

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. 627.679, F.S.;
13 exempting certain credit life insurance from
14 the separate written acknowledgement
15 requirement; amending s. 627.7295, F.S.;
16 revising the per-policy fees that general lines
17 agents may charge on certain policies; amending
18 s. 648.27, F.S.; imposing a delinquent fee for
19 certain notification failures; providing fee
20 payment requirements; deleting obsolete runner
21 references; amending s. 648.382, F.S.;
22 clarifying the effect of insurer authorization
23 of effectuation of certain appointments;
24 imposing a delinquent fee for certain
25 notification failures; providing fee payment
26 requirements; amending s. 648.383, F.S.;
27 including a department-designated person to
28 administer appointment processes for certain
29 appointment-related actions; providing for a
30 fee for certain late appointment filings;
31 amending s. 648.50, F.S.; deleting obsolete

1 runner references; repealing s. 626.032, F.S.,
2 relating to continuing education and required
3 designation of administrative agents; repealing
4 s. 626.361, F.S., relating to the effective
5 date of appointments; amending s. 324.032,
6 F.S.; providing requirements with respect to
7 vehicle liability insurance for persons
8 operating for-hire passenger vehicles; amending
9 s. 626.869, F.S.; requiring continuing
10 education for public adjusters; providing
11 requirements; requiring the Financial Services
12 Commission to adopt rules; providing an
13 effective date.

14

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

16

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

19 627.4035 Cash payment of premiums; claims.--

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

25 Section 2. Subsection (9) is added to section
26 627.7015, Florida Statutes, to read:27 627.7015 Alternative procedure for resolution of
28 disputed property insurance claims.--

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

1 (a) With respect to which the insurer has a reasonable
2 basis to suspect fraud;

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

5 (c) With respect to which the insurer has a reasonable
6 basis to believe that the claimant has intentionally made a
7 material misrepresentation of fact which is relevant to the
8 claim, and the entire request for payment of a loss has been
9 denied on the basis of the material misrepresentation; or

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

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

15 627.901 Premium financing by an insurance agent or
16 agency.--

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

30 (a) The unpaid balance; or
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1 (b) The average unpaid balance as billed over the term
2 of the policy and subject to endorsement changes. The interest
3 authorized by this paragraph may be billed in equal
4 installments.

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

7 626.9541 Unfair methods of competition and unfair or
8 deceptive acts or practices defined.--

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

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

14 1. Knowingly collecting any sum as a premium or charge
15 for insurance, which is not then provided, or is not in due
16 course to be provided, subject to acceptance of the risk by
17 the insurer, by an insurance policy issued by an insurer as
18 permitted by this code.

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

1 626.916(4), in addition to the premium required by the insurer
2 or the charging and collection, by licensed agents, of the
3 exact amount of any discount or other such fee charged by a
4 credit card facility in connection with the use of a credit
5 card, as authorized by subparagraph (q)3., in addition to the
6 premium required by the insurer. This subparagraph shall not
7 be construed to prohibit collection of a premium for a
8 universal life or a variable or indeterminate value insurance
9 policy made in accordance with the terms of the contract.

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

18 b. An insurer which imposes and collects such a
19 surcharge or which refuses to renew such policy shall, in
20 conjunction with the notice of premium due or notice of
21 nonrenewal, notify the named insured that he or she is
22 entitled to reimbursement of such amount or renewal of the
23 policy under the conditions listed below and will subsequently
24 reimburse him or her or renew the policy, if the named insured
25 demonstrates that the operator involved in the accident was:

26 (I) Lawfully parked;

27 (II) Reimbursed by, or on behalf of, a person
28 responsible for the accident or has a judgment against such
29 person;

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

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

7 (V) Not convicted of a moving traffic violation in
8 connection with the accident, but the operator of the other
9 automobile involved in such accident was convicted of a moving
10 traffic violation;

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

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

15 (VIII) Not at fault as evidenced by a written
16 statement from the insured establishing facts demonstrating
17 lack of fault which are not rebutted by information in the
18 insurer's file from which the insurer in good faith determines
19 that the insured was substantially at fault.

20 c. In addition to the other provisions of this
21 subparagraph, an insurer may not fail to renew a policy if the
22 insured has had only one accident in which he or she was at
23 fault within the current 3-year period. However, an insurer
24 may nonrenew a policy for reasons other than accidents in
25 accordance with s. 627.728. This subparagraph does not
26 prohibit nonrenewal of a policy under which the insured has
27 had three or more accidents, regardless of fault, during the
28 most recent 3-year period.

29 4. Imposing or requesting an additional premium for,
30 or refusing to renew, a policy for motor vehicle insurance

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1 solely because the insured committed a noncriminal traffic
2 infraction as described in s. 318.14 unless the infraction is:

3 a. A second infraction committed within an 18-month
4 period, or a third or subsequent infraction committed within a
5 36-month period.

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

9 5. Upon the request of the insured, the insurer and
10 licensed agent shall supply to the insured the complete proof
11 of fault or other criteria which justifies the additional
12 charge or cancellation.

13 6. No insurer shall impose or request an additional
14 premium for motor vehicle insurance, cancel or refuse to issue
15 a policy, or refuse to renew a policy because the insured or
16 the applicant is a handicapped or physically disabled person,
17 so long as such handicap or physical disability does not
18 substantially impair such person's mechanically assisted
19 driving ability.

20 7. No insurer may cancel or otherwise terminate any
21 insurance contract or coverage, or require execution of a
22 consent to rate endorsement, during the stated policy term for
23 the purpose of offering to issue, or issuing, a similar or
24 identical contract or coverage to the same insured with the
25 same exposure at a higher premium rate or continuing an
26 existing contract or coverage with the same exposure at an
27 increased premium.

28 8. No insurer may issue a nonrenewal notice on any
29 insurance contract or coverage, or require execution of a
30 consent to rate endorsement, for the purpose of offering to
31 issue, or issuing, a similar or identical contract or coverage

1 to the same insured at a higher premium rate or continuing an
2 existing contract or coverage at an increased premium without
3 meeting any applicable notice requirements.

4 9. No insurer shall, with respect to premiums charged
5 for motor vehicle insurance, unfairly discriminate solely on
6 the basis of age, sex, marital status, or scholastic
7 achievement.

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

12 11. No insurer shall cancel or issue a nonrenewal
13 notice on any insurance policy or contract without complying
14 with any applicable cancellation or nonrenewal provision
15 required under the Florida Insurance Code.

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

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

27 1. Race, color, creed, marital status, sex, or
28 national origin;

29 2. The residence, age, or lawful occupation of the
30 individual or the location of the risk, unless there is a
31 reasonable relationship between the residence, age, or lawful

1 occupation of the individual or the location of the risk and
2 the coverage issued or to be issued;

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

8 4. The insured's or applicant's failure to purchase
9 noninsurance services or commodities, including automobile
10 services as defined in s. 624.124; ~~or~~

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

13 ~~6.5.~~ The fact that the insured or applicant had been
14 previously refused insurance coverage by any insurer, when
15 such refusal to insure or continue to insure for this reason
16 occurs with such frequency as to indicate a general business
17 practice.

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

20 631.913 Powers and duties of the corporation.--

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

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

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

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

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1 Notwithstanding such criteria, the corporation's obligation
2 for a covered claim for the return of unearned premium shall
3 not exceed \$50,000 per policy. In addition, the corporation is
4 not obligated to a policyholder or claimant in an amount in
5 excess of the obligation of the insolvent insurer under the
6 policy from which the claim arises.

7 Section 6. Paragraph (a) of subsection (1) of section
8 631.914, Florida Statutes, is amended to read:

9 631.914 Assessments.--

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

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

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

7 3. Beginning July 1, 2003, assessments levied against
8 insurers and self-insurance funds pursuant to this paragraph
9 are computed and levied on the basis of the full policy
10 premium value on the net direct premiums written in the state
11 for workers' compensation insurance during the calendar year
12 next preceding the date of the assessment without taking into
13 account any applicable discount or credit for deductibles.
14 Insurers and self-insurance funds must report premiums in
15 compliance with this subparagraph.

16 Section 7. Section 631.924, Florida Statutes, is
17 amended to read:

18 631.924 Stay of proceedings; reopening of default
19 judgments.--All proceedings in which the insolvent insurer or
20 self-insurance fund is a party or is obligated to defend a
21 party in any court or before any quasi-judicial body or
22 administrative board in this state must be stayed for 6
23 months, or such additional period from the date the insolvency
24 is adjudicated, by a court of competent jurisdiction to allow
25 proper defense by the association of all pending causes of
26 action as to any covered claims. The stay may be extended for
27 a period of time greater than 6 months upon proper application
28 to a court of competent jurisdiction. The association, either
29 on its own behalf or on behalf of the insured, may apply to
30 have any judgment, order, decision, verdict, or finding based
31 on the default of the insolvent insurer or self-insurance fund

1 or its failure to defend an insured set aside by the same
2 court or administrator that made the judgment, order,
3 decision, verdict, or finding and may defend against the claim
4 on the merits. If the association so requests, the stay of
5 proceedings may be shortened or waived.

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

8 624.406 Combinations of insuring powers, one
9 insurer.--An insurer which otherwise qualifies therefor may be
10 authorized to transact any one kind or combination of kinds of
11 insurance as defined in part V except:

12 (4) A health insurer may also transact excess
13 insurance, specific and aggregate, for self-insurers of a plan
14 of health insurance and multiple-employer welfare arrangements
15 and reinsurance for the medical and lost wages benefits
16 provided under a workers' compensation insurance policy.

17 Section 9. Section 624.603, Florida Statutes, is
18 amended to read:

19 624.603 "Health insurance" defined.--"Health
20 insurance," also known as "disability insurance," is insurance
21 of human beings against bodily injury, disablement, or death
22 by accident or accidental means, or the expense thereof, or
23 against disablement or expense resulting from sickness, and
24 every insurance appertaining thereto. Health insurance does
25 not include workers' compensation coverages, except as
26 provided in s. 624.406(4).

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

29 631.141 Conduct of delinquency proceeding; domestic
30 and alien insurers.--

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1 (7)(a) In connection with a delinquency proceeding,
2 the department may appoint one or more special agents to act
3 for it, and it may employ such counsel, clerks, and assistants
4 as it deems necessary. The compensation of the special
5 agents, counsel, clerks, or assistants and all expenses of
6 taking possession of the insurer and of conducting the
7 proceeding shall be fixed by the receiver, subject to the
8 approval of the court, and shall be paid out of the funds or
9 assets of the insurer. Within the limits of duties imposed
10 upon them, special agents shall possess all the powers given
11 to and, in the exercise of those powers, shall be subject to
12 all duties imposed upon the receiver with respect to such
13 proceeding.

14 (b) In the event that initiation of delinquency
15 proceedings does not result in appointment of the department
16 as receiver, or in the event that the funds or assets of an
17 insurer for which the department is appointed as receiver are
18 insufficient to cover the cost of compensation to special
19 agents, counsel, clerks, or assistants and all expenses of
20 taking, or attempting to take, possession of the insurer, and
21 of conducting the proceeding, there is appropriated, upon
22 approval of the Chief Financial Officer, and the Legislative
23 Budget Commission from the Insurance Regulation Trust Fund to
24 the Division of Rehabilitation and Liquidation a sum that is
25 sufficient to cover the unreimbursed costs.

26 Section 11. Section 624.04, Florida Statutes, is
27 amended to read:

28 624.04 "Person" defined.--"Person" includes an
29 individual, insurer, company, association, organization,
30 Lloyds, society, reciprocal insurer or interinsurance
31 exchange, partnership, syndicate, business trust, corporation,

1 agent, general agent, broker, ~~solicitor~~, service
2 representative, adjuster, and every legal entity.

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

5 624.303 Seal; certified copies as evidence.--

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

9 Section 13. Paragraph (a) of subsection (2) of section
10 624.313, Florida Statutes, is amended to read:

11 624.313 Publications.--

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

14 (a) As needed, questions and answers for the use of
15 persons applying for an examination for licensing as agents ~~or~~
16 ~~solicitors~~ for property, casualty, surety, health, and
17 miscellaneous insurers.

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

20 624.317 Investigation of agents, adjusters,
21 administrators, service companies, and others.--If it has
22 reason to believe that any person has violated or is violating
23 any provision of this code, or upon the written complaint
24 signed by any interested person indicating that any such
25 violation may exist, the department shall conduct such
26 investigation as it deems necessary of the accounts, records,
27 documents, and transactions pertaining to or affecting the
28 insurance affairs of any:

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

31

1 Section 15. Section 624.34, Florida Statutes, is
2 amended to read:

3 624.34 Authority of Department of Law Enforcement to
4 accept fingerprints of, and exchange criminal history records
5 with respect to, certain persons.--

6 (1) The Department of Law Enforcement may accept
7 fingerprints of organizers, incorporators, subscribers,
8 officers, stockholders, directors, or any other persons
9 involved, directly or indirectly, in the organization,
10 operation, or management of:

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

13 (b) Any other entity which is examined or investigated
14 or which is eligible to be examined or investigated under the
15 provisions of the Florida Insurance Code.

16 (2) The Department of Law Enforcement may accept
17 fingerprints of individuals who apply for a license as an
18 agent, customer representative, adjuster, service
19 representative, or managing general agent or the fingerprints
20 of the majority owner, sole proprietor, partners, officers,
21 and directors of a corporation or other legal entity that
22 applies for licensure with the department under the provisions
23 of the Florida Insurance Code.

24 (3) The Department of Law Enforcement may, to the
25 extent provided for by federal law, exchange state,
26 multistate, and federal criminal history records with the
27 department and the office for the purpose of the issuance,
28 denial, suspension, or revocation of a certificate of
29 authority, certification, or license to operate in this state.

30 (4) The Department of Law Enforcement may accept
31 fingerprints of any other person required by statute or rule

1 to submit fingerprints to the department or office or any
2 applicant or licensee regulated by the department or office
3 who is required to demonstrate that he or she has not been
4 convicted of or pled guilty or nolo contendere to a felony or
5 a misdemeanor.

6 (5) The Department of Law Enforcement shall, upon
7 receipt of fingerprints from the department or office, submit
8 the fingerprints to the Federal Bureau of Investigation to
9 check federal criminal history records.

10 (6) Statewide criminal records obtained through the
11 Department of Law Enforcement, federal criminal records
12 obtained through the Federal Bureau of Investigation, and
13 local criminal records obtained through local law enforcement
14 agencies shall be used by the department and office for the
15 purpose of issuance, denial, suspension, or revocation of
16 certificates of authority, certifications, or licenses issued
17 to operate in this state.

18 Section 16. Paragraph (b) of subsection (6) of section
19 624.501, Florida Statutes, is amended, and subsection (28) is
20 added to that section, to read:

21 624.501 Filing, license, appointment, and
22 miscellaneous fees.--The department shall collect in advance,
23 and persons so served shall pay to it in advance, fees,
24 licenses, and miscellaneous charges as follows:

25 (6) Insurance representatives, property, marine,
26 casualty, and surety insurance.

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

29	Appointment fee.....	\$42.00
30	State tax.....	12.00
31	County tax.....	6.00

1 Total.....\$60.00
 2 (28) Late filing of appointment renewals for agents,
 3 adjusters, and other insurance representatives, each
 4 appointment.....\$20.00

5 Section 17. Section 624.504, Florida Statutes, is
 6 amended to read:

7 624.504 Liability for state, county tax.--

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

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

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

16 624.506 County tax; deposit and remittance.--

17 (1) The Insurance Commissioner and Treasurer shall
 18 deposit in the Agents ~~and Solicitors~~ County Tax Trust Fund all
 19 moneys accepted as county tax under this part. She or he shall
 20 keep a separate account for all moneys so collected for each
 21 county and, after deducting therefrom the service charges
 22 provided for in s. 215.20, shall remit the balance to the
 23 counties.

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

26 624.521 Deposit of certain tax receipts; refund of
 27 improper payments.--

28 (1) The Department of Insurance shall promptly deposit
 29 in the State Treasury to the credit of the Insurance
 30 Commissioner's Regulatory Trust Fund all "state tax" portions
 31 of agents' ~~and solicitors'~~ licenses collected under s. 624.501

1 necessary to fund the Division of Insurance Fraud. The balance
2 of the tax shall be credited to the General Fund. All moneys
3 received by the Department of Insurance not in accordance with
4 the provisions of this code or not in the exact amount as
5 specified by the applicable provisions of this code shall be
6 returned to the remitter. The records of the department shall
7 show the date and reason for such return.

8 Section 20. Section 626.015, Florida Statutes, is
9 amended to read:

10 626.015 Definitions.--As used in this part:

11 (1) "Adjuster" means a public adjuster as defined in
12 s. 626.854, independent adjuster as defined in s. 626.855, or
13 company employee adjuster as defined in s. 626.856.

14 ~~(2) "Administrative agent" means a life agent or~~
15 ~~health agent who:~~

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

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

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

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

23 (2)~~(3)~~ "Agent" means a general lines agent, life
24 agent, health agent, or title agent, or all such agents, as
25 indicated by context. The term "agent" includes an insurance
26 producer or producer, but does not include a customer
27 representative, limited customer representative, or service
28 representative.

29 (3)~~(4)~~ "Appointment" means the authority given by an
30 insurer or employer to a licensee to transact insurance or
31 adjust claims on behalf of an insurer or employer.

1 ~~(4)~~(5) "Customer representative" means an individual
2 appointed by a general lines agent or agency to assist that
3 agent or agency in transacting the business of insurance from
4 the office of that agent or agency.

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

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

9 (a) Property insurance.

10 (b) Casualty insurance, including commercial liability
11 insurance underwritten by a risk retention group, a commercial
12 self-insurance fund as defined in s. 624.462, or a workers'
13 compensation self-insurance fund established pursuant to s.
14 624.4621.

15 (c) Surety insurance.

16 (d) Health insurance, when transacted by an insurer
17 also represented by the same agent as to property or casualty
18 or surety insurance.

19 (e) Marine insurance.

20 ~~(7)~~(8) "Health agent" means an agent representing a
21 health maintenance organization or, as to health insurance
22 only, an insurer transacting health insurance.

23 ~~(8)~~(9) "Home state" means the District of Columbia and
24 any state or territory of the United States in which an
25 insurance agent maintains his or her principal place of
26 residence and is licensed to act as an insurance agent.

27 ~~(9)~~(10) "Insurance agency" means a business location
28 at which an individual, firm, partnership, corporation,
29 association, or other entity, other than an employee of the
30 individual, firm, partnership, corporation, association, or
31 other entity and other than an insurer as defined by s. 624.03

1 or an adjuster as defined by subsection (1), engages in any
2 activity or employs individuals to engage in any activity
3 which by law may be performed only by a licensed insurance
4 agent.

5 (10)~~(11)~~ "License" means a document issued by the
6 department authorizing a person to be appointed to transact
7 insurance or adjust claims for the kind, line, or class of
8 insurance identified in the document.

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

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

22 (13)~~(14)~~ "Limited lines insurance" means those
23 categories of business specified in ss. 626.321 and 635.011.

24 (14)~~(15)~~ "Line of authority" means a kind, line, or
25 class of insurance an agent is authorized to transact.

26 (15)~~(16)~~(a) "Managing general agent" means any person
27 managing all or part of the insurance business of an insurer,
28 including the management of a separate division, department,
29 or underwriting office, and acting as an agent for that
30 insurer, whether known as a managing general agent, manager,
31 or other similar term, who, with or without authority,

1 separately or together with affiliates, produces directly or
2 indirectly, or underwrites an amount of gross direct written
3 premium equal to or more than 5 percent of the policyholder
4 surplus as reported in the last annual statement of the
5 insurer in any single quarter or year and also does one or
6 more of the following:

7 1. Adjusts or pays claims.

8 2. Negotiates reinsurance on behalf of the insurer.

9 (b) The following persons shall not be considered
10 managing general agents:

11 1. An employee of the insurer.

12 2. A United States manager of the United States branch
13 of an alien insurer.

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

19 4. Administrators as defined by s. 626.88.

20 5. The attorney in fact authorized by and acting for
21 the subscribers of a reciprocal insurer under powers of
22 attorney.

23 (16)~~(17)~~ "Resident" means an individual domiciled and
24 residing in this state.

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

1 (18)~~(19)~~ "Uniform application" means the uniform
2 application of the National Association of Insurance
3 Commissioners for nonresident agent licensing, effective
4 January 15, 2001, or subsequent versions adopted by rule by
5 the department.

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

8 626.022 Scope of part.--

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

14 (a) It does not apply as to reinsurance, except that
15 ss. 626.011-626.031, ss. 626.102-626.181, ss. 626.191-626.211,
16 ss. 626.291-626.301, s. 626.331, ss. 626.342-626.521, ss.
17 626.541-626.591, and ss. 626.601-626.711 shall apply as to
18 reinsurance intermediaries as defined in s. 626.7492.

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

21 (c) It does not apply to a bail bond agent, as defined
22 in s. 648.25, except as provided in chapter 648 or chapter
23 903.

24 (d) This part does not apply to a certified public
25 accountant licensed under chapter 473 who is acting within the
26 scope of the practice of public accounting, as defined in s.
27 473.302, provided that the activities of the certified public
28 accountant are limited to advising a client of the necessity
29 of obtaining insurance, the amount of insurance needed, or the
30 line of coverage needed, and provided that the certified
31

1 public accountant does not directly or indirectly receive or
2 share in any commission or referral fee, ~~or solicitor's fee.~~

3 Section 22. Paragraph (a) of subsection (7) of section
4 626.112, Florida Statutes, is amended to read:

5 626.112 License and appointment required; agents,
6 customer representatives, adjusters, insurance agencies,
7 service representatives, managing general agents.--

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

16 Section 23. Paragraph (a) of subsection (2) and
17 subsection (5) of section 626.171, Florida Statutes, are
18 amended to read:

19 626.171 Application for license.--

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

21 (a) His or her full name, age, social security number,
22 residence address, ~~and place of business~~ address, and mailing
23 address.

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

1 the fingerprint processing fee set forth in s. 624.501.
2 Fingerprints shall be used to investigate the applicant's
3 qualifications pursuant to s. 626.201.The fingerprints shall
4 be taken ~~certified~~ by a law enforcement agency or other
5 department-approved entity officer.

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

8 626.175 Temporary licensing.--

9 (1) The department may issue a nonrenewable temporary
10 license for a period not to exceed 6 months authorizing
11 appointment of a general lines insurance agent or a life
12 agent, or an industrial fire or burglary agent, subject to the
13 conditions described in this section. The fees paid for a
14 temporary license and appointment shall be as specified in s.
15 624.501. Fees paid shall not be refunded after a temporary
16 license has been issued.

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

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

19 2. A United States citizen or legal alien who
20 possesses work authorization from the United States
21 Immigration and Naturalization Service.

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

31

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

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

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

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

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

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

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

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

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

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

15 Section 25. Section 626.202, Florida Statutes, is
16 amended to read:

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

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

30 626.201 Investigation.--
31

1 (1) The department may propound any reasonable
2 interrogatories in addition to those contained in the
3 application, to any applicant for license or appointment, or
4 on any renewal, reinstatement, or continuation thereof,
5 relating to his or her qualifications, residence, prospective
6 place of business, and any other matter which, in the opinion
7 of the department, is deemed necessary or advisable for the
8 protection of the public and to ascertain the applicant's
9 qualifications.

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

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

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

27 626.221 Examination requirement; exemptions.--

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

30 (e) An individual who qualified as a managing general
31 agent, service representative, customer representative, or

1 all-lines adjuster by passing a general lines agent's
2 examination and subsequently was licensed and appointed and
3 has been actively engaged in all lines of property and
4 casualty insurance may, upon filing an application for
5 appointment, be licensed and appointed as a general lines
6 agent for the same kinds of business without taking another
7 examination if he or she holds any such currently effective
8 license referred to in this paragraph or held the license
9 within 48 ~~24~~ months prior to the date of filing the
10 application with the department.

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

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

28 (k) An applicant for license as a customer
29 representative who has the designation of Accredited Advisor
30 in Insurance (AAI) from the Insurance Institute of America,
31 the designation of Certified Insurance Counselor (CIC) from

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

23 Section 28. Paragraphs (a), (c), and (d) of subsection
24 (3), paragraphs (a), (b), (c), (d), (g), (h), and (i) of
25 subsection (4), and paragraph (b) of subsection (6) of section
26 626.2815, Florida Statutes, are amended to read:

27 626.2815 Continuing education required; application;
28 exceptions; requirements; penalties.--

29 (3)(a) Each person subject to the provisions of this
30 section must, except as set forth in paragraphs (b) and (c),
31 complete a minimum of 24 ~~28~~ hours of continuing education

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

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

26 (d) Any person who holds a license as a customer
27 representative, limited customer representative,
28 ~~administrative agent,~~ title agent, motor vehicle physical
29 damage and mechanical breakdown insurance agent, crop or hail
30 and multiple-peril crop insurance agent, or as an industrial
31 fire insurance or burglary insurance agent and who is not a

1 licensed life or health insurance agent, shall be required to
2 complete 12 ~~14~~ hours of continuing education courses every 2
3 years, except, for compliance periods beginning on January 1,
4 1998, each licensee subject to this paragraph shall be
5 required to complete 10 hours of continuing education courses
6 every 2 years.

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

9 (a) Any part of the Life Underwriter Training Council
10 Life Course Curriculum: 24 ~~28~~ hours; Health Course: 12 ~~14~~
11 hours.

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

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

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

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

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

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

29 (6)

30 (b) The board members shall be appointed as follows:
31

- 1 1. Seven members representing agents of which at least
2 one must be a representative from each of the following
3 organizations: the Florida Association of Insurance Agents;
4 the Florida Association of Insurance and Financial Advisors
5 ~~Life Underwriters~~; the Professional Insurance Agents of
6 Florida, Inc.; the Florida Association of Health Underwriters;
7 the Specialty Agents' Association; the Latin American Agents'
8 Association; and the National Association of Insurance Women.
9 Such board members must possess at least a bachelor's degree
10 or higher from an accredited college or university with major
11 coursework in insurance, risk management, or education or
12 possess the designation of CLU, CPCU, CHFC, CFP, AAI, or CIC.
13 In addition, each member must possess 5 years of classroom
14 instruction experience or 5 years of experience in the
15 development or design of educational programs or 10 years of
16 experience as a licensed resident agent. Each organization may
17 submit to the department a list of recommendations for
18 appointment. If one organization does not submit a list of
19 recommendations, the Insurance Commissioner may select more
20 than one recommended person from a list submitted by other
21 eligible organizations.
- 22 2. Two members representing insurance companies at
23 least one of whom must represent a Florida Domestic Company
24 and one of whom must represent the Florida Insurance Council.
25 Such board members must be employed within the training
26 department of the insurance company. At least one such member
27 must be a member of the Society of Insurance Trainers and
28 Educators.
- 29 3. One member representing the general public who is
30 not directly employed in the insurance industry. Such board
31 member must possess a minimum of a bachelor's degree or higher

1 from an accredited college or university with major coursework
2 in insurance, risk management, training, or education.

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

5 Section 29. Section 626.2816, Florida Statutes, is
6 amended to read:

7 626.2816 Regulation of continuing education for
8 licensees, course providers, instructors, school officials,
9 and monitor groups.--

10 (1) Continuing education course providers,
11 instructors, school officials, and monitor groups must be
12 approved by the department before offering continuing
13 education courses pursuant to s. 626.2815 or s. 626.869.

14 (2) The department shall adopt rules establishing
15 standards for the approval, regulation, and operation of the
16 continuing education programs and for the discipline of
17 licensees, course providers, instructors, school officials,
18 and monitor groups. The standards must be designed to ensure
19 that such course providers, instructors, school officials, and
20 monitor groups have the knowledge, competence, and integrity
21 to fulfill the educational objectives of ss. 626.2815,
22 626.869(5), 648.385, and 648.386.

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

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

31

1 626.2817 Regulation of course providers, instructors,
2 school officials, and monitor groups involved in prelicensure
3 education for insurance agents and other licensees.--

4 (3) The department shall adopt rules to establish a
5 process for determining compliance with the prelicensure
6 requirements of this chapter and chapter 648 ~~and shall~~
7 ~~establish a prelicensure cycle for insurance agents and other~~
8 ~~licensees~~. The department shall adopt rules prescribing the
9 forms necessary to administer the prelicensure requirements.

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

12 626.311 Scope of license.--

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

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

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

24 626.321 Limited licenses.--

25 (1) The department shall issue to a qualified
26 individual, or a qualified individual or entity under
27 paragraphs (c), (d), (e), and (i), a license as agent
28 authorized to transact a limited class of business in any of
29 the following categories:

30 (a) Motor vehicle physical damage and mechanical
31 breakdown insurance.--License covering insurance against only

1 the loss of or damage to any motor vehicle which is designed
2 for use upon a highway, including trailers and semitrailers
3 designed for use with such vehicles. Such license also covers
4 insurance against the failure of an original or replacement
5 part to perform any function for which it was designed. The
6 applicant for such a license shall pass a written examination
7 covering motor vehicle physical damage insurance and
8 mechanical breakdown insurance. No individual while so
9 licensed shall hold a license as an agent ~~or solicitor~~ as to
10 any other or additional kind or class of insurance coverage
11 except as to a limited license for credit life and disability
12 insurances as provided in paragraph (e).

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

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

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

10 ~~3. Is not required to pay any additional application~~
11 ~~fees for a license issued to the offices or places of business~~
12 ~~referenced in subsection (2), but is required to pay the~~
13 ~~license fee as prescribed in s. 624.501, be appointed under s.~~
14 ~~626.112, and pay the prescribed appointment fee under s.~~
15 ~~624.501. The license obtained under this paragraph shall be~~
16 ~~posted at the business location for which it was issued so as~~
17 ~~to be readily visible to prospective purchasers of such~~
18 ~~coverage.~~

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

21 (a) Submit only one application for a license under s.
22 626.171. The requirements of s. 626.171(5) shall only apply to
23 the officers and directors of the entity submitting the
24 application.

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

30 (c) Pay the applicable fees for a license as
31 prescribed in s. 624.501, be appointed under s. 626.112, and

1 pay the prescribed appointment fee under s. 624.501. A
2 licensed and appointed entity shall be directly responsible
3 and accountable for all acts of the licensee's employees.

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

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

22 Section 33. Section 626.322, Florida Statutes, is
23 amended to read:

24 626.322 License, appointment; certain military
25 installations.--A natural person, not a resident of this
26 state, may be licensed and appointed to represent an
27 authorized life insurer domiciled in this state or an
28 authorized foreign life insurer which maintains a regional
29 home office in this state, provided such person represents
30 such insurer exclusively at a United States military
31 installation located in a foreign country. The department may,

1 upon request of the applicant and the insurer on application
2 forms furnished by the department and upon payment of fees as
3 prescribed in s. 624.501, issue a license and appointment to
4 such person. By authorizing the effectuation of an appointment
5 for a license, the insurer is thereby certifying ~~shall certify~~
6 to the department that the applicant has the necessary
7 training to hold himself or herself out as a life insurance
8 representative, and the insurer shall further certify that it
9 is willing to be bound by the acts of such applicant within
10 the scope of his or her employment. Appointments shall be
11 continued as prescribed in s. 626.381 and upon payment of a
12 fee as prescribed in s. 624.501, unless sooner terminated.
13 Such fees received shall be credited to the Insurance
14 Commissioner's Regulatory Trust Fund as provided for in s.
15 624.523.

16 Section 34. Section 626.341, Florida Statutes, is
17 amended to read:

18 626.341 Additional appointments; general lines, life,
19 and health agents.--

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

31

1 (2) A life or health agent with an appointment in
2 force may solicit applications for policies of insurance on
3 behalf of an insurer with respect to which he or she is not an
4 appointed life or health agent, unless otherwise provided by
5 contract, if such agent simultaneously with the submission to
6 such insurer of the application for insurance solicited by him
7 or her requests the insurer to appoint him or her as agent.
8 However, no commissions shall be paid by such insurer to the
9 agent until such time as an additional appointment with
10 respect to such insurer has been received by the department or
11 person designated by the department to administer the
12 appointment process pursuant to the provisions of subsection
13 (1).

14 Section 35. Section 626.371, Florida Statutes, is
15 amended to read:

16 626.371 Payment of fees, taxes for appointment period
17 without appointment.--

18 (1) All initial appointments shall be submitted to the
19 department on a monthly basis no later than 45 days after the
20 date of appointment and become effective on the date requested
21 on the appointment form.

22 (2) If, upon application and qualification for an
23 initial or renewal appointment and such investigation as the
24 department may make, it appears to the department that an
25 individual who was formerly licensed or is currently licensed
26 but not properly appointed to represent an insurer or employer
27 and who has been actively engaged or is currently actively
28 engaged as such an appointee, but without being appointed as
29 required, the department may, if it finds that such failure to
30 be appointed was an inadvertent error on the part of the
31 insurer or employer so represented, nevertheless issue or

1 authorize the issuance of the appointment as applied for but
2 subject to the condition that, before the appointment is
3 issued, all fees and taxes which would have been due had the
4 applicant been so appointed during such current and prior
5 periods, together with applicable fees pursuant to s. 624.501
6 ~~a continuation fee~~ for such current and prior periods terms of
7 appointment, shall be paid to the department.

8 (3)(a) 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 per appointee.
11 Delinquent fees shall be paid by the appointing entity and may
12 not be charged to the appointee.

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

19 Section 36. Subsections (3) and (4) of section
20 626.381, Florida Statutes, are amended and a new subsection
21 (7) is added to that section to read:

22 626.381 Renewal, continuation, reinstatement, or
23 termination of appointment.--

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

1 (4) Renewal of an appointment which is received by the
2 department or person designated by the department to
3 administer the appointment process after the renewal date set
4 ~~by the department~~ may be accepted and effectuated by the
5 department in its discretion if the ~~an additional~~ appointment,
6 late filing, continuation, and reinstatement fee accompanies
7 the renewal request pursuant to s. 624.501. Late filing fees
8 shall be paid by the appointing entity and may not be charged
9 to the appointee.

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

12 Section 37. Subsections (1), (2), and (3) of section
13 626.451, Florida Statutes, are amended, and subsection (7) is
14 added to that section, to read:

15 626.451 Appointment of agent or other
16 representative.--

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

27 (2) By authorizing the effectuation of an appointment
28 for a licensee, the appointing entity is thereby certifying to
29 the department that an investigation of the licensee has been
30 made ~~As a part of each appointment there shall be a certified~~
31 ~~statement or affidavit of an appropriate officer or official~~

1 ~~of the appointing entity stating what investigation the~~
2 ~~appointing entity has made concerning the proposed appointee~~
3 ~~and his or her background and that in the appointing entity's~~
4 ~~opinion and to the best of its knowledge and belief, the~~
5 ~~licensee is of good as to the moral character and reputation,~~
6 ~~and is fit to engage in the insurance business. The appointing~~
7 ~~entity shall provide to the department fitness, and reputation~~
8 ~~of the proposed appointee and any other information the~~
9 ~~department may reasonably require relative to the proposed~~
10 ~~appointee.~~

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

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

27 Section 38. Section 626.461, Florida Statutes, is
28 amended to read:

29 626.461 Continuation of appointment of agent or other
30 representative.--Subject to renewal or continuation by the
31 appointing entity, the appointment of the agent, adjuster,

1 ~~solicitor~~, service representative, customer representative, or
2 managing general agent shall continue in effect until the
3 person's license is revoked or otherwise terminated, unless
4 written notice of earlier termination of the appointment is
5 filed with the department or person designated by the
6 department to administer the appointment process by either the
7 appointing entity or the appointee.

8 Section 39. Subsections (4) and (5) of section
9 626.471, Florida Statutes, are amended to read:

10 626.471 Termination of appointment.--

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

19 (5) Upon receiving notice of termination, the
20 department or person designated by the department to
21 administer the appointment process shall terminate the
22 appointment.

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

25 626.601 Improper conduct; inquiry; fingerprinting.--

26 (5) If the department, after investigation, has reason
27 to believe that a licensee may have been found guilty of or
28 pleaded guilty or nolo contendere to a felony or a crime
29 related to the business of insurance in this or any other
30 state or jurisdiction, the department may require the licensee
31 to file with the department a complete set of his or her

1 fingerprints, which shall be accompanied by the fingerprint
2 processing fee set forth in s. 624.501. The fingerprints shall
3 be taken ~~certified~~ by an authorized law enforcement agency or
4 other department-approved entity officer.

5 Section 41. Paragraph (b) of subsection (1) of section
6 626.731, Florida Statutes, is amended to read:

7 626.731 Qualifications for general lines agent's
8 license.--

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

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

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

27 626.7315 Prohibition against the unlicensed
28 transaction of general lines insurance.--With respect to any
29 line of authority as defined in s. 626.015(7), no individual
30 shall, unless licensed as a general lines agent:

31

1 (2) In this state, receive or issue a receipt for any
2 money on account of or for any insurer, or receive or issue a
3 receipt for money from other persons to be transmitted to any
4 insurer for a policy, contract, or certificate of insurance or
5 any renewal thereof, even though the policy, certificate, or
6 contract is not signed by him or her as agent or
7 representative of the insurer, except as provided in s.
8 626.0428(1);

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

11 626.732 Requirement as to knowledge, experience, or
12 instruction.--

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

24 (a) Taught or successfully completed classroom courses
25 in insurance, 3 hours of which shall be on the subject matter
26 of ethics,satisfactory to the department at a school,
27 college, or extension division thereof, approved by the
28 department;

29 (b) Completed a correspondence course in insurance, 3
30 hours of which shall be on the subject matter of ethics,
31 satisfactory to the department and regularly offered by

1 accredited institutions of higher learning in this state and,
2 except if he or she is applying for a limited license under s.
3 626.321, has had at least 6 months of responsible insurance
4 duties as a substantially full-time bona fide employee in all
5 lines of property and casualty insurance set forth in the
6 definition of general lines agent under s. 626.015;

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

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

20 Section 44. Section 626.733, Florida Statutes, is
21 amended to read:

22 626.733 Agency firms and corporations; special
23 requirements.--If a sole proprietorship, partnership,
24 corporation, or association holds an agency contract, all
25 members thereof who solicit, negotiate, or effect insurance
26 contracts, and all officers and stockholders of the
27 corporation who solicit, negotiate, or effect insurance
28 contracts, are required to qualify and be licensed
29 individually as agents, ~~solicitors~~, or customer
30 representatives; and all of such agents must be individually
31 appointed as to each property and casualty insurer entering

1 into an agency contract with such agency. Each such appointing
2 insurer as soon as known to it shall comply with this section
3 and shall determine and require that each agent so associated
4 in or so connected with such agency is likewise appointed as
5 to the same such insurer and for the same type and class of
6 license. However, no insurer is required to comply with the
7 provisions of this section if such insurer satisfactorily
8 demonstrates to the department that the insurer has issued an
9 aggregate net written premium, in an agency, in an amount of
10 \$25,000 or less.

11 Section 45. Paragraph (a) of subsection (2) and
12 subsection (3) of section 626.7351, Florida Statutes, are
13 amended to read:

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

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

1 (3) Within the 2 years next preceding the date the
2 application for license was filed with the department, the
3 applicant has completed a course in insurance, 3 hours of
4 which shall be on the subject matter of ethics, approved by
5 the department or has had at least 6 months' experience in
6 responsible insurance duties as a substantially full-time
7 employee. Courses must include instruction on the subject
8 matter of unauthorized entities engaging in the business of
9 insurance. The scope of the topic of unauthorized entities
10 shall include the Florida Nonprofit Multiple-Employer Welfare
11 Arrangement Act and the Employee Retirement Income Security
12 Act, 29 U.S.C. ss. 1001 et seq., as such acts relate to the
13 provision of health insurance by employers and the regulation
14 of such insurance.

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

17 626.7354 Customer representative's powers; agent's or
18 agency's responsibility.--

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

27 Section 47. Paragraph (c) of subsection (1) of section
28 626.7355, Florida Statutes, is amended to read:

29 626.7355 Temporary license as customer representative
30 pending examination.--

31

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

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

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

20 626.741 Nonresident agents; licensing and
21 restrictions.--

22 (3) The department shall not, however, issue any
23 license and appointment to any nonresident who has an office
24 or place of business in this state, or who has any direct or
25 indirect pecuniary interest in any insurance agent or
26 ~~insurance agency, or in any solicitor~~ licensed as a resident
27 of this state; nor to any individual who does not, at the time
28 of issuance and throughout the existence of the Florida
29 license, hold a license as agent or broker issued by his or
30 her home state; nor to any individual who is employed by any
31 insurer as a service representative or who is a managing

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

21 Section 49. Paragraph (a) of subsection (1) of section
22 626.753, Florida Statutes, is amended to read:

23 626.753 Sharing commissions; penalty.--

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

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

30 626.785 Qualifications for license.--

31

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

5 (b) Must be a United States citizen or legal alien who
6 possesses work authorization from the United States
7 Immigration and Naturalization Service and a bona fide
8 resident of this state.

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

22 Section 51. Subsections (1) and (2) of section
23 626.7851, Florida Statutes, are amended to read:

24 626.7851 Requirement as to knowledge, experience, or
25 instruction.--No applicant for a license as a life agent,
26 except for a chartered life underwriter (CLU), shall be
27 qualified or licensed unless within the 4 years immediately
28 preceding the date the application for a license is filed with
29 the department he or she has:

30 (1) Successfully completed 40 hours of classroom
31 courses in insurance, 3 hours of which shall be on the subject

1 matter of ethics, satisfactory to the department at a school
2 or college, or extension division thereof, or other authorized
3 course of study, approved by the department. Courses must
4 include instruction on the subject matter of unauthorized
5 entities engaging in the business of insurance, to include the
6 Florida Nonprofit Multiple-Employer Welfare Arrangement Act
7 and the Employee Retirement Income Security Act, 29 U.S.C. ss.
8 1001 et seq., as it relates to the provision of life insurance
9 by employers to their employees and the regulation thereof;

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

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

23 626.829 "Health agent" defined.--

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

31

1 Section 53. Paragraph (b) of subsection (1) of section
2 626.831, Florida Statutes, is amended to read:

3 626.831 Qualifications for license.--

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

8 (b) Must be 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 54. Subsections (1) and (2) of section
13 626.8311, Florida Statutes, are amended to read:

14 626.8311 Requirement as to knowledge, experience, or
15 instruction.--No applicant for a license as a health agent,
16 except for a chartered life underwriter (CLU), shall be
17 qualified or licensed unless within the 4 years immediately
18 preceding the date the application for license is filed with
19 the department he or she has:

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

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

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

14 626.8414 Qualifications for examination.--The
15 department must authorize any natural person to take the
16 examination for the issuance of a license as a title insurance
17 agent if the person meets all of the following qualifications:

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

29 Section 56. Paragraph (a) of subsection (3) of section
30 626.8417, Florida Statutes, is amended to read:

31

1 626.8417 Title insurance agent licensure;
2 exemptions.--

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

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

27 Section 57. Section 626.843, Florida Statutes, is
28 amended to read:

29 626.843 Renewal, continuation, reinstatement,
30 termination of title insurance agent's appointment.--

31

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

7 (2) Title insurance agent appointments shall be
8 renewed pursuant to s. 626.381 for insurance representatives
9 in general. ~~Each insurer shall file with the department the~~
10 ~~lists, statements, and information as to appointments which~~
11 ~~are being renewed or being terminated, accompanied by payment~~
12 ~~of the applicable renewal fees and taxes as prescribed in s.~~
13 ~~624.501, by a date set forth by the department following the~~
14 ~~month during which the appointments will expire.~~

15 ~~(3) Request for renewal of an appointment which is~~
16 ~~received on a date set forth by the department in the~~
17 ~~succeeding month may be renewed by the department without~~
18 ~~penalty, and shall be effective as of the day the appointment~~
19 ~~would have expired.~~

20 ~~(4) Request for renewal of an appointment which is~~
21 ~~received by the department after the date set by the~~
22 ~~department may be accepted and effectuated by the department~~
23 ~~in its discretion if an additional appointment continuation~~
24 ~~and reinstatement fee accompany the request for renewal~~
25 ~~pursuant to s. 624.501.~~

26 (3)(5) The appointment issued shall remain in effect
27 for so long as the appointment represented thereby continues
28 in force as provided in this section.

29 Section 58. Paragraph (b) of subsection (1) of section
30 626.865, Florida Statutes, is amended to read:

31 626.865 Public adjuster's qualifications, bond.--

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

5 (b) Is a United States citizen or legal alien who
6 possesses work authorization from the United States
7 Immigration and Naturalization Service and a bona fide
8 resident of this state.

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

11 626.866 Independent adjuster's qualifications.--The
12 department shall issue a license to an applicant for an
13 independent adjuster's license upon determining that the
14 applicable license fee specified in s. 624.501 has been paid
15 and that the applicant possesses the following qualifications:

16 (2) Is a United States citizen or legal alien who
17 possesses work authorization from the United States
18 Immigration and Naturalization Service and a bona fide
19 resident of this state.

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

22 626.867 Company employee adjuster's
23 qualifications.--The department shall issue a license to an
24 applicant for a company employee adjuster's license upon
25 determining that the applicable license fee specified in s.
26 624.501 has been paid and that the applicant possesses the
27 following qualifications:

28 (2) 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 61. Section 626.869, Florida Statutes, is
2 amended to read:

3 626.869 License, adjusters.--

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

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

8 (b) Motor vehicle physical damage insurance.

9 (c) Property and casualty insurance.

10 (d) Workers' compensation insurance.

11 (e) Health insurance.

12 (2) All individuals who on October 1, 1990, hold an
13 adjuster's license and appointment limited to fire and allied
14 lines, including marine or casualty or boiler and machinery,
15 may remain licensed and appointed under the limited license
16 and may renew their appointment, but no license or appointment
17 which has been terminated, not renewed, suspended, or revoked
18 shall be reinstated, and no new or additional licenses or
19 appointments shall be issued.

20 ~~(3) With the exception of a public adjuster limited to~~
21 ~~health insurance, a limited license set forth in subsection~~
22 ~~(1) as an independent or public adjuster may only be issued to~~
23 ~~and retained by an employee of an independent or public~~
24 ~~adjusting firm which is supervised by a duly appointed~~
25 ~~all-lines adjuster or an employee of an independent or public~~
26 ~~adjuster licensed and appointed in all lines of insurance~~
27 ~~other than life and annuity. The office of the limited lines~~
28 ~~adjuster shall be in the office of the licensed all-lines~~
29 ~~adjuster responsible for his or her supervision and~~
30 ~~instruction.~~

31

1 ~~(3)(4)~~ The applicant's application for license shall
2 specify which of the foregoing classes of business the
3 application for license is to cover.

4 ~~(4)(5)~~ Any individual ~~person~~ holding a license for 24
5 consecutive months or longer ~~and who engages in adjusting~~
6 ~~workers' compensation insurance~~ must, beginning in his or her
7 ~~their~~ birth month and every 2 years thereafter, have completed
8 24 hours of courses, 2 hours of which relate to ethics, in
9 subjects designed to inform the licensee regarding the current
10 insurance ~~workers' compensation~~ laws of this state, so as to
11 enable him or her to engage in business as an ~~a~~ ~~workers'~~
12 ~~compensation~~ insurance adjuster fairly and without injury to
13 the public and to adjust all claims in accordance with the
14 policy or contract and the ~~workers' compensation~~ laws of this
15 state. ~~In order to qualify as an eligible course under this~~
16 ~~subsection, the course must:~~

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

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

20 ~~(c) Be taught by instructors with at least 5 years of~~
21 ~~experience in the area of workers' compensation, general lines~~
22 ~~of insurance, or other persons approved by the department.~~
23 However, a member of The Florida Bar is exempt from the 5
24 years' experience requirement.

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

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

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

31

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

3 626.874 Catastrophe or emergency adjusters.--

4 (1) In the event of a catastrophe or emergency, the
5 department may issue a license, for the purposes and under the
6 conditions which it shall fix and for the period of emergency
7 as it shall determine, to persons who are residents or
8 nonresidents of this state, who are at least 18 years of age,
9 who are United States citizens or legal aliens who possess
10 work authorization from the United States Immigration and
11 Naturalization Service, and who are not licensed adjusters
12 under this part but who have been designated and certified to
13 it as qualified to act as adjusters by independent resident
14 adjusters or by an authorized insurer or by a licensed general
15 lines agent to adjust claims, losses, or damages under
16 policies or contracts of insurance issued by such insurers.
17 The fee for the license shall be as provided in s.
18 624.501(12)(c).

19 Section 63. Section 626.878, Florida Statutes, is
20 amended to read:

21 626.878 Rules; code of ethics.--An adjuster shall
22 subscribe to the code of ethics specified in the rules of the
23 department. The rules shall implement the provisions of this
24 part and specify the terms and conditions of contracts,
25 including a right to cancel, and require practices necessary
26 to ensure fair dealing, prohibit conflicts of interest, and
27 ensure preservation of the rights of the claimant to
28 participate in the adjustment of claims.

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

31 626.797 Code of ethics.--

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

7 Section 65. Paragraph (z) of subsection (1) of section
8 626.9541, Florida Statutes, is amended to read:

9 626.9541 Unfair methods of competition and unfair or
10 deceptive acts or practices defined.--

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

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

15 1. Representing to the applicant that a specific
16 ancillary coverage or product is required by law in
17 conjunction with the purchase of ~~motor vehicle~~ insurance when
18 such coverage or product is not required;

19 2. Representing to the applicant that a specific
20 ancillary coverage or product is included in the ~~motor vehicle~~
21 policy applied for without an additional charge when such
22 charge is required; or

23 3. Charging an applicant for a specific ancillary
24 coverage or product, in addition to the cost of the ~~motor~~
25 ~~vehicle~~ insurance coverage applied for, without the informed
26 consent of the applicant.

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

29 626.9916 Viatical settlement broker license required;
30 application for license.--

31

1 (7) Upon the filing of a sworn application and the
2 payment of the license fee and all other applicable fees under
3 this act, the department shall investigate each applicant and
4 may issue the applicant a license if the department finds that
5 the applicant:

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

10 Section 67. Paragraph (c) of subsection (1) of section
11 627.679, Florida Statutes, is amended to read:

12 627.679 Amount of insurance; disclosure.--

13 (1)

14 (c) Before any credit life insurance may be sold in
15 connection with a specific installment loan or home equity
16 line of credit, the creditor agent or agent shall obtain a
17 separate written acknowledgment with respect to each of the
18 following:

19 1. That the borrower understands that he or she has
20 the option of assigning any other policy or policies the
21 borrower owns or may procure for the purpose of covering such
22 loan and that the policy need not be purchased from the
23 creditor agent in order to obtain the loan.

24 2. That the borrower understands that the credit life
25 coverage may be deferred if, at the time of application, the
26 borrower is unable to engage in employment or unable to
27 perform normal activities of a person of like age and sex, if
28 the proposed credit life insurance policy contains this
29 restriction.

30 3. That the borrower understands that the benefits
31 under the policy will terminate when the borrower reaches a

1 certain age and that the borrower's age is accurately
2 represented on the application or policy.

3
4 Paragraph (c) does not apply to credit life insurance relating
5 to open-end or revolving credit arrangements.In lieu of the
6 required written acknowledgments set forth in this paragraph
7 and s. 626.9551(2)(a), if the sale of credit life insurance is
8 solicited or consummated telephonically, the creditor agent or
9 agent shall provide written disclosures of such options to the
10 borrower within 30 days from the date the coverage takes
11 effect. The borrower must be notified that he or she has 30
12 days from the date the disclosures are received to rescind the
13 credit life insurance coverage.

14 Section 68. Paragraph (a) of subsection (5) of section
15 627.7295, Florida Statutes, is amended to read:

16 627.7295 Motor vehicle insurance contracts.--

17 (5)(a) A licensed general lines agent may charge a
18 per-policy fee not to exceed \$20~~\$10~~ to cover the
19 administrative costs of the agent associated with selling the
20 motor vehicle insurance policy ~~if the policy covers only~~
21 ~~personal injury protection coverage as provided by s. 627.736~~
22 ~~and property damage liability coverage as provided by s.~~
23 ~~627.7275 and if no other insurance is sold or issued in~~
24 ~~conjunction with or collateral to the policy.~~ The per-policy
25 fee must be a component of the insurer's rate filing and may
26 not be charged by an agent unless the fee is included in the
27 filing. The fee is not considered part of the premium except
28 for purposes of the department's review of expense factors in
29 a filing made pursuant to s. 627.062.

30 Section 69. Subsection (3) of section 632.634, Florida
31 Statutes, is amended to read:

1 632.634 Licensing and appointment of agents.--
2 (3) Any agent, representative, or member of a society
3 who in any preceding calendar year has solicited and procured
4 life insurance benefit contracts on behalf of any society in a
5 total amount of insurance less than \$50,000, or, in the case
6 of any other kind or kinds of insurance benefit contracts
7 which the society might write, on not more than 25
8 individuals, shall be exempt from the agent licensing and
9 appointment requirements of subsection (1). Upon request by
10 the department, every society shall register, on forms
11 prescribed by the department and on or before March 1 of each
12 year, the name and residence address of each agent,
13 representative, or member exempt under the provisions of this
14 subsection and shall, within 30 days of termination of
15 employment, notify the department of the termination. Any
16 agent, representative, or member for which an exemption is
17 claimed due to employment by the society subsequent to March 1
18 shall be registered by the society with the department within
19 10 days of the date of employment.

20 Section 70. Section 634.171, Florida Statutes, is
21 amended to read:

22 634.171 Salesperson to be licensed and
23 appointed.--Salespersons for motor vehicle service agreement
24 companies and insurers shall be licensed, appointed, renewed,
25 continued, reinstated, or terminated as prescribed in chapter
26 626 for insurance representatives in general. However, they
27 shall be exempt from all other provisions of chapter 626
28 including fingerprinting, photo identification, education, and
29 examination provisions. License, appointment, and other fees
30 shall be those prescribed in s. 624.501. A licensed and
31 appointed salesperson shall be directly responsible and

1 accountable for all acts of her or his employees and other
2 representatives. Each service agreement company or insurer
3 shall, on forms prescribed by the department, within 30 days
4 after termination of the appointment, notify the department of
5 such termination. No employee or salesperson of a motor
6 vehicle service agreement company or insurer may directly or
7 indirectly solicit or negotiate insurance contracts, or hold
8 herself or himself out in any manner to be an insurance agent
9 ~~or solicitor~~, unless so qualified, licensed, and appointed
10 therefor under the Florida Insurance Code. A motor vehicle
11 service agreement company is not required to be licensed as a
12 salesperson to solicit, sell, issue, or otherwise transact the
13 motor vehicle service agreements issued by the motor vehicle
14 service agreement company.

15 Section 71. Section 634.420, Florida Statutes, is
16 amended to read:

17 634.420 License and appointment of sales
18 representatives.--Sales representatives for service warranty
19 associations or insurers shall be licensed, appointed,
20 renewed, continued, reinstated, or terminated in accordance
21 with procedures as prescribed in chapter 626 for insurance
22 representatives in general. However, they shall be exempt from
23 all other provisions of chapter 626, including fingerprinting,
24 photo identification, education, and examination. License,
25 appointment, and other fees shall be those prescribed in s.
26 624.501. A licensed and appointed sales representative shall
27 be directly responsible and accountable for all acts of the
28 licensed sales representative's employees or other
29 representatives. Each service warranty association or insurer
30 shall, on forms prescribed by the department, within 30 days
31 after termination of the appointment, notify the department of

1 such termination. No employee or sales representative of a
2 service warranty association or insurer may directly or
3 indirectly solicit or negotiate insurance contracts, or hold
4 herself or himself out in any manner to be an insurance agent
5 ~~or solicitor~~, unless so qualified, licensed, and appointed
6 therefor under the insurance code.

7 Section 72. Section 642.034, Florida Statutes, is
8 amended to read:

9 642.034 License and appointment required.--No person
10 may solicit, negotiate, sell, or execute legal expense
11 insurance contracts on behalf of an insurer in this state
12 unless such person is licensed and appointed as a sales
13 representative or is licensed and appointed under the
14 insurance code as a general lines agent ~~or solicitor~~. No
15 person licensed and appointed as a legal expense insurance
16 sales representative may solicit, negotiate, sell, or execute
17 any other contract of insurance unless such person is duly
18 licensed and appointed to do so under the provisions of
19 chapter 626.

20 Section 73. Section 642.036, Florida Statutes, is
21 amended to read:

22 642.036 Sales representatives to be licensed and
23 appointed.--Sales representatives of legal expense insurers
24 shall be licensed, appointed, renewed, continued, reinstated,
25 or terminated as prescribed in chapter 626 for insurance
26 representatives in general, and shall pay the license and
27 appointment fees prescribed in s. 624.501. No employee or
28 sales representative of an insurer may directly or indirectly
29 solicit or negotiate insurance contracts, or hold herself or
30 himself out in any manner to be an insurance agent ~~or~~

31

1 ~~solicitor~~, unless so qualified, licensed, and appointed
2 therefor under the insurance code.

3 Section 74. Section 642.045, Florida Statutes, is
4 amended to read:

5 642.045 Procedure for refusal, suspension, or
6 revocation of license and appointment of sales representative;
7 departmental action upon violation by licensed insurance agent
8 ~~or solicitor~~.--

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

14 (2) Whenever it appears that any licensed insurance
15 agent ~~or solicitor~~ has violated the provisions of ss.
16 642.011-642.049, or if any grounds listed in s. 642.041 or s.
17 642.043 exist as to such agent ~~or solicitor~~, the department
18 may take such action as is authorized by the insurance code
19 for a violation of the insurance code by such agent ~~or~~
20 ~~solicitor~~, or such action as is authorized by this chapter for
21 a violation of this chapter by a sales representative.

22 Section 75. Paragraph (b) of subsection (5) and
23 subsection (9) of section 648.27, Florida Statutes, are
24 amended to read:

25 648.27 Licenses and appointments; general.--

26 (5)

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

30 (9) If, upon application for an appointment and such
31 investigation as the department may make, it appears to the

1 department that an individual has been actively engaged or is
2 currently actively engaged in bail bond activities without
3 being appointed as required, the department may, if it finds
4 that such failure to be appointed is an error on the part of
5 the insurer or employer so represented, issue or authorize the
6 issuance of the appointment as applied for, but subject to the
7 condition that, before the appointment is issued, all fees and
8 taxes which would have been due had the applicant been so
9 appointed during such current and prior periods, together with
10 a continuation fee for such current and prior terms of
11 appointment, shall be paid to the department. Failure to
12 notify the department within the required time period shall
13 result in the appointing entity being assessed a delinquent
14 fee of \$250. Delinquent fees shall be paid by the appointing
15 entity and shall not be charged to the appointee.

16 Section 76. Paragraph (b) of subsection (2) and
17 subsections (5) and (6) of section 648.34, Florida Statutes,
18 are amended to read:

19 648.34 Bail bond agents; qualifications.--

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

25 (b) The applicant is a United States citizen or legal
26 alien who possesses work authorization from the United States
27 Immigration and Naturalization Service and is a resident of
28 this state. An individual who is a resident of this state
29 shall be deemed to meet the residence requirement of this
30 paragraph, notwithstanding the existence, at the time of
31 application for license, of a license in the applicant's name

1 on the records of another state as a resident licensee of such
2 other state, if the applicant furnishes a letter of clearance
3 satisfactory to the department that his or her resident
4 licenses have been canceled or changed to a nonresident basis
5 and that he or she is in good standing.

6 (5) The department shall conduct a comprehensive
7 investigation of each applicant, including a background check.
8 The investigation of the applicant's qualifications,
9 character, experience, background, and fitness shall include
10 submission of the applicant's fingerprints to the Department
11 of Law Enforcement and the Federal Bureau of Investigation and
12 consideration of any state criminal records, federal criminal
13 records, or local criminal records obtained from these
14 agencies or from local law enforcement agencies.

15 (6) The provisions of s. 112.011 do not apply to bail
16 bond agents ~~or runners~~ or to applicants for licensure as bail
17 bond agents ~~or runners~~.

18 Section 77. Paragraphs (b) and (e) of subsection (1)
19 of section 648.355, Florida Statutes, are amended to read:

20 648.355 Temporary limited license as limited surety
21 agent or professional bail bond agent; pending examination.--

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

25 (b) The applicant is a United States citizen or legal
26 alien who possesses work authorization from the United States
27 Immigration and Naturalization Service and is a resident of
28 this state. An individual who is a resident of this state
29 shall be deemed to meet the residence requirement of this
30 paragraph, notwithstanding the existence, at the time of
31 application for temporary license, of a license in the

1 individual's name on the records of another state as a
2 resident licensee of such other state, if the applicant
3 furnishes a letter of clearance satisfactory to the department
4 that the individual's resident licenses have been canceled or
5 changed to a nonresident basis and that the individual is in
6 good standing.

7 (e) The applicant must be employed full-time at the
8 time of licensure, and at all times throughout the existence
9 of the temporary license, by only one licensed and appointed
10 supervising bail bond agent, who supervises the work of the
11 applicant and is responsible for the licensee's conduct in the
12 bail bond business. The applicant must be appointed by the
13 same insurers as the supervising bail bond agent. The
14 supervising bail bond agent shall certify monthly to the
15 department under oath, on a form prescribed by the department,
16 the names and hours worked each week of all temporary bail
17 bond agents. Filing a false certification is grounds for the
18 immediate suspension of the license and imposition of a \$5,000
19 administrative fine. The department may adopt rules that
20 establish standards for the employment requirements.

21 Section 78. Paragraph (a) of subsection (2) and
22 subsection (3) of section 648.382, Florida Statutes, are
23 amended, and subsection (6) is added to that section, to read:

24 648.382 Appointment of bail bond agents and temporary
25 bail bond agents; effective date of appointment.--

26 (2) Prior to any appointment, an appropriate officer
27 or official of the appointing insurer in the case of a bail
28 bond agent or an insurer, managing general agent, or bail bond
29 agent in the case of a temporary bail bond agent must submit:

30 (a) A certified statement or affidavit to the
31 department stating what investigation has been made concerning

1 the proposed appointee and the proposed appointee's background
2 and the appointing person's opinion to the best of his or her
3 knowledge and belief as to the moral character, ~~fitness,~~and
4 reputation of the proposed appointee. In lieu of such
5 certified statement or affidavit, by authorizing the
6 effectuation of an appointment for a licensee, the appointing
7 entity certifies to the department that such investigation has
8 been made and that the results of the investigation and the
9 appointing person's opinion is that the proposed appointee is
10 a person of good moral character and reputation and is fit to
11 engage in the bail bond business;

12 (3) By authorizing the effectuation of an appointment
13 for a licensee, the appointing insurer certifies to the
14 department ~~Prior to any appointment of a bail bond agent, the~~
15 ~~appointing insurer must certify to the department that the~~
16 ~~insurer will be bound by the acts of the bail bond agent~~
17 ~~acting within the scope of his or her appointment, and, in the~~
18 ~~case of a temporary bail bond agent, the appointing insurer,~~
19 ~~managing general agent, or bail bond agent, as the case may~~
20 ~~be, must certify to the department that he or she will~~
21 ~~supervise the temporary bail bond agent's activities.~~

22 (6) Failure to notify the department within the
23 required time period shall result in the appointing entity
24 being assessed a delinquent fee of \$250. Delinquent fees shall
25 be paid by the appointing entity and shall not be charged to
26 the appointee.

27 Section 79. Section 648.383, Florida Statutes, is
28 amended to read:

29 648.383 Renewal, continuation, reinstatement, and
30 termination of appointment; bail bond agents.--

31

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

9 (2) Each appointing person or person designated by the
10 department to administer appointments must file ~~with the~~
11 ~~department~~ the lists, statement, and information as to each
12 bail bond agent whose appointment is being renewed,
13 accompanied by payment of the applicable renewal fees and
14 taxes as prescribed in s. 624.501, ~~by a date established by~~
15 ~~the department following the month during which the~~
16 ~~appointment will expire.~~

17 (3) An appointment may be renewed ~~by the department~~
18 without penalty if the information required under subsection
19 (2) is received ~~by the department on or~~ prior to the
20 expiration of the appointment in the licensee's birth month
21 ~~date established by the department for renewal~~, and such
22 appointment shall be renewed, is effective on the first day of
23 the month succeeding the month in which the appointment was
24 scheduled to expire.

25 (4) If the information required under subsection (2)
26 is received ~~by the department~~ after the renewal date
27 ~~established by the department for renewal~~, the appointment may
28 be renewed ~~by the department~~ if the ~~an additional~~ appointment,
29 late filing, continuation, and reinstatement fees accompany
30 ~~fee accompanies~~ the application as required under s. 624.501.

31

1 Section 80. Subsections (1) and (3) of section 648.50,
2 Florida Statutes, are amended to read:

3 648.50 Effect of suspension, revocation upon
4 associated licenses and licensees.--

5 (1) Upon the suspension, revocation, or refusal to
6 renew or continue any license or appointment or the
7 eligibility to hold a license or appointment of a bail bond
8 agent or temporary bail bond agent, ~~or runner~~, the department
9 shall at the same time likewise suspend or revoke all other
10 licenses or appointments and the eligibility to hold any other
11 such licenses or appointments which may be held by the
12 licensee under the Florida Insurance Code.

13 (3) No person whose license as a bail bond agent or,
14 temporary bail bond agent, ~~or runner~~ has been revoked or
15 suspended shall be employed by any bail bond agent, have any
16 ownership interest in any business involving bail bonds, or
17 have any financial interest of any type in any bail bond
18 business during the period of revocation or suspension.

19 Section 81. Section 324.032, Florida Statutes, is
20 amended to read:

21 324.032 Manner of proving financial responsibility;
22 for-hire passenger transportation vehicles.--

23 ~~(1)~~ Notwithstanding the provisions of s. 324.031:
24

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

31

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

4 (2)(b) An owner or a lessee who is required to
5 maintain insurance under s. 324.021(9)(b) and who operates at
6 least 300 taxicabs, limousines, jitneys, or any other for-hire
7 passenger transportation vehicles may provide financial
8 responsibility by complying with the provisions of s. 324.171,
9 such compliance to be demonstrated by maintaining at its
10 principal place of business an audited financial statement,
11 prepared in accordance with generally accepted accounting
12 principles, and providing to the department a certification
13 issued by a certified public accountant that the applicant's
14 net worth is at least equal to the requirements of s. 324.171
15 as determined by the Department of Insurance, including claims
16 liabilities in an amount certified as adequate by a Fellow of
17 the Casualty Actuarial Society.

18
19 Upon request by the department, the applicant must provide the
20 department at the applicant's principal place of business in
21 this state access to the applicant's underlying financial
22 information and financial statements that provide the basis of
23 the certified public accountant's certification. The
24 applicant shall reimburse the requesting department for all
25 reasonable costs incurred by it in reviewing the supporting
26 information. The maximum amount of self-insurance permissible
27 under this subsection is \$300,000 and must be stated on a
28 per-occurrence basis, and the applicant shall maintain
29 adequate excess insurance issued by an authorized or eligible
30 insurer licensed or approved by the Department of Insurance.
31 All risks self-insured shall remain with the owner or lessee

1 providing it, and the risks are not transferable to any other
2 person, unless a policy complying with subsection (1)
3 ~~paragraph (a)~~ is obtained.

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

7 Section 82. Sections 626.032 and 626.361, Florida
8 Statutes, are repealed.

9 Section 83. Subsection (5) of section 626.869, Florida
10 Statutes, is amended to read:

11 626.869 License, adjusters.--

12 (5)(a) Any person holding a license for 24 consecutive
13 months or longer and who engages in adjusting workers'
14 compensation insurance must, beginning in their birth month
15 and every 2 years thereafter, have completed 24 hours of
16 courses, 2 hours of which relate to ethics, in subjects
17 designed to inform the licensee regarding the current workers'
18 compensation laws of this state, so as to enable him or her to
19 engage in business as a workers' compensation insurance
20 adjuster fairly and without injury to the public and to adjust
21 all claims in accordance with the policy or contract and the
22 workers' compensation laws of this state.

23 (b) Any individual holding a license as a public
24 adjuster for 24 consecutive months or longer, beginning in
25 their birth month and every 2 years thereafter, must have
26 completed 24 hours of courses, 2 hours of which relate to
27 ethics, in subjects designed to inform the licensee regarding
28 the current laws of this state pertaining to all lines of
29 insurance other than life and annuities, so as to enable him
30 or her to engage in business as an adjuster fairly and without
31

1 injury to the public and to adjust all claims in accordance
2 with the policy or contract and laws of this state.

3 (c) In order to qualify as an eligible course under
4 this subsection, the course must:

5 1.(a) Have a course outline approved by the
6 department.

7 2.(b) Be taught at a school training facility or other
8 location approved by the department.

9 3.(c) Be taught by instructors with at least 5 years
10 of experience in the area of workers' compensation, general
11 lines of insurance, or other persons approved by the
12 department. However, a member of The Florida Bar is exempt
13 from the 5 years' experience requirement.

14 4.(d) Furnish the attendee a certificate of
15 completion. The course provider shall send a roster to the
16 department in a format prescribed by the department.

17 (d) The Financial Services Commission shall adopt
18 rules necessary to implement and administer the continuing
19 education requirements of this subsection.

20 Section 84. This act shall take effect upon becoming a
21 law.

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