (1) The department may propound any reasonable
30 interrogatories in addition to those contained in the
31 application, to any applicant for license or appointment, or

1 on any renewal, reinstatement, or continuation thereof,
2 relating to his or her qualifications, residence, prospective
3 place of business, and any other matter which, in the opinion
4 of the department, is deemed necessary or advisable for the
5 protection of the public and to ascertain the applicant's
6 qualifications.

7 (2) The department may, upon completion of the
8 application, make such further investigation as it may deem
9 advisable of the applicant's character, experience,
10 background, and fitness for the license or appointment. Such
11 an inquiry or investigation shall be in addition to any
12 examination required to be taken by the applicant as
13 hereinafter in this chapter provided.

14 (3) An inquiry or investigation of the applicant's
15 qualifications, character, experience, background, and fitness
16 must include submission of the applicant's fingerprints to the
17 Department of Law Enforcement and the Federal Bureau of
18 Investigation and consideration of any state criminal records,
19 federal criminal records, or local criminal records obtained
20 from these agencies or from local law enforcement agencies.

21 Section 27. Paragraphs (e), (f), (g), and (k) of
22 subsection (2) of section 626.221, Florida Statutes, are
23 amended to read:

24 626.221 Examination requirement; exemptions.--

25 (2) However, no such examination shall be necessary in
26 any of the following cases:

27 (e) An individual who qualified as a managing general
28 agent, service representative, customer representative, or
29 all-lines adjuster by passing a general lines agent's
30 examination and subsequently was licensed and appointed and
31 has been actively engaged in all lines of property and

1 casualty insurance may, upon filing an application for
2 appointment, be licensed and appointed as a general lines
3 agent for the same kinds of business without taking another
4 examination if he or she holds any such currently effective
5 license referred to in this paragraph or held the license
6 within 48 ~~24~~ months prior to the date of filing the
7 application with the department.

8 (f) A person who has been licensed and appointed by
9 the department as a public adjuster or independent adjuster,
10 or licensed and appointed either as an agent or company
11 adjuster as to all property, casualty, and surety insurances,
12 may be licensed and appointed as a company adjuster as to any
13 of such insurances, or as an independent adjuster or public
14 adjuster, without additional written examination if an
15 application for appointment is filed with the department
16 within 48 ~~24~~ months following the date of cancellation or
17 expiration of the prior appointment.

18 (g) A person who has been licensed by the department
19 as an adjuster for motor vehicle, property and casualty,
20 workers' compensation, and health insurance may be licensed as
21 such an adjuster without additional written examination if his
22 or her application for appointment is filed with the
23 department within 48 ~~24~~ months after cancellation or
24 expiration of the prior license.

25 (k) An applicant for license as a customer
26 representative who has the designation of Accredited Advisor
27 in Insurance (AAI) from the Insurance Institute of America,
28 the designation of Certified Insurance Counselor (CIC) from
29 the Society of Certified Insurance Service Counselors, the
30 designation of Accredited Customer Service Representative
31 (ACSR) from the Independent Insurance Agents of America, the

1 designation of Certified Professional Service Representative
2 (CPSR) from the National Foundation for Certified Professional
3 Service Representatives Association of Professional Insurance
4 ~~Agents~~, the designation of Certified Insurance Service
5 Representative (CISR) from the Society of Certified Insurance
6 Service Representatives. Also, an applicant for license as a
7 customer representative who has the designation of Certified
8 Customer Service Representative (CCSR) from the Florida
9 Association of Insurance Agents, or the designation of
10 Registered Customer Service Representative (RCSR) from a
11 regionally accredited postsecondary institution in this state,
12 or the designation of Professional Customer Service
13 Representative (PCSR) from the Professional Career Institute,
14 whose curriculum has been approved by the department and whose
15 curriculum includes comprehensive analysis of basic property
16 and casualty lines of insurance and testing at least equal to
17 that of standard department testing for the customer
18 representative license. The department shall adopt rules
19 establishing standards for the approval of curriculum.

20 Section 28. Paragraphs (a), (c), and (d) of subsection
21 (3), paragraphs (a), (b), (c), (d), (g), (h), and (i) of
22 subsection (4), and paragraph (b) of subsection (6) of section
23 626.2815, Florida Statutes, are amended to read:

24 626.2815 Continuing education required; application;
25 exceptions; requirements; penalties.--

26 (3)(a) Each person subject to the provisions of this
27 section must, except as set forth in paragraphs (b) and (c),
28 complete a minimum of 24 ~~28~~ hours of continuing education
29 courses every 2 years in basic or higher-level courses
30 prescribed by this section or in other courses approved by the
31 department. Each person subject to the provisions of this

1 section must complete, as part of his or her ~~their~~ required
2 number of continuing education hours, 3 hours of continuing
3 education, approved by the department, every 2 years on the
4 subject matter of ethics and a minimum of 2 hours of
5 continuing education, approved by the department, every 2
6 years on the subject matter of unauthorized entities engaging
7 in the business of insurance. The scope of the topic of
8 unauthorized entities shall include the Florida Nonprofit
9 Multiple Employer Welfare Arrangement Act and the Employee
10 Retirement Income Security Act, 29 U.S.C. ss. 1001 et seq., as
11 it relates to the provision of health insurance by employers
12 to their employees and the regulation thereof.

13 (c) A licensee who has been licensed for 25 years or
14 more and is a CLU or a CPCU or has a Bachelor of Science
15 degree in risk management or insurance with evidence of 18 or
16 more semester hours in upper-level insurance-related courses
17 must complete 12 ~~14~~ hours of continuing education courses
18 every 2 years in courses prescribed by this section or in
19 other courses approved by the department, except, for
20 compliance periods beginning January 1, 1998, the licensees
21 described in this paragraph shall be required to complete 10
22 hours of continuing education courses every 2 years.

23 (d) Any person who holds a license as a customer
24 representative, limited customer representative,
25 ~~administrative agent,~~ title agent, motor vehicle physical
26 damage and mechanical breakdown insurance agent, crop or hail
27 and multiple-peril crop insurance agent, or as an industrial
28 fire insurance or burglary insurance agent and who is not a
29 licensed life or health insurance agent, shall be required to
30 complete 12 ~~14~~ hours of continuing education courses every 2
31 years, except, for compliance periods beginning on January 1,

1 1998, each licensee subject to this paragraph shall be
2 required to complete 10 hours of continuing education courses
3 every 2 years.

4 (4) The following courses may be completed in order to
5 meet the continuing education course requirements:

6 (a) Any part of the Life Underwriter Training Council
7 Life Course Curriculum: 24 ~~28~~ hours; Health Course: 12 ~~14~~
8 hours.

9 (b) Any part of the American College "CLU" diploma
10 curriculum: 24 ~~28~~ hours.

11 (c) Any part of the Insurance Institute of America's
12 program in general insurance: 12 ~~14~~ hours.

13 (d) Any part of the American Institute for Property
14 and Liability Underwriters' Chartered Property Casualty
15 Underwriter (CPCU) professional designation program: 24 ~~28~~
16 hours.

17 (g) In the case of title agents, completion of the
18 Certified Land Closer (CLC) professional designation program
19 and receipt of the designation: 24 ~~28~~ hours.

20 (h) In the case of title agents, completion of the
21 Certified Land Searcher (CLS) professional designation program
22 and receipt of the designation: 24 ~~28~~ hours.

23 (i) Any insurance-related course which is approved by
24 the department and taught by an accredited college or
25 university per credit hour granted: 12 ~~14~~ hours.

26 (6)

27 (b) The board members shall be appointed as follows:

28 1. Seven members representing agents of which at least
29 one must be a representative from each of the following
30 organizations: the Florida Association of Insurance Agents;
31 the Florida Association of Insurance and Financial Advisors

1 ~~Life Underwriters~~; the Professional Insurance Agents of
2 Florida, Inc.; the Florida Association of Health Underwriters;
3 the Specialty Agents' Association; the Latin American Agents'
4 Association; and the National Association of Insurance Women.
5 Such board members must possess at least a bachelor's degree
6 or higher from an accredited college or university with major
7 coursework in insurance, risk management, or education or
8 possess the designation of CLU, CPCU, CHFC, CFP, AAI, or CIC.
9 In addition, each member must possess 5 years of classroom
10 instruction experience or 5 years of experience in the
11 development or design of educational programs or 10 years of
12 experience as a licensed resident agent. Each organization may
13 submit to the department a list of recommendations for
14 appointment. If one organization does not submit a list of
15 recommendations, the Insurance Commissioner may select more
16 than one recommended person from a list submitted by other
17 eligible organizations.

18 2. Two members representing insurance companies at
19 least one of whom must represent a Florida Domestic Company
20 and one of whom must represent the Florida Insurance Council.
21 Such board members must be employed within the training
22 department of the insurance company. At least one such member
23 must be a member of the Society of Insurance Trainers and
24 Educators.

25 3. One member representing the general public who is
26 not directly employed in the insurance industry. Such board
27 member must possess a minimum of a bachelor's degree or higher
28 from an accredited college or university with major coursework
29 in insurance, risk management, training, or education.

30 4. One member, appointed by the Insurance
31 Commissioner, who represents the department.

1 Section 29. Section 626.2816, Florida Statutes, is
2 amended to read:

3 626.2816 Regulation of continuing education for
4 licensees, course providers, instructors, school officials,
5 and monitor groups.--

6 (1) Continuing education course providers,
7 instructors, school officials, and monitor groups must be
8 approved by the department before offering continuing
9 education courses pursuant to s. 626.2815 or s. 626.869.

10 (2) The department shall adopt rules establishing
11 standards for the approval, regulation, and operation of the
12 continuing education programs and for the discipline of
13 licensees, course providers, instructors, school officials,
14 and monitor groups. The standards must be designed to ensure
15 that such course providers, instructors, school officials, and
16 monitor groups have the knowledge, competence, and integrity
17 to fulfill the educational objectives of ss. 626.2815,
18 626.869~~(5)~~, 648.385, and 648.386.

19 (3) The department shall adopt rules establishing a
20 process by which compliance with the continuing education
21 requirements of ss. 626.2815, 626.869~~(5)~~, 648.385, and 648.386
22 can be determined, the establishment of a continuing education
23 compliance period requirement cycle for licensees, and forms
24 necessary to implement such a process.

25 Section 30. Subsection (3) of section 626.2817,
26 Florida Statutes, is amended to read:

27 626.2817 Regulation of course providers, instructors,
28 school officials, and monitor groups involved in prelicensure
29 education for insurance agents and other licensees.--

30 (3) The department shall adopt rules to establish a
31 process for determining compliance with the prelicensure

1 requirements of this chapter and chapter 648 ~~and shall~~
2 ~~establish a prelicensure cycle for insurance agents and other~~
3 ~~licensees~~. The department shall adopt rules prescribing the
4 forms necessary to administer the prelicensure requirements.

5 Section 31. Subsections (5) and (6) are added to
6 section 626.311, Florida Statutes, to read:

7 626.311 Scope of license.--

8 (5) At any time while a license is in force, an
9 insurer may apply to the department on behalf of the licensee
10 for an appointment. Upon receipt of the appointment
11 application and appointment taxes and fees, the department may
12 issue the additional appointment without further investigation
13 concerning the applicant.

14 (6) The department may contract with other persons to
15 administer the appointment process.

16 Section 32. Paragraphs (a) and (e) of subsection (1)
17 and subsections (2) and (3) of section 626.321, Florida
18 Statutes, are amended to read:

19 626.321 Limited licenses.--

20 (1) The department shall issue to a qualified
21 individual, or a qualified individual or entity under
22 paragraphs (c), (d), (e), and (i), a license as agent
23 authorized to transact a limited class of business in any of
24 the following categories:

25 (a) Motor vehicle physical damage and mechanical
26 breakdown insurance.--License covering insurance against only
27 the loss of or damage to any motor vehicle which is designed
28 for use upon a highway, including trailers and semitrailers
29 designed for use with such vehicles. Such license also covers
30 insurance against the failure of an original or replacement
31 part to perform any function for which it was designed. The

1 applicant for such a license shall pass a written examination
2 covering motor vehicle physical damage insurance and
3 mechanical breakdown insurance. No individual while so
4 licensed shall hold a license as an agent ~~or solicitor~~ as to
5 any other or additional kind or class of insurance coverage
6 except as to a limited license for credit life and disability
7 insurances as provided in paragraph (e).

8 (e) Credit life or disability insurance.--License
9 covering only credit life or disability insurance. The license
10 may be issued only to an individual employed by a life or
11 health insurer as an officer or other salaried or commissioned
12 representative, to an individual employed by or associated
13 with a lending or financial institution or creditor, or to a
14 lending or financial institution or creditor, and may
15 authorize the sale of such insurance only with respect to
16 borrowers or debtors of such lending or financing institution
17 or creditor. However, only the individual or entity whose tax
18 identification number is used in receiving or is credited with
19 receiving the commission from the sale of such insurance shall
20 be the licensed agent of the insurer. No individual while so
21 licensed shall hold a license as an agent ~~or solicitor~~ as to
22 any other or additional kind or class of life or health
23 insurance coverage. An entity holding a limited license under
24 this paragraph is also authorized to sell credit insurance and
25 credit property insurance. ~~An entity applying for a license~~
26 ~~under this section:~~

27 ~~1. Is required to submit only one application for a~~
28 ~~license under s. 626.171. The requirements of s. 626.171(5)~~
29 ~~shall only apply to the officers and directors of the entity~~
30 ~~submitting the application.~~

31

1 ~~2. Is required to obtain a license for each office,~~
2 ~~branch office, or place of business making use of the entity's~~
3 ~~business name by applying to the department for the license on~~
4 ~~a simplified form developed by rule of the department for this~~
5 ~~purpose.~~

6 ~~3. Is not required to pay any additional application~~
7 ~~fees for a license issued to the offices or places of business~~
8 ~~referenced in subsection (2), but is required to pay the~~
9 ~~license fee as prescribed in s. 624.501, be appointed under s.~~
10 ~~626.112, and pay the prescribed appointment fee under s.~~
11 ~~624.501. The license obtained under this paragraph shall be~~
12 ~~posted at the business location for which it was issued so as~~
13 ~~to be readily visible to prospective purchasers of such~~
14 ~~coverage.~~

15 (2) An entity applying for a license under this
16 section is required to:

17 (a) Submit only one application for a license under s.
18 626.171. The requirements of s. 626.171(5) shall only apply to
19 the officers and directors of the entity submitting the
20 application.

21 (b) Obtain a license for each office, branch office,
22 or place of business making use of the entity's business name
23 by applying to the department for the license on a simplified
24 application form developed by rule of the department for this
25 purpose.

26 (c) Pay the applicable fees for a license as
27 prescribed in s. 624.501, be appointed under s. 626.112, and
28 pay the prescribed appointment fee under s. 624.501. A
29 licensed and appointed entity shall be directly responsible
30 and accountable for all acts of the licensee's employees.

31

1 ~~(3)~~(2) The limitations of any license issued under
2 this section shall be expressed therein. The licensee shall
3 have a separate and additional appointment as to each insurer
4 represented.

5 ~~(4)~~(3) Except as otherwise expressly provided, an
6 individual applying for or holding a limited license shall be
7 subject to the same applicable requirements and
8 responsibilities as apply to general lines agents in general,
9 if licensed as to motor vehicle physical damage and mechanical
10 breakdown insurance, credit property insurance, industrial
11 fire insurance or burglary insurance, in-transit and storage
12 personal property insurance, communications equipment property
13 insurance or communications equipment inland marine insurance,
14 baggage and motor vehicle excess liability insurance, or
15 credit insurance; or as apply to life agents or health agents
16 in general, as the case may be, if licensed as to personal
17 accident insurance or credit life or credit disability
18 insurance.

19 Section 33. Section 626.322, Florida Statutes, is
20 amended to read:

21 626.322 License, appointment; certain military
22 installations.--A natural person, not a resident of this
23 state, may be licensed and appointed to represent an
24 authorized life insurer domiciled in this state or an
25 authorized foreign life insurer which maintains a regional
26 home office in this state, provided such person represents
27 such insurer exclusively at a United States military
28 installation located in a foreign country. The department may,
29 upon request of the applicant and the insurer on application
30 forms furnished by the department and upon payment of fees as
31 prescribed in s. 624.501, issue a license and appointment to

1 such person. By authorizing the effectuation of an appointment
2 for a license, the insurer is thereby certifying ~~shall certify~~
3 to the department that the applicant has the necessary
4 training to hold himself or herself out as a life insurance
5 representative, and the insurer shall further certify that it
6 is willing to be bound by the acts of such applicant within
7 the scope of his or her employment. Appointments shall be
8 continued as prescribed in s. 626.381 and upon payment of a
9 fee as prescribed in s. 624.501, unless sooner terminated.
10 Such fees received shall be credited to the Insurance
11 Commissioner's Regulatory Trust Fund as provided for in s.
12 624.523.

13 Section 34. Section 626.341, Florida Statutes, is
14 amended to read:

15 626.341 Additional appointments; general lines, life,
16 and health agents.--

17 (1) At any time while a licensee's license is in
18 force, an insurer may apply to the department or person
19 designated by the department to administer the appointment
20 process on behalf of a licensee for an additional appointment
21 as general lines agent or life or health agent for an
22 additional insurer or insurers. The application for
23 appointment shall set forth all information the department may
24 require. Upon receipt of the appointment and payment of the
25 applicable appointment taxes and fees, the department may
26 issue the additional appointment without, in its discretion,
27 further investigation concerning the applicant.

28 (2) A life or health agent with an appointment in
29 force may solicit applications for policies of insurance on
30 behalf of an insurer with respect to which he or she is not an
31 appointed life or health agent, unless otherwise provided by

1 contract, if such agent simultaneously with the submission to
2 such insurer of the application for insurance solicited by him
3 or her requests the insurer to appoint him or her as agent.
4 However, no commissions shall be paid by such insurer to the
5 agent until such time as an additional appointment with
6 respect to such insurer has been received by the department or
7 person designated by the department to administer the
8 appointment process pursuant to the provisions of subsection
9 (1).

10 Section 35. Section 626.371, Florida Statutes, is
11 amended to read:

12 626.371 Payment of fees, taxes for appointment period
13 without appointment.--

14 (1) All initial appointments shall be submitted to the
15 department on a monthly basis no later than 45 days after the
16 date of appointment and become effective on the date requested
17 on the appointment form.

18 (2) If, upon application and qualification for an
19 initial or renewal appointment and such investigation as the
20 department may make, it appears to the department that an
21 individual who was formerly licensed or is currently licensed
22 but not properly appointed to represent an insurer or employer
23 and who has been actively engaged or is currently actively
24 engaged as such an appointee, but without being appointed as
25 required, the department may, if it finds that such failure to
26 be appointed was an inadvertent error on the part of the
27 insurer or employer so represented, nevertheless issue or
28 authorize the issuance of the appointment as applied for but
29 subject to the condition that, before the appointment is
30 issued, all fees and taxes which would have been due had the
31 applicant been so appointed during such current and prior

1 periods, ~~together~~ with applicable fees pursuant to s. 624.501
2 ~~a continuation fee~~ for such current and prior periods ~~terms~~ of
3 appointment, shall be paid to the department.

4 (3)(a) Failure to notify the department within the
5 required time period shall result in the appointing entity
6 being assessed a delinquent fee of \$250 per appointee.
7 Delinquent fees shall be paid by the appointing entity and may
8 not be charged to the appointee.

9 (b) Failure to timely renew an appointment by an
10 appointing entity prior to the expiration date of the
11 appointment shall result in the appointing entity being
12 assessed late filing, continuation, and reinstatement fees as
13 prescribed in s. 624.501. Such fees must be paid by the
14 appointing entity and cannot be charged back to the appointee.

15 Section 36. Subsections (3) and (4) of section
16 626.381, Florida Statutes, are amended and a new subsection
17 (7) is added to that section to read:

18 626.381 Renewal, continuation, reinstatement, or
19 termination of appointment.--

20 (3) Renewal of an appointment which is received ~~on a~~
21 ~~date set forth~~ by the department or person designated by the
22 department to administer the appointment process prior to the
23 expiration of an appointment in the licensee's birth month or
24 license issue date, whichever applies, in the succeeding month
25 may be renewed by the department without penalty and shall be
26 effective as of the first day of the month succeeding the
27 month in which the appointment would have expired.

28 (4) Renewal of an appointment which is received by the
29 department or person designated by the department to
30 administer the appointment process after the renewal date ~~set~~
31 ~~by the department~~ may be accepted and effectuated by the

1 department in its discretion if the ~~an additional~~ appointment,
2 late filing, continuation, and reinstatement fee accompanies
3 the renewal request pursuant to s. 624.501. Late filing fees
4 shall be paid by the appointing entity and may not be charged
5 to the appointee.

6 (7) The department may adopt rules to implement this
7 section.

8 Section 37. Subsections (1), (2), and (3) of section
9 626.451, Florida Statutes, are amended, and subsection (7) is
10 added to that section, to read:

11 626.451 Appointment of agent or other
12 representative.--

13 (1) Each appointing entity or person designated by the
14 department to administer the appointment process appointing an
15 agent, adjuster, service representative, customer
16 representative, or managing general agent in this state shall
17 file the appointment with the department and, at the same
18 time, pay the applicable appointment fee and taxes. Every
19 appointment shall be subject to the prior issuance of the
20 appropriate agent's, adjuster's, service representative's,
21 customer representative's, or managing general agent's
22 license.

23 (2) By authorizing the effectuation of an appointment
24 for a licensee, the appointing entity is thereby certifying to
25 the department that an investigation of the licensee has been
26 made ~~As a part of each appointment there shall be a certified~~
27 ~~statement or affidavit of an appropriate officer or official~~
28 ~~of the appointing entity stating what investigation the~~
29 ~~appointing entity has made concerning the proposed appointee~~
30 ~~and his or her background and that in the appointing entity's~~
31 ~~opinion and to the best of its knowledge and belief, the~~

1 licensee is of good as to the moral character and reputation,
2 and is fit to engage in the insurance business. The appointing
3 entity shall provide to the department fitness, and reputation
4 ~~of the proposed appointee and any other information the~~
5 department may reasonably require relative to the proposed
6 appointee.

7 (3) By authorizing the effectuation of in the
8 appointment of an agent, adjuster, service representative,
9 customer representative, or managing general agent the
10 appointing entity is thereby certifying to the department
11 ~~shall also certify therein~~ that it is willing to be bound by
12 the acts of the agent, adjuster, service representative,
13 customer representative, or managing general agent, within the
14 scope of the licensee's his or her employment.

15 (7) Each licensee shall advise the department in
16 writing within 30 days after having been found guilty of or
17 having pleaded guilty or nolo contendere to a felony or a
18 crime punishable by imprisonment of 1 year or more under the
19 laws of the United States, any state of the United States, or
20 any other country, without regard to whether a judgment of
21 conviction has been entered by the court having jurisdiction
22 of such cases.

23 Section 38. Section 626.461, Florida Statutes, is
24 amended to read:

25 626.461 Continuation of appointment of agent or other
26 representative.--Subject to renewal or continuation by the
27 appointing entity, the appointment of the agent, adjuster,
28 ~~solicitor,~~ service representative, customer representative, or
29 managing general agent shall continue in effect until the
30 person's license is revoked or otherwise terminated, unless
31 written notice of earlier termination of the appointment is

1 filed with the department or person designated by the
2 department to administer the appointment process by either the
3 appointing entity or the appointee.

4 Section 39. Subsections (4) and (5) of section
5 626.471, Florida Statutes, are amended to read:

6 626.471 Termination of appointment.--

7 (4) An appointee may terminate the appointment at any
8 time by giving written or electronic notice thereof to the
9 appointing entity, ~~and filing a copy of the notice with the~~
10 department, or person designated by the department to
11 administer the appointment process. The department shall
12 immediately terminate the appointment and notify the
13 appointing entity of such termination. Such termination shall
14 be subject to the appointee's contract rights, if any.

15 (5) Upon receiving notice of termination, the
16 department or person designated by the department to
17 administer the appointment process shall terminate the
18 appointment.

19 Section 40. Subsection (5) of section 626.601, Florida
20 Statutes, is amended to read:

21 626.601 Improper conduct; inquiry; fingerprinting.--

22 (5) If the department, after investigation, has reason
23 to believe that a licensee may have been found guilty of or
24 pleaded guilty or nolo contendere to a felony or a crime
25 related to the business of insurance in this or any other
26 state or jurisdiction, the department may require the licensee
27 to file with the department a complete set of his or her
28 fingerprints, which shall be accompanied by the fingerprint
29 processing fee set forth in s. 624.501. The fingerprints shall
30 be taken certified by an authorized law enforcement agency or
31 other department-approved entity officer.

1 Section 41. Paragraph (b) of subsection (1) of section
2 626.731, Florida Statutes, is amended to read:

3 626.731 Qualifications for general lines agent's
4 license.--

5 (1) The department shall not grant or issue a license
6 as general lines agent to any individual found by it to be
7 untrustworthy or incompetent or who does not meet each of the
8 following qualifications:

9 (b) The applicant is a United States citizen or legal
10 alien who possesses work authorization from the United States
11 Immigration and Naturalization Service and is a bona fide
12 resident of this state. An individual who is a bona fide
13 resident of this state shall be deemed to meet the residence
14 requirement of this paragraph, notwithstanding the existence
15 at the time of application for license of a license in his or
16 her name on the records of another state as a resident
17 licensee of such other state, if the applicant furnishes a
18 letter of clearance satisfactory to the department that the
19 resident licenses have been canceled or changed to a
20 nonresident basis and that he or she is in good standing.

21 Section 42. Subsection (2) of section 626.7315,
22 Florida Statutes, is amended to read:

23 626.7315 Prohibition against the unlicensed
24 transaction of general lines insurance.--With respect to any
25 line of authority as defined in s. 626.015(7), no individual
26 shall, unless licensed as a general lines agent:

27 (2) In this state, receive or issue a receipt for any
28 money on account of or for any insurer, or receive or issue a
29 receipt for money from other persons to be transmitted to any
30 insurer for a policy, contract, or certificate of insurance or
31 any renewal thereof, even though the policy, certificate, or

1 contract is not signed by him or her as agent or
2 representative of the insurer, except as provided in s.
3 626.0428(1);

4 Section 43. Paragraphs (a), (b), and (d) of subsection
5 (1) of section 626.732, Florida Statutes, are amended to read:

6 626.732 Requirement as to knowledge, experience, or
7 instruction.--

8 (1) Except as provided in subsection (3), no applicant
9 for a license as a general lines agent, except for a chartered
10 property and casualty underwriter (CPCU), other than as to a
11 limited license as to baggage and motor vehicle excess
12 liability insurance, credit property insurance, credit
13 insurance, in-transit and storage personal property insurance,
14 or communications equipment property insurance or
15 communication equipment inland marine insurance, shall be
16 qualified or licensed unless within the 4 years immediately
17 preceding the date the application for license is filed with
18 the department the applicant has:

19 (a) Taught or successfully completed classroom courses
20 in insurance, 3 hours of which shall be on the subject matter
21 of ethics, satisfactory to the department at a school,
22 college, or extension division thereof, approved by the
23 department;

24 (b) Completed a correspondence course in insurance, 3
25 hours of which shall be on the subject matter of ethics,
26 satisfactory to the department and regularly offered by
27 accredited institutions of higher learning in this state and,
28 except if he or she is applying for a limited license under s.
29 626.321, has had at least 6 months of responsible insurance
30 duties as a substantially full-time bona fide employee in all
31

1 lines of property and casualty insurance set forth in the
2 definition of general lines agent under s. 626.015;

3 (d)1. Completed at least 1 year of responsible
4 insurance duties as a licensed and appointed customer
5 representative or limited customer representative in ~~either~~
6 commercial or personal lines of property and casualty
7 insurance and 40 hours of classroom courses approved by the
8 department covering the areas of property, casualty, surety,
9 health, and marine insurance; or

10 2. Completed at least 1 year of responsible insurance
11 duties as a licensed and appointed service representative in
12 either commercial or personal lines of property and casualty
13 insurance and 80 hours of classroom courses approved by the
14 department covering the areas of property, casualty, surety,
15 health, and marine insurance.

16 Section 44. Section 626.733, Florida Statutes, is
17 amended to read:

18 626.733 Agency firms and corporations; special
19 requirements.--If a sole proprietorship, partnership,
20 corporation, or association holds an agency contract, all
21 members thereof who solicit, negotiate, or effect insurance
22 contracts, and all officers and stockholders of the
23 corporation who solicit, negotiate, or effect insurance
24 contracts, are required to qualify and be licensed
25 individually as agents, ~~solicitors~~, or customer
26 representatives; and all of such agents must be individually
27 appointed as to each property and casualty insurer entering
28 into an agency contract with such agency. Each such appointing
29 insurer as soon as known to it shall comply with this section
30 and shall determine and require that each agent so associated
31 in or so connected with such agency is likewise appointed as

1 to the same such insurer and for the same type and class of
2 license. However, no insurer is required to comply with the
3 provisions of this section if such insurer satisfactorily
4 demonstrates to the department that the insurer has issued an
5 aggregate net written premium, in an agency, in an amount of
6 \$25,000 or less.

7 Section 45. Paragraph (a) of subsection (2) and
8 subsection (3) of section 626.7351, Florida Statutes, are
9 amended to read:

10 626.7351 Qualifications for customer representative's
11 license.--The department shall not grant or issue a license as
12 customer representative to any individual found by it to be
13 untrustworthy or incompetent, or who does not meet each of the
14 following qualifications:

15 (2)(a) The applicant is a United States citizen or
16 legal alien who possesses work authorization from the United
17 States Immigration and Naturalization Service and is a bona
18 fide resident of this state and will actually reside in the
19 state at least 6 months out of the year. An individual who is
20 a bona fide resident of this state shall be deemed to meet the
21 residence requirements of this subsection, notwithstanding the
22 existence at the time of application for license of a license
23 in his or her name on the records of another state as a
24 resident licensee of the other state, if the applicant
25 furnishes a letter of clearance satisfactory to the department
26 that the resident licenses have been canceled or changed to a
27 nonresident basis and that he or she is in good standing.

28 (3) Within the 2 years next preceding the date the
29 application for license was filed with the department, the
30 applicant has completed a course in insurance, 3 hours of
31 which shall be on the subject matter of ethics, approved by

1 the department or has had at least 6 months' experience in
2 responsible insurance duties as a substantially full-time
3 employee. Courses must include instruction on the subject
4 matter of unauthorized entities engaging in the business of
5 insurance. The scope of the topic of unauthorized entities
6 shall include the Florida Nonprofit Multiple-Employer Welfare
7 Arrangement Act and the Employee Retirement Income Security
8 Act, 29 U.S.C. ss. 1001 et seq., as such acts relate to the
9 provision of health insurance by employers and the regulation
10 of such insurance.

11 Section 46. Subsection (2) of section 626.7354,
12 Florida Statutes, is amended to read:

13 626.7354 Customer representative's powers; agent's or
14 agency's responsibility.--

15 (2) A customer representative may engage in
16 transacting insurance with customers who have been solicited
17 by any agent, ~~solicitor,~~ or customer representative in the
18 same agency, and may engage in transacting insurance with
19 customers who have not been so solicited to the extent and
20 under conditions that are otherwise consistent with this part
21 and with the insurer's contract with the agent appointing him
22 or her.

23 Section 47. Paragraph (c) of subsection (1) of section
24 626.7355, Florida Statutes, is amended to read:

25 626.7355 Temporary license as customer representative
26 pending examination.--

27 (1) The department shall issue a temporary customer
28 representative's license with respect to a person who has
29 applied for such license upon finding that the person:

30 (c) Is a United States citizen or legal alien who
31 possesses work authorization from the United States

1 Immigration and Naturalization Service and is a bona fide
2 resident of this state or is a resident of another state
3 sharing a common boundary with this state. An individual who
4 is a bona fide resident of this state shall be deemed to meet
5 the residence requirement of this paragraph, notwithstanding
6 the existence at the time of application for license, of a
7 license in his or her name on the records of another state as
8 a resident licensee of such other state, if the applicant
9 furnishes a letter of clearance satisfactory to the department
10 that his or her resident licenses have been canceled or
11 changed to a nonresident basis and that he or she is in good
12 standing.

13 Section 48. Subsection (3) of section 626.741, Florida
14 Statutes, is amended to read:

15 626.741 Nonresident agents; licensing and
16 restrictions.--

17 (3) The department shall not, however, issue any
18 license and appointment to any nonresident who has an office
19 or place of business in this state, or who has any direct or
20 indirect pecuniary interest in any insurance agent or
21 insurance agency, ~~or in any solicitor~~ licensed as a resident
22 of this state; nor to any individual who does not, at the time
23 of issuance and throughout the existence of the Florida
24 license, hold a license as agent or broker issued by his or
25 her home state; nor to any individual who is employed by any
26 insurer as a service representative or who is a managing
27 general agent in any state, whether or not also licensed in
28 another state as an agent or broker. The foregoing requirement
29 to hold a similar license in the applicant's home state does
30 not apply to customer representatives unless the home state
31 licenses residents of that state in a similar manner. The

1 prohibition against having an office or place of business in
2 this state does not apply to customer representatives who are
3 required to conduct business solely within the confines of the
4 office of a licensed and appointed Florida resident general
5 lines agent in this state. The authority of such nonresident
6 license is limited to the specific lines of authority granted
7 in the license issued by the agent's home state and further
8 limited to the specific lines authorized under the nonresident
9 license issued by this state. The department shall have
10 discretion to refuse to issue any license or appointment to a
11 nonresident when it has reason to believe that the applicant
12 by ruse or subterfuge is attempting to avoid the intent and
13 prohibitions contained in this subsection or to believe that
14 any of the grounds exist as for suspension or revocation of
15 license as set forth in ss. 626.611 and 626.621.

16 Section 49. Paragraph (a) of subsection (1) of section
17 626.753, Florida Statutes, is amended to read:

18 626.753 Sharing commissions; penalty.--

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

23 Section 50. Paragraphs (b) and (d) of subsection (1)
24 of section 626.785, Florida Statutes, are amended to read:

25 626.785 Qualifications for license.--

26 (1) The department shall not grant or issue a license
27 as life agent to any individual found by it to be
28 untrustworthy or incompetent, or who does not meet the
29 following qualifications:

30 (b) Must be a United States citizen or legal alien who
31 possesses work authorization from the United States

1 Immigration and Naturalization Service and a bona fide
2 resident of this state.

3 (d) Must not be a funeral director or direct disposer,
4 or an employee or representative thereof, or have an office
5 in, or in connection with, a funeral establishment, except
6 that a funeral establishment may contract with a life
7 insurance agent to sell a preneed contract as defined in
8 chapter 497. Notwithstanding other provisions of this chapter,
9 such insurance agent may sell limited policies of insurance
10 covering the expense of final disposition or burial of an
11 insured in the an amount of \$12,500, plus an annual percentage
12 increase based on the Annual Consumer Price Index compiled by
13 the United States Department of Labor, beginning with the
14 Annual Consumer Price Index announced by the United States
15 Department of Labor for the year 2003 not to exceed \$10,000.

16 Section 51. Subsections (1) and (2) of section
17 626.7851, Florida Statutes, are amended to read:

18 626.7851 Requirement as to knowledge, experience, or
19 instruction.--No applicant for a license as a life agent,
20 except for a chartered life underwriter (CLU), shall be
21 qualified or licensed unless within the 4 years immediately
22 preceding the date the application for a license is filed with
23 the department he or she has:

24 (1) Successfully completed 40 hours of classroom
25 courses in insurance, 3 hours of which shall be on the subject
26 matter of ethics,satisfactory to the department at a school
27 or college, or extension division thereof, or other authorized
28 course of study, approved by the department. Courses must
29 include instruction on the subject matter of unauthorized
30 entities engaging in the business of insurance, to include the
31 Florida Nonprofit Multiple-Employer Welfare Arrangement Act

1 and the Employee Retirement Income Security Act, 29 U.S.C. ss.
2 1001 et seq., as it relates to the provision of life insurance
3 by employers to their employees and the regulation thereof;

4 (2) Successfully completed a correspondence course in
5 insurance, 3 hours of which shall be on the subject matter of
6 ethics, satisfactory to the department and regularly offered
7 by accredited institutions of higher learning in this state,
8 approved by the department. Courses must include instruction
9 on the subject matter of unauthorized entities engaging in the
10 business of insurance, to include the Florida Nonprofit
11 Multiple-Employer Welfare Arrangement Act and the Employee
12 Retirement Income Security Act, 29 U.S.C. ss. 1001 et seq., as
13 it relates to the provision of life insurance by employers to
14 their employees and the regulation thereof;

15 Section 52. Subsection (2) of section 626.829, Florida
16 Statutes, is amended to read:

17 626.829 "Health agent" defined.--

18 (2) Any person who acts for an insurer, or on behalf
19 of a licensed representative of an insurer, to solicit
20 applications for or to negotiate and effectuate health
21 insurance contracts, whether or not he or she is appointed as
22 an agent, subagent, ~~solicitor~~, or canvasser or by any other
23 title, shall be deemed to be a health agent and shall be
24 qualified, licensed, and appointed as a health agent.

25 Section 53. Paragraph (b) of subsection (1) of section
26 626.831, Florida Statutes, is amended to read:

27 626.831 Qualifications for license.--

28 (1) The department shall not grant or issue a license
29 as health agent as to any individual found by it to be
30 untrustworthy or incompetent, or who does not meet the
31 following qualifications:

1 (b) Must be a United States citizen or legal alien who
2 possesses work authorization from the United States
3 Immigration and Naturalization Service and a bona fide
4 resident of this state.

5 Section 54. Subsections (1) and (2) of section
6 626.8311, Florida Statutes, are amended to read:

7 626.8311 Requirement as to knowledge, experience, or
8 instruction.--No applicant for a license as a health agent,
9 except for a chartered life underwriter (CLU), shall be
10 qualified or licensed unless within the 4 years immediately
11 preceding the date the application for license is filed with
12 the department he or she has:

13 (1) Successfully completed 40 hours of classroom
14 courses in insurance, 3 hours of which shall be on the subject
15 matter of ethics,satisfactory to the department at a school
16 or college, or extension division thereof, or other authorized
17 course of study, approved by the department. Courses must
18 include instruction on the subject matter of unauthorized
19 entities engaging in the business of insurance, to include the
20 Florida Nonprofit Multiple-Employer Welfare Arrangement Act
21 and the Employee Retirement Income Security Act, 29 U.S.C. ss.
22 1001 et seq., as it relates to the provision of health
23 insurance by employers to their employees and the regulation
24 thereof;

25 (2) Successfully completed a correspondence course in
26 insurance, 3 hours of which shall be on the subject matter of
27 ethics,satisfactory to the department and regularly offered
28 by accredited institutions of higher learning in this state,
29 approved by the department. Courses must include instruction
30 on the subject matter of unauthorized entities engaging in the
31 business of insurance, to include the Florida Nonprofit

1 Multiple-Employer Welfare Arrangement Act and the Employee
2 Retirement Income Security Act, 29 U.S.C. ss. 1001 et seq., as
3 it relates to the provision of health insurance by employers
4 to their employees and the regulation thereof;

5 Section 55. Subsection (2) of section 626.8414,
6 Florida Statutes, is amended to read:

7 626.8414 Qualifications for examination.--The
8 department must authorize any natural person to take the
9 examination for the issuance of a license as a title insurance
10 agent if the person meets all of the following qualifications:

11 (2) The applicant must be a United States citizen or
12 legal alien who possesses work authorization from the United
13 States Immigration and Naturalization Service and a bona fide
14 resident of this state. A person meets the residency
15 requirement of this subsection, notwithstanding the existence
16 at the time of application for license of a license in the
17 applicant's name on the records of another state as a resident
18 licensee of such other state, if the applicant furnishes a
19 letter of clearance satisfactory to the department that the
20 resident licenses have been canceled or changed to a
21 nonresident basis and that the applicant is in good standing.

22 Section 56. Paragraph (a) of subsection (3) of section
23 626.8417, Florida Statutes, is amended to read:

24 626.8417 Title insurance agent licensure;
25 exemptions.--

26 (3) The department shall not grant or issue a license
27 as title agent to any individual found by it to be
28 untrustworthy or incompetent, who does not meet the
29 qualifications for examination specified in s. 626.8414, or
30 who does not meet the following qualifications:

31

1 (a) Within the 4 years immediately preceding the date
2 of the application for license, the applicant must have
3 completed a 40-hour classroom course in title insurance, 3
4 hours of which shall be on the subject matter of ethics, as
5 approved by the department, or must have had at least 12
6 months of experience in responsible title insurance duties,
7 while working in the title insurance business as a
8 substantially full-time, bona fide employee of a title agency,
9 title agent, title insurer, or attorney who conducts real
10 estate closing transactions and issues title insurance
11 policies but who is exempt from licensure pursuant to
12 paragraph (4)(a). If an applicant's qualifications are based
13 upon the periods of employment at responsible title insurance
14 duties, the applicant must submit, with the application for
15 license on a form prescribed by the department, the affidavit
16 of the applicant and of the employer setting forth the period
17 of such employment, that the employment was substantially full
18 time, and giving a brief abstract of the nature of the duties
19 performed by the applicant.

20 Section 57. Section 626.843, Florida Statutes, is
21 amended to read:

22 626.843 Renewal, continuation, reinstatement,
23 termination of title insurance agent's appointment.--

24 (1) The appointment of a title insurance agent shall
25 continue in force until suspended, revoked, or otherwise
26 terminated, but subject to a renewed request filed by the
27 insurer every 24 months after the original issue date of the
28 appointment, accompanied by payment of the renewal appointment
29 fee and taxes as prescribed in s. 624.501.

30 (2) Title insurance agent appointments shall be
31 renewed pursuant to s. 626.381 for insurance representatives

1 in general. ~~Each insurer shall file with the department the~~
2 ~~lists, statements, and information as to appointments which~~
3 ~~are being renewed or being terminated, accompanied by payment~~
4 ~~of the applicable renewal fees and taxes as prescribed in s.~~
5 ~~624.501, by a date set forth by the department following the~~
6 ~~month during which the appointments will expire.~~

7 ~~(3) Request for renewal of an appointment which is~~
8 ~~received on a date set forth by the department in the~~
9 ~~succeeding month may be renewed by the department without~~
10 ~~penalty, and shall be effective as of the day the appointment~~
11 ~~would have expired.~~

12 ~~(4) Request for renewal of an appointment which is~~
13 ~~received by the department after the date set by the~~
14 ~~department may be accepted and effectuated by the department~~
15 ~~in its discretion if an additional appointment continuation~~
16 ~~and reinstatement fee accompany the request for renewal~~
17 ~~pursuant to s. 624.501.~~

18 ~~(3)(5)~~ The appointment issued shall remain in effect
19 for so long as the appointment represented thereby continues
20 in force as provided in this section.

21 Section 58. Paragraph (b) of subsection (1) of section
22 626.865, Florida Statutes, is amended to read:

23 626.865 Public adjuster's qualifications, bond.--

24 (1) The department shall issue a license to an
25 applicant for a public adjuster's license upon determining
26 that the applicant has paid the applicable fees specified in
27 s. 624.501 and possesses the following qualifications:

28 (b) Is a United States citizen or legal alien who
29 possesses work authorization from the United States
30 Immigration and Naturalization Service and a bona fide
31 resident of this state.

1 Section 59. Subsection (2) of section 626.866, Florida
2 Statutes, is amended to read:

3 626.866 Independent adjuster's qualifications.--The
4 department shall issue a license to an applicant for an
5 independent adjuster's license upon determining that the
6 applicable license fee specified in s. 624.501 has been paid
7 and that the applicant possesses the following qualifications:

8 (2) Is a United States citizen or legal alien who
9 possesses work authorization from the United States
10 Immigration and Naturalization Service and a bona fide
11 resident of this state.

12 Section 60. Subsection (2) of section 626.867, Florida
13 Statutes, is amended to read:

14 626.867 Company employee adjuster's
15 qualifications.--The department shall issue a license to an
16 applicant for a company employee adjuster's license upon
17 determining that the applicable license fee specified in s.
18 624.501 has been paid and that the applicant possesses the
19 following qualifications:

20 (2) Is a United States citizen or legal alien who
21 possesses work authorization from the United States
22 Immigration and Naturalization Service and a bona fide
23 resident of this state.

24 Section 61. Section 626.869, Florida Statutes, is
25 amended to read:

26 626.869 License, adjusters.--

27 (1) An applicant for a license as an adjuster may
28 qualify and his or her license when issued may cover adjusting
29 in any one of the following classes of insurance:

30 (a) All lines of insurance except life and annuities.

31 (b) Motor vehicle physical damage insurance.

1 (c) Property and casualty insurance.

2 (d) Workers' compensation insurance.

3 (e) Health insurance.

4 (2) All individuals who on October 1, 1990, hold an
5 adjuster's license and appointment limited to fire and allied
6 lines, including marine or casualty or boiler and machinery,
7 may remain licensed and appointed under the limited license
8 and may renew their appointment, but no license or appointment
9 which has been terminated, not renewed, suspended, or revoked
10 shall be reinstated, and no new or additional licenses or
11 appointments shall be issued.

12 ~~(3) With the exception of a public adjuster limited to~~
13 ~~health insurance, a limited license set forth in subsection~~
14 ~~(1) as an independent or public adjuster may only be issued to~~
15 ~~and retained by an employee of an independent or public~~
16 ~~adjusting firm which is supervised by a duly appointed~~
17 ~~all-lines adjuster or an employee of an independent or public~~
18 ~~adjuster licensed and appointed in all lines of insurance~~
19 ~~other than life and annuity. The office of the limited lines~~
20 ~~adjuster shall be in the office of the licensed all-lines~~
21 ~~adjuster responsible for his or her supervision and~~
22 ~~instruction.~~

23 (3)~~(4)~~ The applicant's application for license shall
24 specify which of the foregoing classes of business the
25 application for license is to cover.

26 (4)~~(5)~~ Any individual ~~person~~ holding a license for 24
27 consecutive months or longer ~~and who engages in adjusting~~
28 ~~workers' compensation insurance~~ must, beginning in his or her
29 ~~their~~ birth month and every 2 years thereafter, have completed
30 24 hours of courses, 2 hours of which relate to ethics, in
31 subjects designed to inform the licensee regarding the current

1 insurance ~~workers' compensation~~ laws of this state, so as to
2 enable him or her to engage in business as an ~~a workers'~~
3 ~~compensation~~ insurance adjuster fairly and without injury to
4 the public and to adjust all claims in accordance with the
5 policy or contract and the ~~workers' compensation~~ laws of this
6 state. ~~In order to qualify as an eligible course under this~~
7 ~~subsection, the course must:~~

8 ~~(a) Have a course outline approved by the department.~~

9 ~~(b) Be taught at a school training facility or other~~
10 ~~location approved by the department.~~

11 ~~(c) Be taught by instructors with at least 5 years of~~
12 ~~experience in the area of workers' compensation, general lines~~
13 ~~of insurance, or other persons approved by the department.~~

14 ~~However, a member of The Florida Bar is exempt from the 5~~
15 ~~years' experience requirement.~~

16 ~~(d) Furnish the attendee a certificate of completion.~~

17 ~~The course provider shall send a roster to the department in a~~
18 ~~format prescribed by the department.~~

19 (5) The regulation of continuing education for
20 licensees, course providers, instructors, school officials,
21 and monitor groups shall be as provided for in s. 626.2816.

22 Section 62. Subsection (1) of section 626.874, Florida
23 Statutes, is amended to read:

24 626.874 Catastrophe or emergency adjusters.--

25 (1) In the event of a catastrophe or emergency, the
26 department may issue a license, for the purposes and under the
27 conditions which it shall fix and for the period of emergency
28 as it shall determine, to persons who are residents or
29 nonresidents of this state, who are at least 18 years of age,
30 who are United States citizens or legal aliens who possess
31 work authorization from the United States Immigration and

1 Naturalization Service, and who are not licensed adjusters
2 under this part but who have been designated and certified to
3 it as qualified to act as adjusters by independent resident
4 adjusters or by an authorized insurer or by a licensed general
5 lines agent to adjust claims, losses, or damages under
6 policies or contracts of insurance issued by such insurers.
7 The fee for the license shall be as provided in s.
8 624.501(12)(c).

9 Section 63. Section 626.878, Florida Statutes, is
10 amended to read:

11 626.878 Rules; code of ethics.--An adjuster shall
12 subscribe to the code of ethics specified in the rules of the
13 department. The rules shall implement the provisions of this
14 part and specify the terms and conditions of contracts,
15 including a right to cancel, and require practices necessary
16 to ensure fair dealing, prohibit conflicts of interest, and
17 ensure preservation of the rights of the claimant to
18 participate in the adjustment of claims.

19 Section 64. Subsection (1) of section 626.797, Florida
20 Statutes, is amended to read:

21 626.797 Code of ethics.--

22 (1) The department shall, after consultation with the
23 Florida Association Of Insurance and Financial Advisors ~~Life~~
24 ~~Underwriters~~, adopt a code of ethics, or continue any such
25 code heretofore so adopted, to govern the conduct of life
26 agents in their relations with the public, other agents, and
27 the insurers.

28 Section 65. Paragraph (z) of subsection (1) of section
29 626.9541, Florida Statutes, is amended to read:

30 626.9541 Unfair methods of competition and unfair or
31 deceptive acts or practices defined.--

1 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR
2 DECEPTIVE ACTS.--The following are defined as unfair methods
3 of competition and unfair or deceptive acts or practices:

4 (z) Sliding.--Sliding is the act or practice of:

5 1. Representing to the applicant that a specific
6 ancillary coverage or product is required by law in
7 conjunction with the purchase of ~~motor-vehicle~~ insurance when
8 such coverage or product is not required;

9 2. Representing to the applicant that a specific
10 ancillary coverage or product is included in the ~~motor-vehicle~~
11 policy applied for without an additional charge when such
12 charge is required; or

13 3. Charging an applicant for a specific ancillary
14 coverage or product, in addition to the cost of the ~~motor~~
15 ~~vehicle~~ insurance coverage applied for, without the informed
16 consent of the applicant.

17 Section 66. Paragraph (f) is added to subsection (7)
18 of section 626.9916, Florida Statutes, to read:

19 626.9916 Viatical settlement broker license required;
20 application for license.--

21 (7) Upon the filing of a sworn application and the
22 payment of the license fee and all other applicable fees under
23 this act, the department shall investigate each applicant and
24 may issue the applicant a license if the department finds that
25 the applicant:

26 (f) If a natural person, is at least 18 years of age
27 and a United States citizen or legal alien who possesses work
28 authorization from the United States Immigration and
29 Naturalization Service.

30 Section 67. Paragraph (a) of subsection (5) of section
31 627.7295, Florida Statutes, is amended to read:

1 627.7295 Motor vehicle insurance contracts.--
2 (5)(a) A licensed general lines agent may charge a
3 per-policy fee not to exceed ~~\$20~~\$10 to cover the
4 administrative costs of the agent associated with selling the
5 motor vehicle insurance policy ~~if the policy covers only~~
6 ~~personal injury protection coverage as provided by s. 627.736~~
7 ~~and property damage liability coverage as provided by s.~~
8 ~~627.7275 and if no other insurance is sold or issued in~~
9 ~~conjunction with or collateral to the policy.~~ The per-policy
10 fee must be a component of the insurer's rate filing and may
11 not be charged by an agent unless the fee is included in the
12 filing. The fee is not considered part of the premium except
13 for purposes of the department's review of expense factors in
14 a filing made pursuant to s. 627.062.

15 Section 68. Subsection (3) of section 632.634, Florida
16 Statutes, is amended to read:

17 632.634 Licensing and appointment of agents.--
18 (3) Any agent, representative, or member of a society
19 who in any preceding calendar year has solicited and procured
20 life insurance benefit contracts on behalf of any society in a
21 total amount of insurance less than \$50,000, or, in the case
22 of any other kind or kinds of insurance benefit contracts
23 which the society might write, on not more than 25
24 individuals, shall be exempt from the agent licensing and
25 appointment requirements of subsection (1). Upon request by
26 the department, every society shall register, on forms
27 prescribed by the department and on or before March 1 of each
28 year, the name and residence address of each agent,
29 representative, or member exempt under the provisions of this
30 subsection and shall, within 30 days of termination of
31 employment, notify the department of the termination. Any

1 agent, representative, or member for which an exemption is
2 claimed due to employment by the society subsequent to March 1
3 shall be registered by the society with the department within
4 10 days of the date of employment.

5 Section 69. Section 634.171, Florida Statutes, is
6 amended to read:

7 634.171 Salesperson to be licensed and
8 appointed.--Salespersons for motor vehicle service agreement
9 companies and insurers shall be licensed, appointed, renewed,
10 continued, reinstated, or terminated as prescribed in chapter
11 626 for insurance representatives in general. However, they
12 shall be exempt from all other provisions of chapter 626
13 including fingerprinting, photo identification, education, and
14 examination provisions. License, appointment, and other fees
15 shall be those prescribed in s. 624.501. A licensed and
16 appointed salesperson shall be directly responsible and
17 accountable for all acts of her or his employees and other
18 representatives. Each service agreement company or insurer
19 shall, on forms prescribed by the department, within 30 days
20 after termination of the appointment, notify the department of
21 such termination. No employee or salesperson of a motor
22 vehicle service agreement company or insurer may directly or
23 indirectly solicit or negotiate insurance contracts, or hold
24 herself or himself out in any manner to be an insurance agent
25 ~~or solicitor~~, unless so qualified, licensed, and appointed
26 therefor under the Florida Insurance Code. A motor vehicle
27 service agreement company is not required to be licensed as a
28 salesperson to solicit, sell, issue, or otherwise transact the
29 motor vehicle service agreements issued by the motor vehicle
30 service agreement company.

31

1 Section 70. Section 634.420, Florida Statutes, is
2 amended to read:

3 634.420 License and appointment of sales
4 representatives.--Sales representatives for service warranty
5 associations or insurers shall be licensed, appointed,
6 renewed, continued, reinstated, or terminated in accordance
7 with procedures as prescribed in chapter 626 for insurance
8 representatives in general. However, they shall be exempt from
9 all other provisions of chapter 626, including fingerprinting,
10 photo identification, education, and examination. License,
11 appointment, and other fees shall be those prescribed in s.
12 624.501. A licensed and appointed sales representative shall
13 be directly responsible and accountable for all acts of the
14 licensed sales representative's employees or other
15 representatives. Each service warranty association or insurer
16 shall, on forms prescribed by the department, within 30 days
17 after termination of the appointment, notify the department of
18 such termination. No employee or sales representative of a
19 service warranty association or insurer may directly or
20 indirectly solicit or negotiate insurance contracts, or hold
21 herself or himself out in any manner to be an insurance agent
22 ~~or solicitor~~, unless so qualified, licensed, and appointed
23 therefor under the insurance code.

24 Section 71. Section 642.034, Florida Statutes, is
25 amended to read:

26 642.034 License and appointment required.--No person
27 may solicit, negotiate, sell, or execute legal expense
28 insurance contracts on behalf of an insurer in this state
29 unless such person is licensed and appointed as a sales
30 representative or is licensed and appointed under the
31 insurance code as a general lines agent ~~or solicitor~~. No

1 person licensed and appointed as a legal expense insurance
2 sales representative may solicit, negotiate, sell, or execute
3 any other contract of insurance unless such person is duly
4 licensed and appointed to do so under the provisions of
5 chapter 626.

6 Section 72. Section 642.036, Florida Statutes, is
7 amended to read:

8 642.036 Sales representatives to be licensed and
9 appointed.--Sales representatives of legal expense insurers
10 shall be licensed, appointed, renewed, continued, reinstated,
11 or terminated as prescribed in chapter 626 for insurance
12 representatives in general, and shall pay the license and
13 appointment fees prescribed in s. 624.501. No employee or
14 sales representative of an insurer may directly or indirectly
15 solicit or negotiate insurance contracts, or hold herself or
16 himself out in any manner to be an insurance agent ~~or~~
17 ~~solicitor~~, unless so qualified, licensed, and appointed
18 therefor under the insurance code.

19 Section 73. Section 642.045, Florida Statutes, is
20 amended to read:

21 642.045 Procedure for refusal, suspension, or
22 revocation of license and appointment of sales representative;
23 departmental action upon violation by licensed insurance agent
24 ~~or solicitor~~.--

25 (1) If any sales representative is convicted by a
26 court of a violation of any provision of ss. 642.011-642.049,
27 the license and appointment of such individual shall thereby
28 be deemed to be immediately revoked without any further
29 procedure relative thereto by the department.

30 (2) Whenever it appears that any licensed insurance
31 agent ~~or solicitor~~ has violated the provisions of ss.

1 642.011-642.049, or if any grounds listed in s. 642.041 or s.
2 642.043 exist as to such agent ~~or solicitor~~, the department
3 may take such action as is authorized by the insurance code
4 for a violation of the insurance code by such agent ~~or~~
5 ~~solicitor~~, or such action as is authorized by this chapter for
6 a violation of this chapter by a sales representative.

7 Section 74. Paragraph (b) of subsection (5) and
8 subsection (9) of section 648.27, Florida Statutes, are
9 amended to read:

10 648.27 Licenses and appointments; general.--

11 (5)

12 (b) The license of a temporary bail bond agent ~~or~~
13 ~~runner~~ shall continue in force until suspended, revoked, or
14 otherwise terminated.

15 (9) If, upon application for an appointment and such
16 investigation as the department may make, it appears to the
17 department that an individual has been actively engaged or is
18 currently actively engaged in bail bond activities without
19 being appointed as required, the department may, if it finds
20 that such failure to be appointed is an error on the part of
21 the insurer or employer so represented, issue or authorize the
22 issuance of the appointment as applied for, but subject to the
23 condition that, before the appointment is issued, all fees and
24 taxes which would have been due had the applicant been so
25 appointed during such current and prior periods, together with
26 a continuation fee for such current and prior terms of
27 appointment, shall be paid to the department. Failure to
28 notify the department within the required time period shall
29 result in the appointing entity being assessed a delinquent
30 fee of \$250. Delinquent fees shall be paid by the appointing
31 entity and shall not be charged to the appointee.

1 Section 75. Paragraph (b) of subsection (2) and
2 subsections (5) and (6) of section 648.34, Florida Statutes,
3 are amended to read:

4 648.34 Bail bond agents; qualifications.--

5 (2) To qualify as a bail bond agent, it must
6 affirmatively appear at the time of application and throughout
7 the period of licensure that the applicant has complied with
8 the provisions of s. 648.355 and has obtained a temporary
9 license pursuant to such section and:

10 (b) The applicant is a United States citizen or legal
11 alien who possesses work authorization from the United States
12 Immigration and Naturalization Service and is a resident of
13 this state. An individual who is a resident of this state
14 shall be deemed to meet the residence requirement of this
15 paragraph, notwithstanding the existence, at the time of
16 application for license, of a license in the applicant's name
17 on the records of another state as a resident licensee of such
18 other state, if the applicant furnishes a letter of clearance
19 satisfactory to the department that his or her resident
20 licenses have been canceled or changed to a nonresident basis
21 and that he or she is in good standing.

22 (5) The department shall conduct a comprehensive
23 investigation of each applicant, including a background check.
24 The investigation of the applicant's qualifications,
25 character, experience, background, and fitness shall include
26 submission of the applicant's fingerprints to the Department
27 of Law Enforcement and the Federal Bureau of Investigation and
28 consideration of any state criminal records, federal criminal
29 records, or local criminal records obtained from these
30 agencies or from local law enforcement agencies.

31

1 (6) The provisions of s. 112.011 do not apply to bail
2 bond agents ~~or runners~~ or to applicants for licensure as bail
3 bond agents ~~or runners~~.

4 Section 76. Paragraphs (b) and (e) of subsection (1)
5 of section 648.355, Florida Statutes, are amended to read:

6 648.355 Temporary limited license as limited surety
7 agent or professional bail bond agent; pending examination.--

8 (1) The department may, in its discretion, issue a
9 temporary license as a limited surety agent or professional
10 bail bond agent, subject to the following conditions:

11 (b) The applicant is a United States citizen or legal
12 alien who possesses work authorization from the United States
13 Immigration and Naturalization Service and is a resident of
14 this state. An individual who is a resident of this state
15 shall be deemed to meet the residence requirement of this
16 paragraph, notwithstanding the existence, at the time of
17 application for temporary license, of a license in the
18 individual's name on the records of another state as a
19 resident licensee of such other state, if the applicant
20 furnishes a letter of clearance satisfactory to the department
21 that the individual's resident licenses have been canceled or
22 changed to a nonresident basis and that the individual is in
23 good standing.

24 (e) The applicant must be employed full-time at the
25 time of licensure, and at all times throughout the existence
26 of the temporary license, by only one licensed and appointed
27 supervising bail bond agent, who supervises the work of the
28 applicant and is responsible for the licensee's conduct in the
29 bail bond business. The applicant must be appointed by the
30 same insurers as the supervising bail bond agent. The
31 supervising bail bond agent shall certify monthly to the

1 department under oath, on a form prescribed by the department,
2 the names and hours worked each week of all temporary bail
3 bond agents. Filing a false certification is grounds for the
4 immediate suspension of the license and imposition of a \$5,000
5 administrative fine. The department may adopt rules that
6 establish standards for the employment requirements.

7 Section 77. Paragraph (a) of subsection (2) and
8 subsection (3) of section 648.382, Florida Statutes, are
9 amended, and subsection (6) is added to that section, to read:

10 648.382 Appointment of bail bond agents and temporary
11 bail bond agents; effective date of appointment.--

12 (2) Prior to any appointment, an appropriate officer
13 or official of the appointing insurer in the case of a bail
14 bond agent or an insurer, managing general agent, or bail bond
15 agent in the case of a temporary bail bond agent must submit:

16 (a) A certified statement or affidavit to the
17 department stating what investigation has been made concerning
18 the proposed appointee and the proposed appointee's background
19 and the appointing person's opinion to the best of his or her
20 knowledge and belief as to the moral character, ~~fitness,~~ and
21 reputation of the proposed appointee. In lieu of such
22 certified statement or affidavit, by authorizing the
23 effectuation of an appointment for a licensee, the appointing
24 entity certifies to the department that such investigation has
25 been made and that the results of the investigation and the
26 appointing person's opinion is that the proposed appointee is
27 a person of good moral character and reputation and is fit to
28 engage in the bail bond business;

29 (3) By authorizing the effectuation of an appointment
30 for a licensee, the appointing insurer certifies to the
31 department ~~Prior to any appointment of a bail bond agent, the~~

1 ~~appointing insurer must certify to the department that the~~
2 insurer will be bound by the acts of the bail bond agent
3 acting within the scope of his or her appointment, and, in the
4 case of a temporary bail bond agent, the appointing insurer,
5 managing general agent, or bail bond agent, as the case may
6 be, must certify to the department that he or she will
7 supervise the temporary bail bond agent's activities.

8 (6) Failure to notify the department within the
9 required time period shall result in the appointing entity
10 being assessed a delinquent fee of \$250. Delinquent fees shall
11 be paid by the appointing entity and shall not be charged to
12 the appointee.

13 Section 78. Section 648.383, Florida Statutes, is
14 amended to read:

15 648.383 Renewal, continuation, reinstatement, and
16 termination of appointment; bail bond agents.--

17 (1) The appointment of a bail bond agent shall
18 continue in force unless suspended, revoked, or otherwise
19 terminated, subject to a renewal request filed by the
20 appointing entity in the appointee's birth month and every 24
21 months thereafter. A renewal request must be filed with the
22 department or person designated by the department to
23 administer appointments along with payment of the renewal
24 appointment fee and taxes as prescribed in s. 624.501.

25 (2) Each appointing person or person designated by the
26 department to administer appointments must file ~~with the~~
27 ~~department~~ the lists, statement, and information as to each
28 bail bond agent whose appointment is being renewed,
29 accompanied by payment of the applicable renewal fees and
30 taxes as prescribed in s. 624.501, ~~by a date established by~~
31

1 ~~the department following the month during which the~~
2 ~~appointment will expire.~~

3 (3) An appointment may be renewed ~~by the department~~
4 without penalty if the information required under subsection
5 (2) is received ~~by the department on or prior to the~~
6 expiration of the appointment in the licensee's birth month
7 date established by the department for renewal, and such
8 appointment shall be renewed,~~is~~ effective on the first day of
9 the month succeeding the month in which the appointment was
10 scheduled to expire.

11 (4) If the information required under subsection (2)
12 is received ~~by the department~~ after the renewal date
13 ~~established by the department for renewal~~, the appointment may
14 be renewed ~~by the department~~ if the ~~an additional~~ appointment,
15 late filing, continuation, and reinstatement fees accompany
16 ~~fee accompanies~~ the application as required under s. 624.501.

17 Section 79. Subsections (1) and (3) of section 648.50,
18 Florida Statutes, are amended to read:

19 648.50 Effect of suspension, revocation upon
20 associated licenses and licensees.--

21 (1) Upon the suspension, revocation, or refusal to
22 renew or continue any license or appointment or the
23 eligibility to hold a license or appointment of a bail bond
24 agent or, temporary bail bond agent, ~~or runner~~, the department
25 shall at the same time likewise suspend or revoke all other
26 licenses or appointments and the eligibility to hold any other
27 such licenses or appointments which may be held by the
28 licensee under the Florida Insurance Code.

29 (3) No person whose license as a bail bond agent or,
30 temporary bail bond agent, ~~or runner~~ has been revoked or
31 suspended shall be employed by any bail bond agent, have any

1 ownership interest in any business involving bail bonds, or
2 have any financial interest of any type in any bail bond
3 business during the period of revocation or suspension.

4 Section 80. Section 324.032, Florida Statutes, is
5 amended to read:

6 324.032 Manner of proving financial responsibility;
7 for-hire passenger transportation vehicles.--

8 ~~(1)~~ Notwithstanding the provisions of s. 324.031:⁷

9 (1) A person who is either the owner or a lessee
10 required to maintain insurance under s. 324.021(9)(b) and who
11 operates one or more ~~at least 300~~ taxicabs, limousines,
12 jitneys, or any other for-hire passenger transportation
13 vehicles may prove financial responsibility by ~~satisfying the~~
14 ~~following~~:

15 ~~(a)~~ furnishing satisfactory evidence of holding a
16 motor vehicle liability policy as defined in s. 324.031, but
17 with minimum limits of \$125,000/250,000/50,000. ~~or~~

18 (2)(b) An owner or a lessee who is required to
19 maintain insurance under s. 324.021(9)(b) and who operates at
20 least 300 taxicabs, limousines, jitneys, or any other for-hire
21 passenger transportation vehicles may provide financial
22 responsibility by complying with the provisions of s. 324.171,
23 such compliance to be demonstrated by maintaining at its
24 principal place of business an audited financial statement,
25 prepared in accordance with generally accepted accounting
26 principles, and providing to the department a certification
27 issued by a certified public accountant that the applicant's
28 net worth is at least equal to the requirements of s. 324.171
29 as determined by the Department of Insurance, including claims
30 liabilities in an amount certified as adequate by a Fellow of
31 the Casualty Actuarial Society.

1
2 Upon request by the department, the applicant must provide the
3 department at the applicant's principal place of business in
4 this state access to the applicant's underlying financial
5 information and financial statements that provide the basis of
6 the certified public accountant's certification. The
7 applicant shall reimburse the requesting department for all
8 reasonable costs incurred by it in reviewing the supporting
9 information. The maximum amount of self-insurance permissible
10 under this subsection is \$300,000 and must be stated on a
11 per-occurrence basis, and the applicant shall maintain
12 adequate excess insurance issued by an authorized or eligible
13 insurer licensed or approved by the Department of Insurance.
14 All risks self-insured shall remain with the owner or lessee
15 providing it, and the risks are not transferable to any other
16 person, unless a policy complying with subsection (1)
17 ~~paragraph (a)~~ is obtained.

18 ~~(2) The provisions of subsection (1) shall not apply~~
19 ~~in a county with a population in excess of 1.25 million~~
20 ~~persons as of June 11, 1995.~~

21 Section 81. Sections 626.032 and 626.361, Florida
22 Statutes, are repealed.

23 Section 82. This act shall take effect upon becoming a
24 law.

25
26
27
28
29
30
31