

Bill No. CS/HB 513

Amendment No. \_\_\_\_ Barcode 540672

CHAMBER ACTION

Senate

House

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Senator Atwater moved the following amendment:

**Senate Amendment (with title amendment)**

Between lines 71 and 72,

insert:

Section 4. Section 624.04, Florida Statutes, is amended to read:

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

Section 5. Subsection (2) of section 624.303, Florida Statutes, is amended to read:

624.303 Seal; certified copies as evidence.--

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

Section 6. Paragraph (a) of subsection (2) of section

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1 624.313, Florida Statutes, is amended to read:

2 624.313 Publications.--

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

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

9 Section 7. Subsection (2) of section 624.317, Florida  
10 Statutes, is amended to read:

11 624.317 Investigation of agents, adjusters,  
12 administrators, service companies, and others.--If it has  
13 reason to believe that any person has violated or is violating  
14 any provision of this code, or upon the written complaint  
15 signed by any interested person indicating that any such  
16 violation may exist, the department shall conduct such  
17 investigation as it deems necessary of the accounts, records,  
18 documents, and transactions pertaining to or affecting the  
19 insurance affairs of any:

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

22 Section 8. Section 624.34, Florida Statutes, is  
23 amended to read:

24 624.34 Authority of Department of Law Enforcement to  
25 accept fingerprints of, and exchange criminal history records  
26 with respect to, certain persons.--

27 (1) The Department of Law Enforcement may accept  
28 fingerprints of organizers, incorporators, subscribers,  
29 officers, stockholders, directors, or any other persons  
30 involved, directly or indirectly, in the organization,  
31 operation, or management of:

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

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

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

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

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

27 (5) The Department of Law Enforcement shall, upon  
28 receipt of fingerprints from the department or office, submit  
29 the fingerprints to the Federal Bureau of Investigation to  
30 check federal criminal history records.

31 (6) Statewide criminal records obtained through the

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

8 Section 9. Paragraph (b) of subsection (6) of section  
 9 624.501, Florida Statutes, is amended, and subsection (28) is  
 10 added to that section, to read:

11 624.501 Filing, license, appointment, and  
 12 miscellaneous fees.--The department shall collect in advance,  
 13 and persons so served shall pay to it in advance, fees,  
 14 licenses, and miscellaneous charges as follows:

15 (6) Insurance representatives, property, marine,  
 16 casualty, and surety insurance.

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

19 Appointment fee....\$42.00  
 20 State tax....12.00  
 21 County tax....6.00  
 22 Total....\$60.00

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

26 Section 10. Section 624.504, Florida Statutes, is  
 27 amended to read:

28 624.504 Liability for state, county tax.--

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

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

4           Section 11. Subsection (1) of section 624.506, Florida  
5 Statutes, is amended to read:

6           624.506 County tax; deposit and remittance.--

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

14           Section 12. Subsection (1) of section 624.521, Florida  
15 Statutes, is amended to read:

16           624.521 Deposit of certain tax receipts; refund of  
17 improper payments.--

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

29           Section 13. Section 626.015, Florida Statutes, is  
30 amended to read:

31           626.015 Definitions.--As used in this part:

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

4           ~~(2) "Administrative agent" means a life agent or~~  
5 ~~health agent who:~~

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

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

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

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

13          (2)~~(3)~~ "Agent" means a general lines agent, life  
14 agent, health agent, or title agent, or all such agents, as  
15 indicated by context. The term "agent" includes an insurance  
16 producer or producer, but does not include a customer  
17 representative, limited customer representative, or service  
18 representative.

19          (3)~~(4)~~ "Appointment" means the authority given by an  
20 insurer or employer to a licensee to transact insurance or  
21 adjust claims on behalf of an insurer or employer.

22          (4)~~(5)~~ "Customer representative" means an individual  
23 appointed by a general lines agent or agency to assist that  
24 agent or agency in transacting the business of insurance from  
25 the office of that agent or agency.

26          (5)~~(6)~~ "Department" means the Department of Insurance.

27          (6)~~(7)~~ "General lines agent" means an agent  
28 transacting any one or more of the following kinds of  
29 insurance:

30           (a) Property insurance.

31           (b) Casualty insurance, including commercial liability

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1 insurance underwritten by a risk retention group, a commercial  
2 self-insurance fund as defined in s. 624.462, or a workers'  
3 compensation self-insurance fund established pursuant to s.  
4 624.4621.

5 (c) Surety insurance.

6 (d) Health insurance, when transacted by an insurer  
7 also represented by the same agent as to property or casualty  
8 or surety insurance.

9 (e) Marine insurance.

10 ~~(7)(8)~~ "Health agent" means an agent representing a  
11 health maintenance organization or, as to health insurance  
12 only, an insurer transacting health insurance.

13 ~~(8)(9)~~ "Home state" means the District of Columbia and  
14 any state or territory of the United States in which an  
15 insurance agent maintains his or her principal place of  
16 residence and is licensed to act as an insurance agent.

17 ~~(9)(10)~~ "Insurance agency" means a business location  
18 at which an individual, firm, partnership, corporation,  
19 association, or other entity, other than an employee of the  
20 individual, firm, partnership, corporation, association, or  
21 other entity and other than an insurer as defined by s. 624.03  
22 or an adjuster as defined by subsection (1), engages in any  
23 activity or employs individuals to engage in any activity  
24 which by law may be performed only by a licensed insurance  
25 agent.

26 ~~(10)(11)~~ "License" means a document issued by the  
27 department authorizing a person to be appointed to transact  
28 insurance or adjust claims for the kind, line, or class of  
29 insurance identified in the document.

30 ~~(11)(12)~~ "Life agent" means an individual representing  
31 an insurer as to life insurance and annuity contracts,

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1 including agents appointed to transact life insurance,  
 2 fixed-dollar annuity contracts, or variable contracts by the  
 3 same insurer.

4 ~~(12)(13)~~ "Limited customer representative" means a  
 5 customer representative appointed by a general lines agent or  
 6 agency to assist that agent or agency in transacting only the  
 7 business of private passenger motor vehicle insurance from the  
 8 office of that agent or agency. A limited customer  
 9 representative is subject to the Florida Insurance Code in the  
 10 same manner as a customer representative, unless otherwise  
 11 specified.

12 ~~(13)(14)~~ "Limited lines insurance" means those  
 13 categories of business specified in ss. 626.321 and 635.011.

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

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

- 28 1. Adjusts or pays claims.
- 29 2. Negotiates reinsurance on behalf of the insurer.

30 (b) The following persons shall not be considered  
 31 managing general agents:



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- 1           1. An employee of the insurer.
- 2           2. A United States manager of the United States branch
- 3 of an alien insurer.
- 4           3. An underwriting manager managing all the insurance
- 5 operations of the insurer pursuant to a contract, who is under
- 6 the common control of the insurer subject to regulation under
- 7 ss. 628.801-628.803, and whose compensation is not based on
- 8 the volume of premiums written.
- 9           4. Administrators as defined by s. 626.88.
- 10          5. The attorney in fact authorized by and acting for
- 11 the subscribers of a reciprocal insurer under powers of
- 12 attorney.

13           ~~(16)(17)~~ "Resident" means an individual domiciled and

14 residing in this state.

15           ~~(17)(18)~~ "Service representative" means an individual

16 employed by an insurer or managing general agent for the

17 purpose of assisting a general lines agent in negotiating and

18 effecting insurance contracts when accompanied by a licensed

19 general lines agent. A service representative shall not be

20 simultaneously licensed as a general lines agent in this

21 state. This subsection does not apply to life insurance.

22           ~~(18)(19)~~ "Uniform application" means the uniform

23 application of the National Association of Insurance

24 Commissioners for nonresident agent licensing, effective

25 January 15, 2001, or subsequent versions adopted by rule by

26 the department.

27           Section 14. Subsection (1) of section 626.022, Florida

28 Statutes, is amended to read:

29           626.022 Scope of part.--

30           (1) This part applies as to insurance agents,

31 ~~solicitors~~, service representatives, adjusters, and insurance

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1 agencies; as to any and all kinds of insurance; and as to  
2 stock insurers, mutual insurers, reciprocal insurers, and all  
3 other types of insurers, except that:

4 (a) It does not apply as to reinsurance, except that  
5 ss. 626.011-626.031, ss. 626.102-626.181, ss. 626.191-626.211,  
6 ss. 626.291-626.301, s. 626.331, ss. 626.342-626.521, ss.  
7 626.541-626.591, and ss. 626.601-626.711 shall apply as to  
8 reinsurance intermediaries as defined in s. 626.7492.

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

11 (c) It does not apply to a bail bond agent, as defined  
12 in s. 648.25, except as provided in chapter 648 or chapter  
13 903.

14 (d) This part does not apply to a certified public  
15 accountant licensed under chapter 473 who is acting within the  
16 scope of the practice of public accounting, as defined in s.  
17 473.302, provided that the activities of the certified public  
18 accountant are limited to advising a client of the necessity  
19 of obtaining insurance, the amount of insurance needed, or the  
20 line of coverage needed, and provided that the certified  
21 public accountant does not directly or indirectly receive or  
22 share in any commission or, referral fee, ~~or solicitor's fee~~.

23 Section 15. Paragraph (a) of subsection (7) of section  
24 626.112, Florida Statutes, is amended to read:

25 626.112 License and appointment required; agents,  
26 customer representatives, adjusters, insurance agencies,  
27 service representatives, managing general agents.--

28 (7)(a) No individual, firm, partnership, corporation,  
29 association, or any other entity shall act in its own name or  
30 under a trade name, directly or indirectly, as an insurance  
31 agency, when required to be licensed by this subsection,

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1 unless it complies with s. 626.172 with respect to possessing  
 2 an insurance agency license for each place of business at  
 3 which it engages in any activity which may be performed only  
 4 by a licensed insurance agent ~~or solicitor~~.

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

8 626.171 Application for license.--

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

10 (a) His or her full name, age, social security number,  
 11 residence address, and place of business address, and mailing  
 12 address.

13 (5) An application for a license as an agent, customer  
 14 representative, adjuster, insurance agency, service  
 15 representative, managing general agent, or reinsurance  
 16 intermediary must be accompanied by a set of the individual  
 17 applicant's fingerprints, or, if the applicant is not an  
 18 individual, by a set of the fingerprints of the sole  
 19 proprietor, majority owner, partners, officers, and directors,  
 20 on a form adopted by rule of the department and accompanied by  
 21 the fingerprint processing fee set forth in s. 624.501.  
 22 Fingerprints shall be used to investigate the applicant's  
 23 qualifications pursuant to s. 626.201. The fingerprints shall  
 24 be taken certified by a law enforcement agency or other  
 25 department-approved entity officer.

26 Section 17. Subsection (1) of section 626.175, Florida  
 27 Statutes, is amended to read:

28 626.175 Temporary licensing.--

29 (1) The department may issue a nonrenewable temporary  
 30 license for a period not to exceed 6 months authorizing  
 31 appointment of a general lines insurance agent or a life

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1 agent, or an industrial fire or burglary agent, subject to the  
 2 conditions described in this section. The fees paid for a  
 3 temporary license and appointment shall be as specified in s.  
 4 624.501. Fees paid shall not be refunded after a temporary  
 5 license has been issued.

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

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

8 2. A United States citizen or legal alien who

9 possesses work authorization from the United States

10 Immigration and Naturalization Service.

11 (b)(a)1. In the case of a general lines agent, the  
 12 department may issue a temporary license to an employee, a  
 13 family member, a business associate, or a personal  
 14 representative of a licensed general lines agent for the  
 15 purpose of continuing or winding up the business affairs of  
 16 the agent or agency in the event the licensed agent has died  
 17 or become unable to perform his or her duties because of  
 18 military service or illness or other physical or mental  
 19 disability, subject to the following conditions:

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

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

25 c. Application for the temporary license shall have  
 26 been made by the applicant upon statements and affidavit filed  
 27 with the department on forms prescribed and furnished by the  
 28 department.

29 d. Under a temporary license and appointment, the  
 30 licensee shall not represent any insurer not last represented  
 31 by the agent being replaced and shall not be licensed or

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1 appointed as to any additional kind, line, or class of  
2 insurance other than those covered by the last existing agency  
3 appointments of the replaced agent. If an insurer withdraws  
4 from the agency during the temporary license period, the  
5 temporary licensee may be appointed by another similar insurer  
6 but only for the period remaining under the temporary license.

7         2. A regular general lines agent license may be issued  
8 to a temporary licensee upon meeting the qualifications for a  
9 general lines agent license under s. 626.731.

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

12             1. To the executor or administrator of the estate of a  
13 deceased individual licensed and appointed as a life agent at  
14 the time of death;

15             2. To a surviving next of kin of the deceased  
16 individual, if no administrator or executor has been appointed  
17 and qualified; however, any license and appointment under this  
18 subparagraph shall be canceled upon issuance of a license to  
19 an executor or administrator under subparagraph 1.; or

20             3. To an individual otherwise qualified to be licensed  
21 as an agent who has completed the educational or training  
22 requirements prescribed in s. 626.7851 and has successfully  
23 sat for the required examination prior to termination of such  
24 6-month period. The department may issue this temporary  
25 license only in the case of a life agent to represent an  
26 insurer of the industrial or ordinary-combination class.

27         ~~(d)(c)~~ In the case of a limited license authorizing  
28 appointment as an industrial fire or burglary agent, the  
29 department may issue a temporary license to an individual  
30 otherwise qualified to be licensed as an agent who has  
31 completed the educational or training requirements prescribed

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1 in s. 626.732 and has successfully sat for the required  
2 examination prior to termination of the 6-month period.

3 Section 18. Section 626.202, Florida Statutes, is  
4 amended to read:

5 626.202 Fingerprinting requirements.--If there is a  
6 change in ownership or control of any entity licensed under  
7 this chapter, or if a new partner, officer, or director is  
8 employed or appointed, a set of fingerprints of the new owner,  
9 partner, officer, or director must be filed with the  
10 department within 30 days after the change. The acquisition of  
11 10 percent or more of the voting securities of a licensed  
12 entity is considered a change of ownership or control. The  
13 fingerprints must be taken ~~certified~~ by a law enforcement  
14 agency or other department-approved entity officer and be  
15 accompanied by the fingerprint processing fee in s. 624.501.

16 Section 19. Section 626.201, Florida Statutes, is  
17 amended to read:

18 626.201 Investigation.--

19 (1) The department may propound any reasonable  
20 interrogatories in addition to those contained in the  
21 application, to any applicant for license or appointment, or  
22 on any renewal, reinstatement, or continuation thereof,  
23 relating to his or her qualifications, residence, prospective  
24 place of business, and any other matter which, in the opinion  
25 of the department, is deemed necessary or advisable for the  
26 protection of the public and to ascertain the applicant's  
27 qualifications.

28 (2) The department may, upon completion of the  
29 application, make such further investigation as it may deem  
30 advisable of the applicant's character, experience,  
31 background, and fitness for the license or appointment. Such

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1 an inquiry or investigation shall be in addition to any  
 2 examination required to be taken by the applicant as  
 3 hereinafter in this chapter provided.

4 (3) An inquiry or investigation of the applicant's  
 5 qualifications, character, experience, background, and fitness  
 6 must include submission of the applicant's fingerprints to the  
 7 Department of Law Enforcement and the Federal Bureau of  
 8 Investigation and consideration of any state criminal records,  
 9 federal criminal records, or local criminal records obtained  
 10 from these agencies or from local law enforcement agencies.

11 Section 20. Paragraphs (e), (f), (g), and (k) of  
 12 subsection (2) of section 626.221, Florida Statutes, are  
 13 amended to read:

14 626.221 Examination requirement; exemptions.--

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

17 (e) An individual who qualified as a managing general  
 18 agent, service representative, customer representative, or  
 19 all-lines adjuster by passing a general lines agent's  
 20 examination and subsequently was licensed and appointed and  
 21 has been actively engaged in all lines of property and  
 22 casualty insurance may, upon filing an application for  
 23 appointment, be licensed and appointed as a general lines  
 24 agent for the same kinds of business without taking another  
 25 examination if he or she holds any such currently effective  
 26 license referred to in this paragraph or held the license  
 27 within ~~48~~ 24 months prior to the date of filing the  
 28 application with the department.

29 (f) A person who has been licensed and appointed by  
 30 the department as a public adjuster or independent adjuster,  
 31 or licensed and appointed either as an agent or company

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1 adjuster as to all property, casualty, and surety insurances,  
2 may be licensed and appointed as a company adjuster as to any  
3 of such insurances, or as an independent adjuster or public  
4 adjuster, without additional written examination if an  
5 application for appointment is filed with the department  
6 within ~~48~~ 24 months following the date of cancellation or  
7 expiration of the prior appointment.

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

15 (k) An applicant for license as a customer  
16 representative who has the designation of Accredited Advisor  
17 in Insurance (AAI) from the Insurance Institute of America,  
18 the designation of Certified Insurance Counselor (CIC) from  
19 the Society of Certified Insurance Service Counselors, the  
20 designation of Accredited Customer Service Representative  
21 (ACSR) from the Independent Insurance Agents of America, the  
22 designation of Certified Professional Service Representative  
23 (CPSR) from the National Foundation for Certified Professional  
24 Service Representatives ~~Association of Professional Insurance~~  
25 ~~Agents~~, the designation of Certified Insurance Service  
26 Representative (CISR) from the Society of Certified Insurance  
27 Service Representatives. Also, an applicant for license as a  
28 customer representative who has the designation of Certified  
29 Customer Service Representative (CCSR) from the Florida  
30 Association of Insurance Agents, or the designation of  
31 Registered Customer Service Representative (RCSR) from a



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1 regionally accredited postsecondary institution in this state,  
2 or the designation of Professional Customer Service  
3 Representative (PCSR) from the Professional Career Institute,  
4 whose curriculum has been approved by the department and whose  
5 curriculum includes comprehensive analysis of basic property  
6 and casualty lines of insurance and testing at least equal to  
7 that of standard department testing for the customer  
8 representative license. The department shall adopt rules  
9 establishing standards for the approval of curriculum.

10 Section 21. Paragraphs (a), (c), and (d) of subsection  
11 (3), paragraphs (a), (b), (c), (d),(g), (h), and (i) of  
12 subsection (4), and paragraph (b) of subsection (6) of section  
13 626.2815, Florida Statutes, are amended to read:

14 626.2815 Continuing education required; application;  
15 exceptions; requirements; penalties.--

16 (3)(a) Each person subject to the provisions of this  
17 section must, except as set forth in paragraphs (b) and (c),  
18 complete a minimum of 24 ~~28~~ hours of continuing education  
19 courses every 2 years in basic or higher-level courses  
20 prescribed by this section or in other courses approved by the  
21 department. Each person subject to the provisions of this  
22 section must complete, as part of his or her ~~their~~ required  
23 number of continuing education hours, 3 hours of continuing  
24 education, approved by the department, every 2 years on the  
25 subject matter of ethics and a minimum of 2 hours of  
26 continuing education, approved by the department, every 2  
27 years on the subject matter of unauthorized entities engaging  
28 in the business of insurance. The scope of the topic of  
29 unauthorized entities shall include the Florida Nonprofit  
30 Multiple Employer Welfare Arrangement Act and the Employee  
31 Retirement Income Security Act, 29 U.S.C. ss. 1001 et seq., as

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1 it relates to the provision of health insurance by employers  
2 to their employees and the regulation thereof.

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

13 (d) Any person who holds a license as a customer  
14 representative, limited customer representative,  
15 ~~administrative agent~~, title agent, motor vehicle physical  
16 damage and mechanical breakdown insurance agent, crop or hail  
17 and multiple-peril crop insurance agent, or as an industrial  
18 fire insurance or burglary insurance agent and who is not a  
19 licensed life or health insurance agent, shall be required to  
20 complete 12 ~~14~~ hours of continuing education courses every 2  
21 years, except, for compliance periods beginning on January 1,  
22 1998, each licensee subject to this paragraph shall be  
23 required to complete 10 hours of continuing education courses  
24 every 2 years.

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

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

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

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

3 (d) Any part of the American Institute for Property  
4 and Liability Underwriters' Chartered Property Casualty  
5 Underwriter (CPCU) professional designation program: 24 ~~28~~  
6 hours.

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

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

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

16 (6)

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

18 1. Seven members representing agents of which at least  
19 one must be a representative from each of the following  
20 organizations: the Florida Association of Insurance Agents;  
21 the Florida Association of Insurance and Financial Advisors  
22 ~~Life Underwriters~~; the Professional Insurance Agents of  
23 Florida, Inc.; the Florida Association of Health Underwriters;  
24 the Specialty Agents' Association; the Latin American Agents'  
25 Association; and the National Association of Insurance Women.  
26 Such board members must possess at least a bachelor's degree  
27 or higher from an accredited college or university with major  
28 coursework in insurance, risk management, or education or  
29 possess the designation of CLU, CPCU, CHFC, CFP, AAI, or CIC.  
30 In addition, each member must possess 5 years of classroom  
31 instruction experience or 5 years of experience in the

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1 development or design of educational programs or 10 years of  
2 experience as a licensed resident agent. Each organization may  
3 submit to the department a list of recommendations for  
4 appointment. If one organization does not submit a list of  
5 recommendations, the Insurance Commissioner may select more  
6 than one recommended person from a list submitted by other  
7 eligible organizations.

8           2. Two members representing insurance companies at  
9 least one of whom must represent a Florida Domestic Company  
10 and one of whom must represent the Florida Insurance Council.  
11 Such board members must be employed within the training  
12 department of the insurance company. At least one such member  
13 must be a member of the Society of Insurance Trainers and  
14 Educators.

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

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

22           Section 22. Section 626.2816, Florida Statutes, is  
23 amended to read:

24           626.2816 Regulation of continuing education for  
25 licensees, course providers, instructors, school officials,  
26 and monitor groups.--

27           (1) Continuing education course providers,  
28 instructors, school officials, and monitor groups must be  
29 approved by the department before offering continuing  
30 education courses pursuant to s. 626.2815 or s. 626.869.

31           (2) The department shall adopt rules establishing

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1 standards for the approval, regulation, and operation of the  
2 continuing education programs and for the discipline of  
3 licensees, course providers, instructors, school officials,  
4 and monitor groups. The standards must be designed to ensure  
5 that such course providers, instructors, school officials, and  
6 monitor groups have the knowledge, competence, and integrity  
7 to fulfill the educational objectives of ss. 626.2815,  
8 626.869(5), 648.385, and 648.386.

9 (3) The department shall adopt rules establishing a  
10 process by which compliance with the continuing education  
11 requirements of ss. 626.2815, 626.869(5), 648.385, and 648.386  
12 can be determined, the establishment of a continuing education  
13 compliance period ~~requirement cycle~~ for licensees, and forms  
14 necessary to implement such a process.

15 Section 23. Subsection (3) of section 626.2817,  
16 Florida Statutes, is amended to read:

17 626.2817 Regulation of course providers, instructors,  
18 school officials, and monitor groups involved in prelicensure  
19 education for insurance agents and other licensees.--

20 (3) The department shall adopt rules to establish a  
21 process for determining compliance with the prelicensure  
22 requirements of this chapter and chapter 648 ~~and shall~~  
23 ~~establish a prelicensure cycle for insurance agents and other~~  
24 ~~licensees~~. The department shall adopt rules prescribing the  
25 forms necessary to administer the prelicensure requirements.

26 Section 24. Subsections (5) and (6) are added to  
27 section 626.311, Florida Statutes, to read:

28 626.311 Scope of license.--

29 (5) At any time while a license is in force, an  
30 insurer may apply to the department on behalf of the licensee  
31 for an appointment. Upon receipt of the appointment

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1 application and appointment taxes and fees, the department may  
2 issue the additional appointment without further investigation  
3 concerning the applicant.

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

6 Section 25. Paragraphs (a) and (e) of subsection (1)  
7 and subsections (2) and (3) of section 626.321, Florida  
8 Statutes, are amended to read:

9 626.321 Limited licenses.--

10 (1) The department shall issue to a qualified  
11 individual, or a qualified individual or entity under  
12 paragraphs (c), (d), (e), and (i), a license as agent  
13 authorized to transact a limited class of business in any of  
14 the following categories:

15 (a) Motor vehicle physical damage and mechanical  
16 breakdown insurance.--License covering insurance against only  
17 the loss of or damage to any motor vehicle which is designed  
18 for use upon a highway, including trailers and semitrailers  
19 designed for use with such vehicles. Such license also covers  
20 insurance against the failure of an original or replacement  
21 part to perform any function for which it was designed. The  
22 applicant for such a license shall pass a written examination  
23 covering motor vehicle physical damage insurance and  
24 mechanical breakdown insurance. No individual while so  
25 licensed shall hold a license as an agent ~~or solicitor~~ as to  
26 any other or additional kind or class of insurance coverage  
27 except as to a limited license for credit life and disability  
28 insurances as provided in paragraph(e).

29 (e) Credit life or disability insurance.--License  
30 covering only credit life or disability insurance. The license  
31 may be issued only to an individual employed by a life or

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1 health insurer as an officer or other salaried or commissioned  
2 representative, to an individual employed by or associated  
3 with a lending or financial institution or creditor, or to a  
4 lending or financial institution or creditor, and may  
5 authorize the sale of such insurance only with respect to  
6 borrowers or debtors of such lending or financing institution  
7 or creditor. However, only the individual or entity whose tax  
8 identification number is used in receiving or is credited with  
9 receiving the commission from the sale of such insurance shall  
10 be the licensed agent of the insurer. No individual while so  
11 licensed shall hold a license as an agent ~~or solicitor~~ as to  
12 any other or additional kind or class of life or health  
13 insurance coverage. An entity holding a limited license under  
14 this paragraph is also authorized to sell credit insurance and  
15 credit property insurance. ~~An entity applying for a license  
16 under this section:~~

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

21 ~~2. Is required to obtain a license for each office,  
22 branch office, or place of business making use of the entity's  
23 business name by applying to the department for the license on  
24 a simplified form developed by rule of the department for this  
25 purpose.~~

26 ~~3. Is not required to pay any additional application  
27 fees for a license issued to the offices or places of business  
28 referenced in subsection(2), but is required to pay the  
29 license fee as prescribed in s. 624.501, be appointed under s.  
30 626.112, and pay the prescribed appointment fee under s.  
31 624.501. The license obtained under this paragraph shall be~~

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1 ~~posted at the business location for which it was issued so as~~  
 2 ~~to be readily visible to prospective purchasers of such~~  
 3 ~~coverage.~~

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

6 (a) Submit only one application for a license under s.  
 7 626.171. The requirements of s. 626.171(5) shall only apply to  
 8 the officers and directors of the entity submitting the  
 9 application.

10 (b) Obtain a license for each office, branch office,  
 11 or place of business making use of the entity's business name  
 12 by applying to the department for the license on a simplified  
 13 application form developed by rule of the department for this  
 14 purpose.

15 (c) Pay the applicable fees for a license as  
 16 prescribed in s. 624.501, be appointed under s. 626.112, and  
 17 pay the prescribed appointment fee under s. 624.501. A  
 18 licensed and appointed entity shall be directly responsible  
 19 and accountable for all acts of the licensee's employees.

20 ~~(3)(2)~~ The limitations of any license issued under  
 21 this section shall be expressed therein. The licensee shall  
 22 have a separate and additional appointment as to each insurer  
 23 represented.

24 ~~(4)(3)~~ Except as otherwise expressly provided, an  
 25 individual applying for or holding a limited license shall be  
 26 subject to the same applicable requirements and  
 27 responsibilities as apply to general lines agents in general,  
 28 if licensed as to motor vehicle physical damage and mechanical  
 29 breakdown insurance, credit property insurance, industrial  
 30 fire insurance or burglary insurance, in-transit and storage  
 31 personal property insurance, communications equipment property



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1 insurance or communications equipment inland marine insurance,  
2 baggage and motor vehicle excess liability insurance, or  
3 credit insurance; or as apply to life agents or health agents  
4 in general, as the case may be, if licensed as to personal  
5 accident insurance or credit life or credit disability  
6 insurance.

7 Section 26. Section 626.322, Florida Statutes, is  
8 amended to read:

9 626.322 License, appointment; certain military  
10 installations.--A natural person, not a resident of this  
11 state, may be licensed and appointed to represent an  
12 authorized life insurer domiciled in this state or an  
13 authorized foreign life insurer which maintains a regional  
14 home office in this state, provided such person represents  
15 such insurer exclusively at a United States military  
16 installation located in a foreign country. The department may,  
17 upon request of the applicant and the insurer on application  
18 forms furnished by the department and upon payment of fees as  
19 prescribed in s. 624.501, issue a license and appointment to  
20 such person. By authorizing the effectuation of an appointment  
21 for a license, the insurer is thereby certifying ~~shall certify~~  
22 to the department that the applicant has the necessary  
23 training to hold himself or herself out as a life insurance  
24 representative, and the insurer shall further certify that it  
25 is willing to be bound by the acts of such applicant within  
26 the scope of his or her employment. Appointments shall be  
27 continued as prescribed in s. 626.381 and upon payment of a  
28 fee as prescribed in s. 624.501, unless sooner terminated.  
29 Such fees received shall be credited to the Insurance  
30 Commissioner's Regulatory Trust Fund as provided for in s.  
31 624.523.

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1 Section 27. Section 626.341, Florida Statutes, is  
 2 amended to read:

3 626.341 Additional appointments; general lines, life,  
 4 and health agents.--

5 (1) At any time while a licensee's license is in  
 6 force, an insurer may apply to the department or person  
 7 designated by the department to administer the appointment  
 8 process on behalf of a licensee for an additional appointment  
 9 as general lines agent or life or health agent for an  
 10 additional insurer or insurers. The application for  
 11 appointment shall set forth all information the department may  
 12 require. Upon receipt of the appointment and payment of the  
 13 applicable appointment taxes and fees, the department may  
 14 issue the additional appointment without, in its discretion,  
 15 further investigation concerning the applicant.

16 (2) A life or health agent with an appointment in  
 17 force may solicit applications for policies of insurance on  
 18 behalf of an insurer with respect to which he or she is not an  
 19 appointed life or health agent, unless otherwise provided by  
 20 contract, if such agent simultaneously with the submission to  
 21 such insurer of the application for insurance solicited by him  
 22 or her requests the insurer to appoint him or her as agent.  
 23 However, no commissions shall be paid by such insurer to the  
 24 agent until such time as an additional appointment with  
 25 respect to such insurer has been received by the department or  
 26 person designated by the department to administer the  
 27 appointment process pursuant to the provisions of subsection  
 28 (1).

29 Section 28. Section 626.371, Florida Statutes, is  
 30 amended to read:

31 626.371 Payment of fees, taxes for appointment period

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1 without appointment.--

2 (1) All initial appointments shall be submitted to the  
3 department on a monthly basis no later than 45 days after the  
4 date of appointment and become effective on the date requested  
5 on the appointment form.

6 (2) If, upon application and qualification for an  
7 initial or renewal appointment and such investigation as the  
8 department may make, it appears to the department that an  
9 individual who was formerly licensed or is currently licensed  
10 but not properly appointed to represent an insurer or employer  
11 and who has been actively engaged or is currently actively  
12 engaged as such an appointee, but without being appointed as  
13 required, the department may, if it finds that such failure to  
14 be appointed was an inadvertent error on the part of the  
15 insurer or employer so represented, nevertheless issue or  
16 authorize the issuance of the appointment as applied for but  
17 subject to the condition that, before the appointment is  
18 issued, all fees and taxes which would have been due had the  
19 applicant been so appointed during such current and prior  
20 periods, ~~together~~ with applicable fees pursuant to s. 624.501  
21 ~~a continuation fee~~ for such current and prior periods terms of  
22 appointment, shall be paid to the department.

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

28 (b) Failure to timely renew an appointment by an  
29 appointing entity prior to the expiration date of the  
30 appointment shall result in the appointing entity being  
31 assessed late filing, continuation, and reinstatement fees as

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1 prescribed in s. 624.501. Such fees must be paid by the  
2 appointing entity and cannot be charged back to the appointee.

3 Section 29. Subsections (3) and (4) of section  
4 626.381, Florida Statutes, are amended and a new subsection  
5 (7) is added to that section to read:

6 626.381 Renewal, continuation, reinstatement, or  
7 termination of appointment.--

8 (3) Renewal of an appointment which is received ~~on a~~  
9 ~~date set forth~~ by the department or person designated by the  
10 department to administer the appointment process prior to the  
11 expiration of an appointment in the licensee's birth month or  
12 license issue date, whichever applies, in the succeeding month  
13 may be renewed by the department without penalty and shall be  
14 effective as of the first day of the month succeeding the  
15 month in which the appointment would have expired.

16 (4) Renewal of an appointment which is received by the  
17 department or person designated by the department to  
18 administer the appointment process after the renewal date set  
19 ~~by the department~~ may be accepted and effectuated by the  
20 department in its discretion if the ~~an additional~~ appointment,  
21 late filing, continuation, and reinstatement fee accompanies  
22 the renewal request pursuant to s. 624.501. Late filing fees  
23 shall be paid by the appointing entity and may not be charged  
24 to the appointee.

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

27 Section 30. Subsections (1), (2), and (3) of section  
28 626.451, Florida Statutes, are amended, and subsection (7) is  
29 added to that section, to read:

30 626.451 Appointment of agent or other  
31 representative.--

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1           (1) Each appointing entity or person designated by the  
2 department to administer the appointment process appointing an  
3 agent, adjuster, service representative, customer  
4 representative, or managing general agent in this state shall  
5 file the appointment with the department and, at the same  
6 time, pay the applicable appointment fee and taxes. Every  
7 appointment shall be subject to the prior issuance of the  
8 appropriate agent's, adjuster's, service representative's,  
9 customer representative's, or managing general agent's  
10 license.

11           (2) By authorizing the effectuation of an appointment  
12 for a licensee, the appointing entity is thereby certifying to  
13 the department that an investigation of the licensee has been  
14 made ~~As a part of each appointment there shall be a certified~~  
15 ~~statement or affidavit of an appropriate officer or official~~  
16 ~~of the appointing entity stating what investigation the~~  
17 ~~appointing entity has made concerning the proposed appointee~~  
18 ~~and his or her background and that in the appointing entity's~~  
19 ~~opinion and to the best of its knowledge and belief, the~~  
20 licensee is of good as to the moral character and reputation,  
21 and is fit to engage in the insurance business. The appointing  
22 entity shall provide to the department fitness, and reputation  
23 ~~of the proposed appointee and any other information the~~  
24 department may reasonably require relative to the proposed  
25 appointee.

26           (3) By authorizing the effectuation of in the  
27 appointment of an agent, adjuster, service representative,  
28 customer representative, or managing general agent the  
29 appointing entity is thereby certifying to the department  
30 ~~shall also certify therein~~ that it is willing to be bound by  
31 the acts of the agent, adjuster, service representative,

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1 customer representative, or managing general agent, within the  
 2 scope of the licensee's ~~his or her~~ employment.

3 (7) Each licensee shall advise the department in  
 4 writing within 30 days after having been found guilty of or  
 5 having pleaded guilty or nolo contendere to a felony or a  
 6 crime punishable by imprisonment of 1 year or more under the  
 7 laws of the United States, any state of the United States, or  
 8 any other country, without regard to whether a judgment of  
 9 conviction has been entered by the court having jurisdiction  
 10 of such cases.

11 Section 31. Section 626.461, Florida Statutes, is  
 12 amended to read:

13 626.461 Continuation of appointment of agent or other  
 14 representative.--Subject to renewal or continuation by the  
 15 appointing entity, the appointment of the agent, adjuster,  
 16 ~~solicitor~~, service representative, customer representative, or  
 17 managing general agent shall continue in effect until the  
 18 person's license is revoked or otherwise terminated, unless  
 19 written notice of earlier termination of the appointment is  
 20 filed with the department or person designated by the  
 21 department to administer the appointment process by either the  
 22 appointing entity or the appointee.

23 Section 32. Subsections (4) and (5) of section  
 24 626.471, Florida Statutes, are amended to read:

25 626.471 Termination of appointment.--

26 (4) An appointee may terminate the appointment at any  
 27 time by giving written or electronic notice thereof to the  
 28 appointing entity, ~~and filing a copy of the notice with the~~  
 29 department, or person designated by the department to  
 30 administer the appointment process. The department shall  
 31 immediately terminate the appointment and notify the

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1 appointing entity of such termination. Such termination shall  
2 be subject to the appointee's contract rights, if any.

3 (5) Upon receiving notice of termination, the  
4 department or person designated by the department to  
5 administer the appointment process shall terminate the  
6 appointment.

7 Section 33. Subsection (5) of section 626.601, Florida  
8 Statutes, is amended to read:

9 626.601 Improper conduct; inquiry; fingerprinting.--

10 (5) If the department, after investigation, has reason  
11 to believe that a licensee may have been found guilty of or  
12 pleaded guilty or nolo contendere to a felony or a crime  
13 related to the business of insurance in this or any other  
14 state or jurisdiction, the department may require the licensee  
15 to file with the department a complete set of his or her  
16 fingerprints, which shall be accompanied by the fingerprint  
17 processing fee set forth in s. 624.501. The fingerprints shall  
18 be taken certified by an authorized law enforcement agency or  
19 other department-approved entity officer.

20 Section 34. Paragraph (b) of subsection (1) of section  
21 626.731, Florida Statutes, is amended to read:

22 626.731 Qualifications for general lines agent's  
23 license.--

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

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

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

9 Section 35. Subsection (2) of section 626.7315,  
 10 Florida Statutes, is amended to read:

11 626.7315 Prohibition against the unlicensed  
 12 transaction of general lines insurance.--With respect to any  
 13 line of authority as defined in s. 626.015(7), no individual  
 14 shall, unless licensed as a general lines agent:

15 (2) In this state, receive or issue a receipt for any  
 16 money on account of or for any insurer, or receive or issue a  
 17 receipt for money from other persons to be transmitted to any  
 18 insurer for a policy, contract, or certificate of insurance or  
 19 any renewal thereof, even though the policy, certificate, or  
 20 contract is not signed by him or her as agent or  
 21 representative of the insurer, except as provided in s.  
 22 626.0428(1) ;

23 Section 36. Paragraphs (a), (b), and (d) of subsection  
 24 (1) of section 626.732, Florida Statutes, are amended to read:

25 626.732 Requirement as to knowledge, experience, or  
 26 instruction.--

27 (1) Except as provided in subsection (3), no applicant  
 28 for a license as a general lines agent, except for a chartered  
 29 property and casualty underwriter(CPCU), other than as to a  
 30 limited license as to baggage and motor vehicle excess  
 31 liability insurance, credit property insurance, credit



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1 insurance, in-transit and storage personal property insurance,  
2 or communications equipment property insurance or  
3 communication equipment inland marine insurance, shall be  
4 qualified or licensed unless within the 4 years immediately  
5 preceding the date the application for license is filed with  
6 the department the applicant has:

7 (a) Taught or successfully completed classroom courses  
8 in insurance, 3 hours of which shall be on the subject matter  
9 of ethics, satisfactory to the department at a school,  
10 college, or extension division thereof, approved by the  
11 department;

12 (b) Completed a correspondence course in insurance, 3  
13 hours of which shall be on the subject matter of ethics,  
14 satisfactory to the department and regularly offered by  
15 accredited institutions of higher learning in this state and,  
16 except if he or she is applying for a limited license under s.  
17 626.321, has had at least 6 months of responsible insurance  
18 duties as a substantially full-time bona fide employee in all  
19 lines of property and casualty insurance set forth in the  
20 definition of general lines agent under s. 626.015;

21 (d)1. Completed at least 1 year of responsible  
22 insurance duties as a licensed and appointed customer  
23 representative or limited customer representative in either  
24 commercial or personal lines of property and casualty  
25 insurance and 40 hours of classroom courses approved by the  
26 department covering the areas of property, casualty, surety,  
27 health, and marine insurance; or

28 2. Completed at least 1 year of responsible insurance  
29 duties as a licensed and appointed service representative in  
30 either commercial or personal lines of property and casualty  
31 insurance and 80 hours of classroom courses approved by the

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1 department covering the areas of property, casualty, surety,  
2 health, and marine insurance.

3 Section 37. Section 626.733, Florida Statutes, is  
4 amended to read:

5 626.733 Agency firms and corporations; special  
6 requirements.--If a sole proprietorship, partnership,  
7 corporation, or association holds an agency contract, all  
8 members thereof who solicit, negotiate, or effect insurance  
9 contracts, and all officers and stockholders of the  
10 corporation who solicit, negotiate, or effect insurance  
11 contracts, are required to qualify and be licensed  
12 individually as agents, ~~solicitors~~, or customer  
13 representatives; and all of such agents must be individually  
14 appointed as to each property and casualty insurer entering  
15 into an agency contract with such agency. Each such appointing  
16 insurer as soon as known to it shall comply with this section  
17 and shall determine and require that each agent so associated  
18 in or so connected with such agency is likewise appointed as  
19 to the same such insurer and for the same type and class of  
20 license. However, no insurer is required to comply with the  
21 provisions of this section if such insurer satisfactorily  
22 demonstrates to the department that the insurer has issued an  
23 aggregate net written premium, in an agency, in an amount of  
24 \$25,000 or less.

25 Section 38. Paragraph (a) of subsection (2) and  
26 subsection (3) of section 626.7351, Florida Statutes, are  
27 amended to read:

28 626.7351 Qualifications for customer representative's  
29 license.--The department shall not grant or issue a license as  
30 customer representative to any individual found by it to be  
31 untrustworthy or incompetent, or who does not meet each of the

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1 following qualifications:

2 (2)(a) The applicant is a United States citizen or  
3 legal alien who possesses work authorization from the United  
4 States Immigration and Naturalization Service and is a bona  
5 fide resident of this state and will actually reside in the  
6 state at least 6 months out of the year. An individual who is  
7 a bona fide resident of this state shall be deemed to meet the  
8 residence requirements of this subsection, notwithstanding the  
9 existence at the time of application for license of a license  
10 in his or her name on the records of another state as a  
11 resident licensee of the other state, if the applicant  
12 furnishes a letter of clearance satisfactory to the department  
13 that the resident licenses have been canceled or changed to a  
14 nonresident basis and that he or she is in good standing.

15 (3) Within the 2 years next preceding the date the  
16 application for license was filed with the department, the  
17 applicant has completed a course in insurance, 3 hours of  
18 which shall be on the subject matter of ethics, approved by  
19 the department or has had at least 6 months' experience in  
20 responsible insurance duties as a substantially full-time  
21 employee. Courses must include instruction on the subject  
22 matter of unauthorized entities engaging in the business of  
23 insurance. The scope of the topic of unauthorized entities  
24 shall include the Florida Nonprofit Multiple-Employer Welfare  
25 Arrangement Act and the Employee Retirement Income Security  
26 Act, 29 U.S.C. ss. 1001 et seq., as such acts relate to the  
27 provision of health insurance by employers and the regulation  
28 of such insurance.

29 Section 39. Subsection (2) of section 626.7354,  
30 Florida Statutes, is amended to read:

31 626.7354 Customer representative's powers; agent's or

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1 agency's responsibility.--

2 (2) A customer representative may engage in  
3 transacting insurance with customers who have been solicited  
4 by any agent, ~~solicitor~~, or customer representative in the  
5 same agency, and may engage in transacting insurance with  
6 customers who have not been so solicited to the extent and  
7 under conditions that are otherwise consistent with this part  
8 and with the insurer's contract with the agent appointing him  
9 or her.

10 Section 40. Paragraph (c) of subsection (1) of section  
11 626.7355, Florida Statutes, is amended to read:

12 626.7355 Temporary license as customer representative  
13 pending examination.--

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

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

31 Section 41. Subsection (3) of section 626.741, Florida

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1 Statutes, is amended to read:

2           626.741 Nonresident agents; licensing and  
3 restrictions.--

4           (3) The department shall not, however, issue any  
5 license and appointment to any nonresident who has an office  
6 or place of business in this state, or who has any direct or  
7 indirect pecuniary interest in any insurance agent or  
8 insurance agency, ~~or in any solicitor~~ licensed as a resident  
9 of this state; nor to any individual who does not, at the time  
10 of issuance and throughout the existence of the Florida  
11 license, hold a license as agent or broker issued by his or  
12 her home state; nor to any individual who is employed by any  
13 insurer as a service representative or who is a managing  
14 general agent in any state, whether or not also licensed in  
15 another state as an agent or broker. The foregoing requirement  
16 to hold a similar license in the applicant's home state does  
17 not apply to customer representatives unless the home state  
18 licenses residents of that state in a similar manner. The  
19 prohibition against having an office or place of business in  
20 this state does not apply to customer representatives who are  
21 required to conduct business solely within the confines of the  
22 office of a licensed and appointed Florida resident general  
23 lines agent in this state. The authority of such nonresident  
24 license is limited to the specific lines of authority granted  
25 in the license issued by the agent's home state and further  
26 limited to the specific lines authorized under the nonresident  
27 license issued by this state. The department shall have  
28 discretion to refuse to issue any license or appointment to a  
29 nonresident when it has reason to believe that the applicant  
30 by ruse or subterfuge is attempting to avoid the intent and  
31 prohibitions contained in this subsection or to believe that

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1 any of the grounds exist as for suspension or revocation of  
2 license as set forth in ss. 626.611 and 626.621.

3 Section 42. Paragraph (a) of subsection (1) of section  
4 626.753, Florida Statutes, is amended to read:

5 626.753 Sharing commissions; penalty.--

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

10 Section 43. Paragraphs (b) and (d) of subsection (1)  
11 of section 626.785, Florida Statutes, are amended to read:

12 626.785 Qualifications for license.--

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

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

21 (d) Must not be a funeral director or direct disposer,  
22 or an employee or representative thereof, or have an office  
23 in, or in connection with, a funeral establishment, except  
24 that a funeral establishment may contract with a life  
25 insurance agent to sell a preneed contract as defined in  
26 chapter 497. Notwithstanding other provisions of this chapter,  
27 such insurance agent may sell limited policies of insurance  
28 covering the expense of final disposition or burial of an  
29 insured in the an amount of \$12,500, plus an annual percentage  
30 increase based on the Annual Consumer Price Index compiled by  
31 the United States Department of Labor, beginning with the

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1 Annual Consumer Price Index announced by the United States  
2 Department of Labor for the year 2003 ~~not to exceed \$10,000.~~

3 Section 44. Subsections (1) and (2) of section  
4 626.7851, Florida Statutes, are amended to read:

5 626.7851 Requirement as to knowledge, experience, or  
6 instruction.--No applicant for a license as a life agent,  
7 except for a chartered life underwriter (CLU), shall be  
8 qualified or licensed unless within the 4 years immediately  
9 preceding the date the application for a license is filed with  
10 the department he or she has:

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

22 (2) Successfully completed a correspondence course in  
23 insurance, 3 hours of which shall be on the subject matter of  
24 ethics, satisfactory to the department and regularly offered  
25 by accredited institutions of higher learning in this state,  
26 approved by the department. Courses must include instruction  
27 on the subject matter of unauthorized entities engaging in the  
28 business of insurance, to include the Florida Nonprofit  
29 Multiple-Employer Welfare Arrangement Act and the Employee  
30 Retirement Income Security Act, 29 U.S.C. ss. 1001 et seq., as  
31 it relates to the provision of life insurance by employers to

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1 their employees and the regulation thereof;

2 Section 45. Subsection (2) of section 626.829, Florida  
3 Statutes, is amended to read:

4 626.829 "Health agent" defined.--

5 (2) Any person who acts for an insurer, or on behalf  
6 of a licensed representative of an insurer, to solicit  
7 applications for or to negotiate and effectuate health  
8 insurance contracts, whether or not he or she is appointed as  
9 an agent, subagent, ~~solicitor~~, or canvasser or by any other  
10 title, shall be deemed to be a health agent and shall be  
11 qualified, licensed, and appointed as a health agent.

12 Section 46. Paragraph (b) of subsection (1) of section  
13 626.831, Florida Statutes, is amended to read:

14 626.831 Qualifications for license.--

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

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

23 Section 47. Subsections (1) and (2) of section  
24 626.8311, Florida Statutes, are amended to read:

25 626.8311 Requirement as to knowledge, experience, or  
26 instruction.--No applicant for a license as a health agent,  
27 except for a chartered life underwriter (CLU), shall be  
28 qualified or licensed unless within the 4 years immediately  
29 preceding the date the application for license is filed with  
30 the department he or she has:

31 (1) Successfully completed 40 hours of classroom



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

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

23 Section 48. Subsection (2) of section 626.8414,  
24 Florida Statutes, is amended to read:

25 626.8414 Qualifications for examination.--The  
26 department must authorize any natural person to take the  
27 examination for the issuance of a license as a title insurance  
28 agent if the person meets all of the following qualifications:

29 (2) The applicant must be a United States citizen or  
30 legal alien who possesses work authorization from the United  
31 States Immigration and Naturalization Service and a bona fide

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1 resident of this state. A person meets the residency  
2 requirement of this subsection, notwithstanding the existence  
3 at the time of application for license of a license in the  
4 applicant's name on the records of another state as a resident  
5 licensee of such other state, if the applicant furnishes a  
6 letter of clearance satisfactory to the department that the  
7 resident licenses have been canceled or changed to a  
8 nonresident basis and that the applicant is in good standing.

9 Section 49. Paragraph (a) of subsection (3) of section  
10 626.8417, Florida Statutes, is amended to read:

11 626.8417 Title insurance agent licensure;  
12 exemptions.--

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

18 (a) Within the 4 years immediately preceding the date  
19 of the application for license, the applicant must have  
20 completed a 40-hour classroom course in title insurance, 3  
21 hours of which shall be on the subject matter of ethics, as  
22 approved by the department, or must have had at least 12  
23 months of experience in responsible title insurance duties,  
24 while working in the title insurance business as a  
25 substantially full-time, bona fide employee of a title agency,  
26 title agent, title insurer, or attorney who conducts real  
27 estate closing transactions and issues title insurance  
28 policies but who is exempt from licensure pursuant to  
29 paragraph (4)(a). If an applicant's qualifications are based  
30 upon the periods of employment at responsible title insurance  
31 duties, the applicant must submit, with the application for

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1 license on a form prescribed by the department, the affidavit  
 2 of the applicant and of the employer setting forth the period  
 3 of such employment, that the employment was substantially full  
 4 time, and giving a brief abstract of the nature of the duties  
 5 performed by the applicant.

6 Section 50. Section 626.843, Florida Statutes, is  
 7 amended to read:

8 626.843 Renewal, continuation, reinstatement,  
 9 termination of title insurance agent's appointment.--

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

16 (2) Title insurance agent appointments shall be  
 17 renewed pursuant to s. 626.381 for insurance representatives  
 18 in general. Each insurer shall file with the department the  
 19 lists, statements, and information as to appointments which  
 20 are being renewed or being terminated, accompanied by payment  
 21 of the applicable renewal fees and taxes as prescribed in s.  
 22 624.501, by a date set forth by the department following the  
 23 month during which the appointments will expire.

24 ~~(3) Request for renewal of an appointment which is~~  
 25 ~~received on a date set forth by the department in the~~  
 26 ~~succeeding month may be renewed by the department without~~  
 27 ~~penalty, and shall be effective as of the day the appointment~~  
 28 ~~would have expired.~~

29 ~~(4) Request for renewal of an appointment which is~~  
 30 ~~received by the department after the date set by the~~  
 31 ~~department may be accepted and effectuated by the department~~

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1 ~~in its discretion if an additional appointment continuation~~  
2 ~~and reinstatement fee accompany the request for renewal~~  
3 ~~pursuant to s. 624.501.~~

4       ~~(3)(5)~~ The appointment issued shall remain in effect  
5 for so long as the appointment represented thereby continues  
6 in force as provided in this section.

7       Section 51. Paragraph (b) of subsection (1) of section  
8 626.865, Florida Statutes, is amended to read:

9       626.865 Public adjuster's qualifications, bond.--

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

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

18       Section 52. Subsection (2) of section 626.866, Florida  
19 Statutes, is amended to read:

20       626.866 Independent adjuster's qualifications.--The  
21 department shall issue a license to an applicant for an  
22 independent adjuster's license upon determining that the  
23 applicable license fee specified in s. 624.501 has been paid  
24 and that the applicant possesses the following qualifications:

25       (2) Is a United States citizen or legal alien who  
26 possesses work authorization from the United States  
27 Immigration and Naturalization Service and a bona fide  
28 resident of this state.

29       Section 53. Subsection (2) of section 626.867, Florida  
30 Statutes, is amended to read:

31       626.867 Company employee adjuster's

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1 qualifications.--The department shall issue a license to an  
 2 applicant for a company employee adjuster's license upon  
 3 determining that the applicable license fee specified in s.  
 4 624.501 has been paid and that the applicant possesses the  
 5 following qualifications:

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

10 Section 54. Section 626.869, Florida Statutes, is  
 11 amended to read:

12 626.869 License, adjusters.--

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

- 16 (a) All lines of insurance except life and annuities.
- 17 (b) Motor vehicle physical damage insurance.
- 18 (c) Property and casualty insurance.
- 19 (d) Workers' compensation insurance.
- 20 (e) Health insurance.

21 (2) All individuals who on October 1, 1990, hold an  
 22 adjuster's license and appointment limited to fire and allied  
 23 lines, including marine or casualty or boiler and machinery,  
 24 may remain licensed and appointed under the limited license  
 25 and may renew their appointment, but no license or appointment  
 26 which has been terminated, not renewed, suspended, or revoked  
 27 shall be reinstated, and no new or additional licenses or  
 28 appointments shall be issued.

29 ~~(3) With the exception of a public adjuster limited to~~  
 30 ~~health insurance, a limited license set forth in subsection~~

31 ~~(1) as an independent or public adjuster may only be issued to~~

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1 ~~and retained by an employee of an independent or public~~  
 2 ~~adjusting firm which is supervised by a duly appointed~~  
 3 ~~all-lines adjuster or an employee of an independent or public~~  
 4 ~~adjuster licensed and appointed in all lines of insurance~~  
 5 ~~other than life and annuity. The office of the limited lines~~  
 6 ~~adjuster shall be in the office of the licensed all-lines~~  
 7 ~~adjuster responsible for his or her supervision and~~  
 8 ~~instruction.~~

9       ~~(3)(4)~~ The applicant's application for license shall  
 10 specify which of the foregoing classes of business the  
 11 application for license is to cover.

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

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

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

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

31 ~~However, a member of The Florida Bar is exempt from the 5~~

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1 ~~years' experience requirement.~~

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

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

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

8 Section 55. Subsection (1) of section 626.874, Florida  
9 Statutes, is amended to read:

10 626.874 Catastrophe or emergency adjusters.--

11 (1) In the event of a catastrophe or emergency, the  
12 department may issue a license, for the purposes and under the  
13 conditions which it shall fix and for the period of emergency  
14 as it shall determine, to persons who are residents or  
15 nonresidents of this state, who are at least 18 years of age,  
16 who are United States citizens or legal aliens who possess  
17 work authorization from the United States Immigration and  
18 Naturalization Service, and who are not licensed adjusters  
19 under this part but who have been designated and certified to  
20 it as qualified to act as adjusters by independent resident  
21 adjusters or by an authorized insurer or by a licensed general  
22 lines agent to adjust claims, losses, or damages under  
23 policies or contracts of insurance issued by such insurers.  
24 The fee for the license shall be as provided in s.  
25 624.501(12)(c).

26 Section 56. Section 626.878, Florida Statutes, is  
27 amended to read:

28 626.878 Rules; code of ethics.--An adjuster shall  
29 subscribe to the code of ethics specified in the rules of the  
30 department. The rules shall implement the provisions of this  
31 part and specify the terms and conditions of contracts,

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1 including a right to cancel, and require practices necessary  
2 to ensure fair dealing, prohibit conflicts of interest, and  
3 ensure preservation of the rights of the claimant to  
4 participate in the adjustment of claims.

5 Section 57. Subsection (1) of section 626.797, Florida  
6 Statutes, is amended to read:

7 626.797 Code of ethics.--

8 (1) The department shall, after consultation with the  
9 Florida Association Of Insurance and Financial Advisors ~~life~~  
10 ~~Underwriters~~, adopt a code of ethics, or continue any such  
11 code heretofore so adopted, to govern the conduct of life  
12 agents in their relations with the public, other agents, and  
13 the insurers.

14 Section 58. Paragraphs (o) and (z) of subsection (1)  
15 of section 626.9541, Florida Statutes, are amended to read:

16 626.9541 Unfair methods of competition and unfair or  
17 deceptive acts or practices defined.--

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

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

23 1. Knowingly collecting any sum as a premium or charge  
24 for insurance, which is not then provided, or is not in due  
25 course to be provided, subject to acceptance of the risk by  
26 the insurer, by an insurance policy issued by an insurer as  
27 permitted by this code.

28 2. Knowingly collecting as a premium or charge for  
29 insurance any sum in excess of or less than the premium or  
30 charge applicable to such insurance, in accordance with the  
31 applicable classifications and rates as filed with and



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1 approved by the department, and as specified in the policy;  
2 or, in cases when classifications, premiums, or rates are not  
3 required by this code to be so filed and approved, premiums  
4 and charges collected from a Florida resident in excess of or  
5 less than those specified in the policy and as fixed by the  
6 insurer. This provision shall not be deemed to prohibit the  
7 charging and collection, by surplus lines agents licensed  
8 under part VIII of this chapter, of the amount of applicable  
9 state and federal taxes, or fees as authorized by s.  
10 626.916(4), in addition to the premium required by the insurer  
11 or the charging and collection, by licensed agents, of the  
12 exact amount of any discount or other such fee charged by a  
13 credit card facility in connection with the use of a credit  
14 card, as authorized by subparagraph (q)3., in addition to the  
15 premium required by the insurer. This subparagraph shall not  
16 be construed to prohibit collection of a premium for a  
17 universal life or a variable or indeterminate value insurance  
18 policy made in accordance with the terms of the contract.

19 3.a. Imposing or requesting an additional premium for  
20 a policy of motor vehicle liability, personal injury  
21 protection, medical payment, or collision insurance or any  
22 combination thereof or refusing to renew the policy solely  
23 because the insured was involved in a motor vehicle accident  
24 unless the insurer's file contains information from which the  
25 insurer in good faith determines that the insured was  
26 substantially at fault in the accident.

27 b. An insurer which imposes and collects such a  
28 surcharge or which refuses to renew such policy shall, in  
29 conjunction with the notice of premium due or notice of  
30 nonrenewal, notify the named insured that he or she is  
31 entitled to reimbursement of such amount or renewal of the

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1 policy under the conditions listed below and will subsequently  
2 reimburse him or her or renew the policy, if the named insured  
3 demonstrates that the operator involved in the accident was:

4 (I) Lawfully parked;

5 (II) Reimbursed by, or on behalf of, a person

6 responsible for the accident or has a judgment against such  
7 person;

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

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

14 (V) Not convicted of a moving traffic violation in  
15 connection with the accident, but the operator of the other  
16 automobile involved in such accident was convicted of a moving  
17 traffic violation;

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

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

22 (VIII) Not at fault as evidenced by a written  
23 statement from the insured establishing facts demonstrating  
24 lack of fault which are not rebutted by information in the  
25 insurer's file from which the insurer in good faith determines  
26 that the insured was substantially at fault.

27 c. In addition to the other provisions of this  
28 subparagraph, an insurer may not fail to renew a policy if the  
29 insured has had only one accident in which he or she was at  
30 fault within the current 3-year period. However, an insurer  
31 may nonrenew a policy for reasons other than accidents in

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1 accordance with s. 627.728. This subparagraph does not  
 2 prohibit nonrenewal of a policy under which the insured has  
 3 had three or more accidents, regardless of fault, during the  
 4 most recent 3-year period.

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

9 a. A second infraction committed within an 18-month  
 10 period, or a third or subsequent infraction committed within a  
 11 36-month period.

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

15 5. Upon the request of the insured, the insurer and  
 16 licensed agent shall supply to the insured the complete proof  
 17 of fault or other criteria which justifies the additional  
 18 charge or cancellation.

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

26 7. No insurer may cancel or otherwise terminate any  
 27 insurance contract or coverage, or require execution of a  
 28 consent to rate endorsement, during the stated policy term for  
 29 the purpose of offering to issue, or issuing, a similar or  
 30 identical contract or coverage to the same insured with the  
 31 same exposure at a higher premium rate or continuing an

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1 existing contract or coverage with the same exposure at an  
2 increased premium.

3           8. No insurer may issue a nonrenewal notice on any  
4 insurance contract or coverage, or require execution of a  
5 consent to rate endorsement, for the purpose of offering to  
6 issue, or issuing, a similar or identical contract or coverage  
7 to the same insured at a higher premium rate or continuing an  
8 existing contract or coverage at an increased premium without  
9 meeting any applicable notice requirements.

10           9. No insurer shall, with respect to premiums charged  
11 for motor vehicle insurance, unfairly discriminate solely on  
12 the basis of age, sex, marital status, or scholastic  
13 achievement.

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

18           11. No insurer shall cancel or issue a nonrenewal  
19 notice on any insurance policy or contract without complying  
20 with any applicable cancellation or nonrenewal provision  
21 required under the Florida Insurance Code.

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

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

31           1. Representing to the applicant that a specific

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1 ancillary coverage or product is required by law in  
2 conjunction with the purchase of ~~motor vehicle~~ insurance when  
3 such coverage or product is not required;

4         2. Representing to the applicant that a specific  
5 ancillary coverage or product is included in the ~~motor vehicle~~  
6 policy applied for without an additional charge when such  
7 charge is required; or

8         3. Charging an applicant for a specific ancillary  
9 coverage or product, in addition to the cost of the ~~motor~~  
10 ~~vehicle~~ insurance coverage applied for, without the informed  
11 consent of the applicant.

12         Section 59. Paragraph (f) is added to subsection (7)  
13 of section 626.9916, Florida Statutes, to read:

14             626.9916 Viatical settlement broker license required;  
15 application for license.--

16             (7) Upon the filing of a sworn application and the  
17 payment of the license fee and all other applicable fees under  
18 this act, the department shall investigate each applicant and  
19 may issue the applicant a license if the department finds that  
20 the applicant:

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

25         Section 60. Subsection (3) of section 632.634, Florida  
26 Statutes, is amended to read:

27             632.634 Licensing and appointment of agents.--

28             (3) Any agent, representative, or member of a society  
29 who in any preceding calendar year has solicited and procured  
30 life insurance benefit contracts on behalf of any society in a  
31 total amount of insurance less than \$50,000, or, in the case

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1 of any other kind or kinds of insurance benefit contracts  
2 which the society might write, on not more than 25  
3 individuals, shall be exempt from the agent licensing and  
4 appointment requirements of subsection (1). Upon request by  
5 the department, every society shall register, on forms  
6 prescribed by the department and on or before March 1 of each  
7 year, the name and residence address of each agent,  
8 representative, or member exempt under the provisions of this  
9 subsection and shall, within 30 days of termination of  
10 employment, notify the department of the termination. Any  
11 agent, representative, or member for which an exemption is  
12 claimed due to employment by the society subsequent to March 1  
13 shall be registered by the society with the department within  
14 10 days of the date of employment.

15 Section 61. Section 634.171, Florida Statutes, is  
16 amended to read:

17 634.171 Salesperson to be licensed and  
18 appointed.--Salespersons for motor vehicle service agreement  
19 companies and insurers shall be licensed, appointed, renewed,  
20 continued, reinstated, or terminated as prescribed in chapter  
21 626 for insurance representatives in general. However, they  
22 shall be exempt from all other provisions of chapter 626  
23 including fingerprinting, photo identification, education, and  
24 examination provisions. License, appointment, and other fees  
25 shall be those prescribed in s. 624.501. A licensed and  
26 appointed salesperson shall be directly responsible and  
27 accountable for all acts of her or his employees and other  
28 representatives. Each service agreement company or insurer  
29 shall, on forms prescribed by the department, within 30 days  
30 after termination of the appointment, notify the department of  
31 such termination. No employee or salesperson of a motor

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1 vehicle service agreement company or insurer may directly or  
2 indirectly solicit or negotiate insurance contracts, or hold  
3 herself or himself out in any manner to be an insurance agent  
4 ~~or solicitor~~, unless so qualified, licensed, and appointed  
5 therefor under the Florida Insurance Code. A motor vehicle  
6 service agreement company is not required to be licensed as a  
7 salesperson to solicit, sell, issue, or otherwise transact the  
8 motor vehicle service agreements issued by the motor vehicle  
9 service agreement company.

10 Section 62. Section 634.420, Florida Statutes, is  
11 amended to read:

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

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1 therefor under the insurance code.

2 Section 63. Section 642.034, Florida Statutes, is  
3 amended to read:

4 642.034 License and appointment required.--No person  
5 may solicit, negotiate, sell, or execute legal expense  
6 insurance contracts on behalf of an insurer in this state  
7 unless such person is licensed and appointed as a sales  
8 representative or is licensed and appointed under the  
9 insurance code as a general lines agent ~~or solicitor~~. No  
10 person licensed and appointed as a legal expense insurance  
11 sales representative may solicit, negotiate, sell, or execute  
12 any other contract of insurance unless such person is duly  
13 licensed and appointed to do so under the provisions of  
14 chapter 626.

15 Section 64. Section 642.036, Florida Statutes, is  
16 amended to read:

17 642.036 Sales representatives to be licensed and  
18 appointed.--Sales representatives of legal expense insurers  
19 shall be licensed, appointed, renewed, continued, reinstated,  
20 or terminated as prescribed in chapter 626 for insurance  
21 representatives in general, and shall pay the license and  
22 appointment fees prescribed in s. 624.501. No employee or  
23 sales representative of an insurer may directly or indirectly  
24 solicit or negotiate insurance contracts, or hold herself or  
25 himself out in any manner to be an insurance agent ~~or~~  
26 ~~solicitor~~, unless so qualified, licensed, and appointed  
27 therefor under the insurance code.

28 Section 65. Section 642.045, Florida Statutes, is  
29 amended to read:

30 642.045 Procedure for refusal, suspension, or  
31 revocation of license and appointment of sales representative;



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1 departmental action upon violation by licensed insurance agent  
2 ~~or solicitor~~.--

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

8 (2) Whenever it appears that any licensed insurance  
9 agent ~~or solicitor~~ has violated the provisions of ss.  
10 642.011-642.049, or if any grounds listed in s. 642.041 or s.  
11 642.043 exist as to such agent ~~or solicitor~~, the department  
12 may take such action as is authorized by the insurance code  
13 for a violation of the insurance code by such agent ~~or~~  
14 ~~solicitor~~, or such action as is authorized by this chapter for  
15 a violation of this chapter by a sales representative.

16 Section 66. Paragraph (b) of subsection (5) and  
17 subsection (9) of section 648.27, Florida Statutes, are  
18 amended to read:

19 648.27 Licenses and appointments; general.--

20 (5)

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

24 (9) If, upon application for an appointment and such  
25 investigation as the department may make, it appears to the  
26 department that an individual has been actively engaged or is  
27 currently actively engaged in bail bond activities without  
28 being appointed as required, the department may, if it finds  
29 that such failure to be appointed is an error on the part of  
30 the insurer or employer so represented, issue or authorize the  
31 issuance of the appointment as applied for, but subject to the

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1 condition that, before the appointment is issued, all fees and  
2 taxes which would have been due had the applicant been so  
3 appointed during such current and prior periods, together with  
4 a continuation fee for such current and prior terms of  
5 appointment, shall be paid to the department. Failure to  
6 notify the department within the required time period shall  
7 result in the appointing entity being assessed a delinquent  
8 fee of \$250. Delinquent fees shall be paid by the appointing  
9 entity and shall not be charged to the appointee.

10 Section 67. Paragraph (b) of subsection (2) and  
11 subsections (5) and (6) of section 648.34, Florida Statutes,  
12 are amended to read:

13 648.34 Bail bond agents; qualifications.--

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

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

31 (5) The department shall conduct a comprehensive

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1 investigation of each applicant, including a background check.  
2 The investigation of the applicant's qualifications,  
3 character, experience, background, and fitness shall include  
4 submission of the applicant's fingerprints to the Department  
5 of Law Enforcement and the Federal Bureau of Investigation and  
6 consideration of any state criminal records, federal criminal  
7 records, or local criminal records obtained from these  
8 agencies or from local law enforcement agencies.

9 (6) The provisions of s. 112.011 do not apply to bail  
10 bond agents ~~or runners~~ or to applicants for licensure as bail  
11 bond agents ~~or runners~~.

12 Section 68. Paragraphs (b) and (e) of subsection (1)  
13 of section 648.355, Florida Statutes, are amended to read:

14 648.355 Temporary limited license as limited surety  
15 agent or professional bail bond agent; pending examination.--

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

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

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

15           Section 69. Paragraph (a) of subsection (2) and  
16 subsection (3) of section 648.382, Florida Statutes, are  
17 amended, and subsection (6) is added to that section, to read:

18           648.382 Appointment of bail bond agents and temporary  
19 bail bond agents; effective date of appointment.--

20           (2) Prior to any appointment, an appropriate officer  
21 or official of the appointing insurer in the case of a bail  
22 bond agent or an insurer, managing general agent, or bail bond  
23 agent in the case of a temporary bail bond agent must submit:

24           (a) A certified statement or affidavit to the  
25 department stating what investigation has been made concerning  
26 the proposed appointee and the proposed appointee's background  
27 and the appointing person's opinion to the best of his or her  
28 knowledge and belief as to the moral character, ~~fitness~~, and  
29 reputation of the proposed appointee. In lieu of such  
30 certified statement or affidavit, by authorizing the  
31 effectuation of an appointment for a licensee, the appointing

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1 entity certifies to the department that such investigation has  
2 been made and that the results of the investigation and the  
3 appointing person's opinion is that the proposed appointee is  
4 a person of good moral character and reputation and is fit to  
5 engage in the bail bond business;

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

16 (6) Failure to notify the department within the  
17 required time period shall result in the appointing entity  
18 being assessed a delinquent fee of \$250. Delinquent fees shall  
19 be paid by the appointing entity and shall not be charged to  
20 the appointee.

21 Section 70. Section 648.383, Florida Statutes, is  
22 amended to read:

23 648.383 Renewal, continuation, reinstatement, and  
24 termination of appointment; bail bond agents.--

25 (1) The appointment of a bail bond agent shall  
26 continue in force unless suspended, revoked, or otherwise  
27 terminated, subject to a renewal request filed by the  
28 appointing entity in the appointee's birth month and every 24  
29 months thereafter. A renewal request must be filed with the  
30 department or person designated by the department to  
31 administer appointments along with payment of the renewal

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1 appointment fee and taxes as prescribed in s. 624.501.

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

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

18 (4) If the information required under subsection (2)  
 19 is received ~~by the department~~ after the renewal date  
 20 ~~established by the department for renewal~~, the appointment may  
 21 be renewed ~~by the department~~ if the an additional appointment,  
 22 late filing, continuation, and reinstatement fees accompany  
 23 ~~fee accompanies~~ the application as required under s. 624.501.

24 Section 71. Subsections (1) and (3) of section 648.50,  
 25 Florida Statutes, are amended to read:

26 648.50 Effect of suspension, revocation upon  
 27 associated licenses and licensees.--

28 (1) Upon the suspension, revocation, or refusal to  
 29 renew or continue any license or appointment or the  
 30 eligibility to hold a license or appointment of a bail bond  
 31 agent or, temporary bail bond agent, ~~or runner~~, the department

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1 shall at the same time likewise suspend or revoke all other  
 2 licenses or appointments and the eligibility to hold any other  
 3 such licenses or appointments which may be held by the  
 4 licensee under the Florida Insurance Code.

5 (3) No person whose license as a bail bond agent ~~or~~  
 6 temporary bail bond agent, ~~or runner~~ has been revoked or  
 7 suspended shall be employed by any bail bond agent, have any  
 8 ownership interest in any business involving bail bonds, or  
 9 have any financial interest of any type in any bail bond  
 10 business during the period of revocation or suspension.

11 Section 72. Sections 626.032 and 626.361, Florida  
 12 Statutes, are repealed.

13 Section 73. Paragraph (d) of subsection (6) of  
 14 section 627.351, Florida Statutes, is amended to read:

15 627.351 Insurance risk apportionment plans.--

16 (6) CITIZENS PROPERTY INSURANCE CORPORATION.--

17 (d)1. It is the intent of the Legislature that the  
 18 rates for coverage provided by the corporation be actuarially  
 19 sound and not competitive with approved rates charged in the  
 20 admitted voluntary market, so that the corporation functions  
 21 as a residual market mechanism to provide insurance only when  
 22 the insurance cannot be procured in the voluntary market.  
 23 Rates shall include an appropriate catastrophe loading factor  
 24 that reflects the actual catastrophic exposure of the  
 25 corporation.

26 2. For each county, the average rates of the  
 27 corporation for each line of business for personal lines  
 28 residential policies excluding rates for wind-only policies  
 29 shall be no lower than the average rates charged by the  
 30 insurer that had the highest average rate in that county among  
 31 the 20 insurers with the greatest total direct written premium

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1 in the state for that line of business in the preceding year,  
2 except that with respect to mobile home coverages, the average  
3 rates of the corporation shall be no lower than the average  
4 rates charged by the insurer that had the highest average rate  
5 in that county among the 5 insurers with the greatest total  
6 written premium for mobile home owner's policies in the state  
7 in the preceding year.

8           3. Rates for personal lines residential wind-only  
9 policies must be actuarially sound and not competitive with  
10 approved rates charged by authorized insurers. However, for  
11 personal lines residential wind-only policies issued or  
12 renewed between July 1, 2002, and June 30, 2003, the maximum  
13 premium increase must be no greater than 10 percent of the  
14 Florida Windstorm Underwriting Association premium for that  
15 policy in effect on June 30, 2002, as adjusted for coverage  
16 changes and seasonal occupancy surcharges. For personal lines  
17 residential wind-only policies issued or renewed between July  
18 1, 2003, and June 30, 2004, the corporation shall use its  
19 existing filed and approved wind-only rating and  
20 classification plans, provided, however, that the maximum  
21 premium increase must be no greater than 20 percent of the  
22 premium for that policy in effect on June 30, 2003, as  
23 adjusted for coverage changes and seasonal occupancy  
24 surcharges. ~~The personal lines residential wind-only rates for~~  
25 ~~the corporation effective July 1, 2003, must be based on a~~  
26 ~~rate filing by the corporation which establishes rates which~~  
27 ~~are actuarially sound and not competitive with approved rates~~  
28 ~~charged by authorized insurers.~~ Corporation rate manuals shall  
29 include a rate surcharge for seasonal occupancy. To ensure  
30 that personal lines residential wind-only rates effective on  
31 or after July 1, 2004 ~~2003~~, are not competitive with approved



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1 rates charged by authorized insurers, the corporation, in  
2 conjunction with the office, shall develop a wind-only rate  
3 making methodology, which methodology shall be contained in a  
4 rate filing made by the corporation with the office by January  
5 1, 2004. If the office thereafter determines that the  
6 wind-only rates or rating factors filed by the corporation  
7 fail to comply with the wind-only rate making methodology  
8 provided for in this subsection, it shall so notify the  
9 corporation and require the corporation to amend its rates or  
10 rating factors to come into compliance within 90 days of  
11 notice from the office. The office shall report to the Speaker  
12 of the House of Representatives and the President of the  
13 Senate on the provisions of the wind-only rate making  
14 methodology by January 31, 2004 ~~the department, by March 1 of~~  
15 ~~each year, shall provide the corporation, for each county in~~  
16 ~~which there are geographical areas in which personal lines~~  
17 ~~residential wind-only policies may be issued, the average~~  
18 ~~rates charged by the insurer that had the highest average rate~~  
19 ~~in that county for wind coverage in that insurer's rating~~  
20 ~~territories which most closely approximate the geographical~~  
21 ~~area in that county in which personal lines residential~~  
22 ~~wind-only policies may be written by the corporation. The~~  
23 ~~average rates provided must be from an insurer among the 20~~  
24 ~~insurers with the greatest total direct written premium in the~~  
25 ~~state for personal lines residential property insurance for~~  
26 ~~the preceding year. With respect to mobile homes, the five~~  
27 ~~insurers with the greatest total written premium for that line~~  
28 ~~of business in the preceding year shall be used. The~~  
29 ~~corporation shall certify to the department that its average~~  
30 ~~personal lines residential wind-only rates are no lower in~~  
31 ~~each county than the average rates provided by the department.~~

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1 ~~The department is authorized to adopt rules to establish~~  
2 ~~reporting requirements to obtain the necessary wind-only rate~~  
3 ~~information from insurers to implement this provision.~~

4           4. Rates for commercial lines coverage shall not be  
5 subject to the requirements of subparagraph 2., but shall be  
6 subject to all other requirements of this paragraph and s.  
7 627.062.

8           5. Nothing in this paragraph shall require or allow  
9 the corporation to adopt a rate that is inadequate under s.  
10 627.062.

11           6. The corporation shall certify to the office at  
12 least twice annually that its personal lines rates comply with  
13 the requirements of subparagraphs 1. and 2. If any adjustment  
14 in the rates or rating factors of the corporation is necessary  
15 to ensure such compliance, the corporation shall make and  
16 implement such adjustments and file its revised rates and  
17 rating factors with the office. If the office thereafter  
18 determines that the revised rates and rating factors fail to  
19 comply with the provisions of subparagraphs 1. and 2, it shall  
20 notify the corporation and require the corporation to amend  
21 its rates or rating factors in conjunction with its next rate  
22 filing. The office must notify the corporation by electronic  
23 means of any rate filing it approves for any insurer among the  
24 insurers referred to in subparagraph 2 make a rate filing at  
25 least once a year, but no more often than quarterly.

26           7. In addition to the rates otherwise determined  
27 pursuant to this paragraph, the corporation shall impose and  
28 collect an amount equal to the premium tax provided for in s.  
29 624.509 to augment the financial resources of the corporation.

30           8.a To assist the corporation in developing additional  
31 ratemaking methods to assure compliance with subparagraphs 1.

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1 and 4., the corporation shall appoint a rate methodology panel  
2 consisting of one person recommended by the Florida  
3 Association of Insurance Agents, one person recommended by the  
4 Professional Insurance Agents of Florida, one person  
5 recommended by the Florida Association of Insurance and  
6 Financial Advisors, one person recommended by the insurer with  
7 the highest voluntary market share of residential property  
8 insurance business in the state, one person recommended by the  
9 insurer with the second-highest voluntary market share of  
10 residential property insurance business in the state, one  
11 person recommended by an insurer writing commercial  
12 residential property insurance in this state, one person  
13 recommended by the Office of Insurance Regulation, and one  
14 board member designated by the board chairman, who shall serve  
15 as chairman of the panel.

16       b. By January 1, 2004, the rate methodology panel  
17 shall provide a report to the corporation of its findings and  
18 recommendations for the use of additional ratemaking methods  
19 and procedures, including the use of a rate-equalization  
20 surcharge in an amount sufficient to assure that the total  
21 cost of coverage for policyholders or applicants to the  
22 corporation is sufficient to comply with subparagraph 1.

23       c. Within 30 days after such report, the corporation  
24 shall present to the President of the Senate, the Speaker of  
25 the House of Representatives, the minority party leaders of  
26 each house of the Legislature, and the chairs of the standing  
27 committees of each house of the Legislature having  
28 jurisdiction of insurance issues, a plan for implementing the  
29 additional ratemaking methods and an outline of any  
30 legislation needed to facilitate use of the new methods.

31       d. The plan must include a provision that producer

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1 commissions paid by the corporation shall not be calculated in  
2 such a manner as to include any rate-equalization surcharge.  
3 However, without regard to the plan to be developed or its  
4 implementation, producer commissions paid by the corporation  
5 for each account, other than the quota share primary program,  
6 shall remain fixed as to percentage, effective rate,  
7 calculation, and payment method until January 1, 2004.

8 9. By January 1, 2004, the corporation shall develop a  
9 notice to policyholders or applicants that the rates of  
10 Citizens Property Insurance Corporation are intended to be  
11 higher than the rates of any admitted carrier and providing  
12 other information the corporation deems necessary to assist  
13 consumers in finding other voluntary admitted insurers willing  
14 to insure their property.

15 Section 74. Section 624.105, Florida Statutes, is  
16 created to read:

17 624.105 Waiver of customer liability.--Any regulated  
18 company as defined in s. 350.111, any electric utility as  
19 defined in s. 366.02(2), any utility as defined in s.  
20 367.021(12) or s.367.022(2) and (7), and any provider of  
21 communications services as defined in s. 202.11(3) may charge  
22 for and include an optional waiver of liability provision in  
23 their customer contracts under which the entity agrees to  
24 waive all or a portion of the customer's liability for service  
25 from the entity for a defined period in the event of the  
26 customer's call to active military service, death, disability,  
27 involuntary unemployment, qualification for family leave, or  
28 similar qualifying event or condition. Such provisions may not  
29 be effective in the customer's contract with the entity unless  
30 affirmatively elected by the customer. No such provision shall  
31 constitute insurance so long as the provision is a contract

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1 between the entity and its customer.

2 Section 75. Section 717.1071, Florida Statutes, is  
3 created to read:

4 717.1071 Lost owners of unclaimed demutualization,  
5 rehabilitation, or related reorganization proceeds.--

6 (1) Property distributable in the course of a  
7 demutualization, rehabilitation, or related reorganization of  
8 an insurance company is deemed abandoned 2 years after the  
9 date the property is first distributable if, at the time of  
10 the first distribution, the last known address of the owner on  
11 the books and records of the holder is known to be incorrect  
12 or the distribution or statements are returned by the post  
13 office as undeliverable; and the owner has not communicated in  
14 writing with the holder or its agent regarding the interest or  
15 otherwise communicated with the holder regarding the interest  
16 as evidenced by a memorandum or other record on file with the  
17 holder or its agent.

18 (2) Property distributable in the course of  
19 demutualization, rehabilitation, or related reorganization of  
20 a mutual insurance company that is not subject to subsection  
21 (1) shall be reportable as otherwise provided by this chapter.

22 (3) Property subject to this section shall be reported  
23 and delivered no later than May 1 as of the preceding December  
24 31, however the initial report under this section shall be  
25 filed no later than November 1, 2003, as of December 31, 2002.

26 Section 76. Subsection (8) of section 624.430, Florida  
27 Statutes, is renumbered as subsection (9), and new subsection  
28 (8) is added to said section, to read:

29 624.430 Withdrawal of insurer or discontinuance of  
30 writing certain kinds or lines of insurance.--

31 (8) Notwithstanding subsection (7), any insurer

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1 desiring to surrender its certificate of authority, withdraw  
2 from this state, or discontinue the writing of any one or  
3 multiple kinds or lines of insurance in this state is expected  
4 to have availed itself of all reasonably available  
5 reinsurance. Reasonably available reinsurance shall include  
6 unrealized reinsurance, which is defined as reinsurance  
7 recoverable on known losses incurred and due under valid  
8 reinsurance contracts that have not been identified in the  
9 normal course of business and have not been reported in  
10 financial statements filed with the Office of Insurer  
11 Regulation. Within 90 days after surrendering its certificate  
12 of authority, withdrawing from this state, or discontinuing  
13 the writing of any one or multiple kinds or lines of insurance  
14 in this state, the insurer shall certify to the Director of  
15 the Office of Insurer Regulation that the insurer has engaged  
16 an independent third party to search for unrealized  
17 reinsurance, and that the insurer has made all relevant books  
18 and records available to such third party. The compensation to  
19 such third party may be a percentage of unrealized reinsurance  
20 identified and collected.

21 Section 77. Subsection (11) of section 626.7451,  
22 Florida Statutes, is amended to read:

23 626.7451 Managing general agents; required contract  
24 provisions.--No person acting in the capacity of a managing  
25 general agent shall place business with an insurer unless  
26 there is in force a written contract between the parties which  
27 sets forth the responsibility for a particular function,  
28 specifies the division of responsibilities, and contains the  
29 following minimum provisions:

30 (11) A licensed managing general agent, when placing  
31 business with an insurer under this code, may charge a

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1 per-policy fee not to exceed~~\$40~~~~\$25~~. In no instance shall the  
2 aggregate of per-policy fees for a placement of business  
3 authorized under this section, when combined with any other  
4 per-policy fee charged by the insurer, result in per-policy  
5 fees which exceed the aggregate amount of~~\$40~~~~\$25~~. The  
6 per-policy fee shall be a component of the insurer's rate  
7 filing and shall be fully earned. A managing general agent  
8 that collects a per-policy fee shall remit a minimum of \$5 per  
9 policy to the Division of Insurance Fraud of the Department of  
10 Financial Services, which shall be dedicated to the prevention  
11 and detection of motor vehicle insurance fraud, and an  
12 additional \$5 per policy, 95 percent of which shall be  
13 remitted to the Justice Administration Commission, which shall  
14 distribute the collected fees to the state attorneys of the 20  
15 judicial circuits for investigating and prosecuting cases of  
16 motor vehicle insurance fraud. The state attorneys must adopt  
17 an allocation formula that ensures equitable distribution  
18 among the 20 circuits which includes, but is not limited to,  
19 the population area served. The remaining 5 percent shall be  
20 remitted to the Office of Statewide Prosecution for  
21 investigating and prosecuting cases of motor vehicle insurance  
22 fraud. No later than July 1, 2005, the state attorneys and the  
23 Office of Statewide Prosecutor must provide a report to the  
24 President of the Senate and the Speaker of the House of  
25 Representatives evaluating the effectiveness of the  
26 investigation, detection, and prosecution of motor vehicle  
27 insurance fraud as it related to the moneys generated by the  
28 per-policy fee.

29  
30 For the purposes of this section and ss. 626.7453 and  
31 626.7454, the term "controlling person" or "controlling" has

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1 the meaning set forth in s. 625.012(5)(b)1., and the term  
2 "controlled person" or "controlled" has the meaning set forth  
3 in s. 625.012(5)(b)2.

4 Section 78. Section 624.4623, Florida Statutes, is  
5 created to read:

6 624.4623 Independent Educational Institution

7 Self-Insurance Funds--

8 (1) Notwithstanding any other provision of law, any  
9 two or more independent nonprofit colleges or universities  
10 accredited by the Commission on Colleges of the Southern  
11 Association of Colleges and Schools or independent, nonprofit,  
12 accredited secondary educational institutions, located in and  
13 chartered by the state of Florida, may form a self-insurance  
14 fund for the purpose of pooling and spreading liabilities of  
15 its group members in any property or casualty risk or surety  
16 insurance or securing the payment of benefits under chapter  
17 440, provided the independent educational institution  
18 self-insurance fund that is created must:

19 (a) Have annual normal premiums in excess of \$5  
20 million;

21 (b) Maintain a continuing program of excess insurance  
22 coverage and reserve evaluation to protect the financial  
23 stability of the fund in an amount and manner determined by a  
24 qualified and independent actuary;

25 (c) Submit annually an audited fiscal year-end  
26 financial statement by an independent certified public  
27 accountant within 6 months after the end of the fiscal year to  
28 the office; and

29 (d) Have a governing body which is comprised entirely  
30 of independent educational institution officials.

31 (2) An independent educational institution



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1 self-insurance fund that meets the requirements of this  
2 section is not subject to s. 624.4621 and is not required to  
3 file any report with the department under s. 440.38(2)(b)  
4 which is uniquely required of group self-insurer funds  
5 qualified under s. 624.4621. If any of the requirements of  
6 this section are not met, the independent educational  
7 self-insurance fund is subject to the requirements of s.  
8 624.4621.

9 Section 79. Present subsections (6), (7), (8), (9),  
10 and (10) are renumbered (7), (8), (9), (10), and (11),  
11 respectively, and new subsection (6) is added to section  
12 624.81, Florida Statutes, to read:

13 624.81 Notice to comply with written requirements of  
14 department; noncompliance.--

15 (6) Any insurer subject to administrative supervision  
16 is expected to avail itself of all reasonably available  
17 reinsurance. Reasonably available reinsurance shall include  
18 unrealized reinsurance, which is defined as reinsurance  
19 recoverable on known losses incurred and due under valid  
20 reinsurance contracts that have not been identified in the  
21 normal course of business and have not been reported in  
22 financial statements filed with the Office of Insurance  
23 Regulation. Within 90 days of being placed under  
24 administrative supervision, the insurer shall certify to the  
25 Director of the Office of Insurance Regulation that the  
26 insurer has engaged an independent third party to search for  
27 unrealized reinsurance, and that the insurer has made all  
28 relevant books and records available to the third party. The  
29 compensation to the third party may be a percentage of  
30 unrealized reinsurance identified and collected.

31 (7)+(6) If the department and the insurer are unable to

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1 | agree on the provisions of the plan, the department may  
2 | require the insurer to take such corrective action as may be  
3 | reasonably necessary to remove the causes and conditions  
4 | giving rise to the need for administrative supervision.

5 |       ~~(8)(7)~~ The insurer shall have 60 days, or a longer  
6 | period of time as designated by the department but not to  
7 | exceed 120 days, after the date of the written agreement or  
8 | the receipt of the department's plan within which to comply  
9 | with the requirements of the department. At the conclusion of  
10 | the initial period of supervision, the department may extend  
11 | the supervision in increments of 60 days or longer, not to  
12 | exceed 120 days, if conditions justifying supervision exist.  
13 | Each extension of supervision shall provide the insurer with a  
14 | point of entry pursuant to chapter 120.

15 |       ~~(9)(8)~~ The initiation or pendency of administrative  
16 | proceedings arising from actions taken under this section  
17 | shall not preclude the department from initiating judicial  
18 | proceedings to place an insurer in conservation,  
19 | rehabilitation, or liquidation or initiating other delinquency  
20 | proceedings however designated under the laws of this state.

21 |       ~~(10)(9)~~ If it is determined that the conditions giving  
22 | rise to administrative supervision have been remedied so that  
23 | the continuance of its business is no longer hazardous to the  
24 | public or to its insureds, the department shall release the  
25 | insurer from supervision.

26 |       ~~(11)(10)~~ The department may adopt rules to define  
27 | standards of hazardous financial condition and corrective  
28 | action substantially similar to that indicated in the National  
29 | Association of Insurance Commissioners' 1997 "Model Regulation  
30 | to Define Standards and Commissioner's Authority for Companies  
31 | Deemed to be in Hazardous Financial Condition," which are

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1 necessary to implement the provisions of this part.

2 Section 80. Paragraph (x) of subsection (1) of section  
3 626.9541, Florida Statutes, is amended to read:

4 626.9541 Unfair methods of competition and unfair or  
5 deceptive acts or practices defined.--

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

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

12 1. Race, color, creed, marital status, sex, or  
13 national origin;

14 2. The residence, age, or lawful occupation of the  
15 individual or the location of the risk, unless there is a  
16 reasonable relationship between the residence, age, or lawful  
17 occupation of the individual or the location of the risk and  
18 the coverage issued or to be issued;

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

24 4. The insured's or applicant's failure to purchase  
25 noninsurance services or commodities, including automobile  
26 services as defined in s. 624.124; ~~or~~

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

29 ~~6.5.~~ The fact that the insured or applicant had been  
30 previously refused insurance coverage by any insurer, when  
31 such refusal to insure or continue to insure for this reason

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1 occurs with such frequency as to indicate a general business  
2 practice.

3

4 (Redesignate subsequent sections.)

5

6

7 ===== T I T L E A M E N D M E N T =====

8 And the title is amended as follows:

9 On line 18, after the semicolon,

10

11 insert:

12 amending ss. 624.04, 624.303, 624.313, 624.317,

13 624.504, 624.506, 624.521, 626.022, 626.112,

14 626.733, 626.7354, 626.741, 626.753, 626.829,

15 634.171, 634.420, 642.034, 642.036, and

16 642.045, F.S.; deleting references to

17 solicitors to conform to prior deletions;

18 amending ss. 624.34, 626.202, and 626.601,

19 F.S.; revising certain fingerprinting

20 requirements; amending s. 624.501, F.S.;

21 providing for a fee for certain late

22 appointment filings; amending s. 626.015, F.S.;

23 deleting a definition of administrative agent;

24 amending s. 626.171, F.S.; revising applicant

25 address requirements; specifying required

26 background investigation information; amending

27 ss. 626.175, 626.7355, 626.731, 626.831,

28 626.8414, 626.865, 626.866, 626.867, 626.874,

29 626.9916, 648.34, and 648.355, F.S.; revising

30 licensure eligibility criteria to specify

31 United States citizenship or certain legal

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1 alien status; providing for the adoption of  
2 rules; amending s. 626.201, F.S.; revising  
3 certain fingerprint requirements; amending s.  
4 626.221, F.S.; revising appointment application  
5 filing time period requirements; amending s.  
6 626.2815, F.S.; requiring certain continuing  
7 education hour and subject requirements;  
8 deleting references to solicitors to conform to  
9 prior deletions; revising a continuing  
10 education board member title; amending s.  
11 626.2816, F.S.; revising a cross-reference;  
12 clarifying a continuing education requirement;  
13 amending s. 626.2817, F.S.; deleting a  
14 prelicensure rule requirement; amending s.  
15 626.311, F.S.; providing for the appointment of  
16 certain licensees; amending s. 626.321, F.S.;  
17 deleting references to solicitors to conform to  
18 prior deletions; providing for one application  
19 for a license and payment of applicable fees;  
20 amending s. 626.322, F.S.; clarifying the  
21 effect of insurer authorization of effectuation  
22 of certain appointments; amending s. 626.341,  
23 F.S.; including a department-designated person  
24 to administer appointment processes for certain  
25 appointment-related actions; amending s.  
26 626.371, F.S.; providing requirements for  
27 submittal and effective date of appointments;  
28 imposing a delinquent fee for certain  
29 notification failures; providing fee payment  
30 requirements; amending s. 626.381, F.S.;  
31 including a department-designated person to

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1 administer appointment processes for certain  
2 appointment-related actions; providing for a  
3 fee for certain late appointment filings;  
4 amending s. 626.451, F.S.; including a  
5 department-designated person to administer  
6 appointment processes for certain  
7 appointment-related actions; clarifying the  
8 effect of insurer authorization of effectuation  
9 of certain appointments; requiring licensee  
10 notification of the department of certain  
11 criminal proceedings; amending s. 626.461,  
12 F.S.; including a department-designated person  
13 to administer appointment processes for certain  
14 appointment-related actions; deleting  
15 references to solicitors to conform to prior  
16 deletions; amending s. 626.471, F.S.; including  
17 a department-designated person to administer  
18 appointment processes for certain  
19 appointment-related actions; providing for  
20 termination of certain appointments; requiring  
21 notice of termination; amending s. 626.843,  
22 F.S.; revising procedures for renewing title  
23 insurance agent appointments; amending s.  
24 626.7315, F.S.; providing an exception to a  
25 prohibition against certain individuals  
26 receiving money on account of or for an  
27 insurer; amending ss. 626.732, 626.7851,  
28 626.8311, and 626.8417, F.S.; revising certain  
29 education subject requirements; amending s.  
30 626.7351, F.S.; revising licensure eligibility  
31 criteria to specify United States citizenship

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1 or certain legal alien status; revising certain  
2 education subject requirements; providing  
3 additional education course requirements;  
4 amending s. 626.785, F.S.; revising licensure  
5 eligibility criteria to specify United States  
6 citizenship or certain legal alien status;  
7 increasing the amount of coverage for  
8 burial-related expenses that may be sold by a  
9 life insurance agent under contract with a  
10 funeral establishment; amending s. 626.797,  
11 F.S.; revising an association title; amending  
12 s. 626.869, F.S.; deleting a provision relating  
13 to limited licenses for certain adjusters;  
14 revising certain education requirements;  
15 amending s. 626.878, F.S.; specifying  
16 implementation requirements for the  
17 department's ethics rules; amending s.  
18 626.9541, F.S.; clarifying activities that  
19 constitute illegal dealings in premiums;  
20 revising sliding as an unfair method of  
21 competition and unfair or deceptive act or  
22 practice; amending s. 632.634, F.S.; specifying  
23 registration of a society only upon department  
24 request; amending s. 648.27, F.S.; imposing a  
25 delinquent fee for certain notification  
26 failures; providing fee payment requirements;  
27 deleting obsolete runner references; amending  
28 s. 648.382, F.S.; clarifying the effect of  
29 insurer authorization of effectuation of  
30 certain appointments; imposing a delinquent fee  
31 for certain notification failures; providing

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1 fee payment requirements; amending s. 648.383,  
2 F.S.; including a department-designated person  
3 to administer appointment processes for certain  
4 appointment-related actions; providing for a  
5 fee for certain late appointment filings;  
6 amending s. 648.50, F.S.; deleting obsolete  
7 runner references; repealing s. 626.032, F.S.,  
8 relating to continuing education and required  
9 designation of administrative agents; repealing  
10 s. 626.361, F.S., relating to the effective  
11 date of appointments; amending s. 627.351,  
12 F.S.; providing requirements for the  
13 corporation relating to personal lines  
14 residential wind-only policies; requiring the  
15 corporation to develop a wind-only rate making  
16 methodology; requiring a report; requiring the  
17 Citizens Property Insurance Corporation to  
18 certify at certain intervals that its rates  
19 comply with requirements to be set a certain  
20 levels relative to other insurers; authorizing  
21 the Office of Insurance Regulation to review  
22 and act upon such certification; requiring the  
23 corporation to appoint a rate methodology panel  
24 to make recommendations for the use of  
25 additional ratemaking methods, including the  
26 use of a rate equalization surcharge to assure  
27 that the cost of coverage is sufficient to  
28 comply with state law; requiring the  
29 corporation to provide a related report to the  
30 Legislature and a plan for implementing the  
31 additional ratemaking methods; specifying how



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1 the plan shall apply to agent commissions;  
2 requiring the corporation to develop a notice  
3 to policyholders; creating s. 624.105, F.S.;  
4 providing for waiver of customer liability for  
5 certain fees by providers of utility and  
6 telecommunications services under certain  
7 circumstances; creating s. 717.1071, F.S.;  
8 providing procedures, requirements, and  
9 limitations on lost owners of certain unclaimed  
10 insurance entity activity proceeds; amending s.  
11 624.430, F.S.; requiring certain insurers to  
12 obtain reasonably available reinsurance under  
13 certain circumstances; providing procedures and  
14 criteria; amending s. 626.7451, F.S.; providing  
15 a per-policy fee to be remitted to the  
16 insurer's Special Investigations Unit, the  
17 Division of Insurance Fraud of the Department  
18 of Financial Services, and the Office of  
19 Statewide Prosecution for purposes of  
20 preventing, detecting, and prosecuting motor  
21 vehicle insurance fraud; creating s. 624.4623,  
22 F.S.; authorizing two or more independent  
23 colleges or universities to form a  
24 self-insurance fund; providing specific  
25 requirements; amending s. 624.81, F.S.;  
26 requiring insurers that are under  
27 administrative supervision to avail themselves  
28 of all reasonably available reinsurance;  
29 providing for a third party to search for  
30 reinsurance; providing for reimbursing the  
31 third party; amending s. 626.9541, F.S.;

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1 prohibiting insurers from refusing to insure  
2 solely because the insured or applicant is a  
3 public official;

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