

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

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Representatives Benson and Brown offered the following:

Amendment (with amendment)

Between lines 22 and 23, insert:

Section 1. 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 2. Subsection (2) of section 624.303, Florida Statutes, is amended to read:

624.303 Seal; certified copies as evidence.--

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

29 Section 3. Paragraph (a) of subsection (2) of section
30 624.313, Florida Statutes, is amended to read:

31 624.313 Publications.--

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

34 (a) As needed, questions and answers for the use of
35 persons applying for an examination for licensing as agents ~~or~~
36 ~~solicitors~~ for property, casualty, surety, health, and
37 miscellaneous insurers.

38 Section 4. Subsection (2) of section 624.317, Florida
39 Statutes, is amended to read:

40 624.317 Investigation of agents, adjusters,
41 administrators, service companies, and others.--If it has reason
42 to believe that any person has violated or is violating any
43 provision of this code, or upon the written complaint signed by
44 any interested person indicating that any such violation may
45 exist, the department shall conduct such investigation as it
46 deems necessary of the accounts, records, documents, and
47 transactions pertaining to or affecting the insurance affairs of
48 any:

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

51 Section 5. Section 624.34, Florida Statutes, is amended to
52 read:

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53 624.34 Authority of Department of Law Enforcement to
54 accept fingerprints of, and exchange criminal history records
55 with respect to, certain persons.--

56 (1) The Department of Law Enforcement may accept
57 fingerprints of organizers, incorporators, subscribers,
58 officers, stockholders, directors, or any other persons
59 involved, directly or indirectly, in the organization,
60 operation, or management of:

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

63 (b) Any other entity which is examined or investigated or
64 which is eligible to be examined or investigated under the
65 provisions of the Florida Insurance Code.

66 (2) The Department of Law Enforcement may accept
67 fingerprints of individuals who apply for a license as an agent,
68 customer representative, adjuster, service representative, or
69 managing general agent or the fingerprints of the majority
70 owner, sole proprietor, partners, officers, and directors of a
71 corporation or other legal entity that applies for licensure
72 with the department under the provisions of the Florida
73 Insurance Code.

74 (3) The Department of Law Enforcement may, to the extent
75 provided for by federal law, exchange state, multistate, and
76 federal criminal history records with the department and the
77 office for the purpose of the issuance, denial, suspension, or
78 revocation of a certificate of authority, certification, or
79 license to operate in this state.

80 (4) The Department of Law Enforcement may accept
81 fingerprints of any other person required by statute or rule to

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82 submit fingerprints to the department or office or any applicant
83 or licensee regulated by the department or office who is
84 required to demonstrate that he or she has not been convicted of
85 or pled guilty or nolo contendere to a felony or a misdemeanor.

86 (5) The Department of Law Enforcement shall, upon receipt
87 of fingerprints from the department or office, submit the
88 fingerprints to the Federal Bureau of Investigation to check
89 federal criminal history records.

90 (6) Statewide criminal records obtained through the
91 Department of Law Enforcement, federal criminal records obtained
92 through the Federal Bureau of Investigation, and local criminal
93 records obtained through local law enforcement agencies shall be
94 used by the department and office for the purpose of issuance,
95 denial, suspension, or revocation of certificates of authority,
96 certifications, or licenses issued to operate in this state.

97 Section 6. Paragraph (b) of subsection (6) of section
98 624.501, Florida Statutes, is amended, and subsection (28) is
99 added to that section, to read:

100 624.501 Filing, license, appointment, and miscellaneous
101 fees.--The department shall collect in advance, and persons so
102 served shall pay to it in advance, fees, licenses, and
103 miscellaneous charges as follows:

104 (6) Insurance representatives, property, marine, casualty,
105 and surety insurance.

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

108 Appointment fee....\$42.00

109 State tax....12.00

110 County tax....6.00

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111 Total....\$60.00

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

115 Section 7. Section 624.504, Florida Statutes, is amended
116 to read:

117 624.504 Liability for state, county tax.--

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

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

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

126 624.506 County tax; deposit and remittance.--

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

133 Section 9. Subsection (1) of section 624.521, Florida
134 Statutes, is amended to read:

135 624.521 Deposit of certain tax receipts; refund of
136 improper payments.--

137 (1) The Department of Insurance shall promptly deposit in
138 the State Treasury to the credit of the Insurance Commissioner's
139 Regulatory Trust Fund all "state tax" portions of agents' ~~and~~

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140 ~~solicitors'~~ licenses collected under s. 624.501 necessary to
141 fund the Division of Insurance Fraud. The balance of the tax
142 shall be credited to the General Fund. All moneys received by
143 the Department of Insurance not in accordance with the
144 provisions of this code or not in the exact amount as specified
145 by the applicable provisions of this code shall be returned to
146 the remitter. The records of the department shall show the date
147 and reason for such return.

148 Section 10. Section 626.015, Florida Statutes, is amended
149 to read:

150 626.015 Definitions.--As used in this part:

151 (1) "Adjuster" means a public adjuster as defined in s.
152 626.854, independent adjuster as defined in s. 626.855, or
153 company employee adjuster as defined in s. 626.856.

154 ~~(2) "Administrative agent" means a life agent or health
155 agent who:~~

156 ~~— (a) Is employed by a full-time licensed life agent or
157 health agent who shall supervise and be accountable for the
158 actions of the administrative agent.~~

159 ~~— (b) Performs primarily administrative functions.~~

160 ~~— (c) Receives no insurance commissions.~~

161 ~~— (d) Does not solicit or transact business outside of the
162 confines of an insurance agency office.~~

163 ~~(2)(3)~~ "Agent" means a general lines agent, life agent,
164 health agent, or title agent, or all such agents, as indicated
165 by context. The term "agent" includes an insurance producer or
166 producer, but does not include a customer representative,
167 limited customer representative, or service representative.

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168 ~~(3)~~~~(4)~~ "Appointment" means the authority given by an
169 insurer or employer to a licensee to transact insurance or
170 adjust claims on behalf of an insurer or employer.

171 ~~(4)~~~~(5)~~ "Customer representative" means an individual
172 appointed by a general lines agent or agency to assist that
173 agent or agency in transacting the business of insurance from
174 the office of that agent or agency.

175 ~~(5)~~~~(6)~~ "Department" means the Department of Insurance.

176 ~~(6)~~~~(7)~~ "General lines agent" means an agent transacting
177 any one or more of the following kinds of insurance:

178 (a) Property insurance.

179 (b) Casualty insurance, including commercial liability
180 insurance underwritten by a risk retention group, a commercial
181 self-insurance fund as defined in s. 624.462, or a workers'
182 compensation self-insurance fund established pursuant to s.
183 624.4621.

184 (c) Surety insurance.

185 (d) Health insurance, when transacted by an insurer also
186 represented by the same agent as to property or casualty or
187 surety insurance.

188 (e) Marine insurance.

189 ~~(7)~~~~(8)~~ "Health agent" means an agent representing a health
190 maintenance organization or, as to health insurance only, an
191 insurer transacting health insurance.

192 ~~(8)~~~~(9)~~ "Home state" means the District of Columbia and any
193 state or territory of the United States in which an insurance
194 agent maintains his or her principal place of residence and is
195 licensed to act as an insurance agent.

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196 ~~(9)(10)~~ "Insurance agency" means a business location at
197 which an individual, firm, partnership, corporation,
198 association, or other entity, other than an employee of the
199 individual, firm, partnership, corporation, association, or
200 other entity and other than an insurer as defined by s. 624.03
201 or an adjuster as defined by subsection (1), engages in any
202 activity or employs individuals to engage in any activity which
203 by law may be performed only by a licensed insurance agent.

204 ~~(10)(11)~~ "License" means a document issued by the
205 department authorizing a person to be appointed to transact
206 insurance or adjust claims for the kind, line, or class of
207 insurance identified in the document.

208 ~~(11)(12)~~ "Life agent" means an individual representing an
209 insurer as to life insurance and annuity contracts, including
210 agents appointed to transact life insurance, fixed-dollar
211 annuity contracts, or variable contracts by the same insurer.

212 ~~(12)(13)~~ "Limited customer representative" means a
213 customer representative appointed by a general lines agent or
214 agency to assist that agent or agency in transacting only the
215 business of private passenger motor vehicle insurance from the
216 office of that agent or agency. A limited customer
217 representative is subject to the Florida Insurance Code in the
218 same manner as a customer representative, unless otherwise
219 specified.

220 ~~(13)(14)~~ "Limited lines insurance" means those categories
221 of business specified in ss. 626.321 and 635.011.

222 ~~(14)(15)~~ "Line of authority" means a kind, line, or class
223 of insurance an agent is authorized to transact.

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224 ~~(15)~~(16)(a) "Managing general agent" means any person
225 managing all or part of the insurance business of an insurer,
226 including the management of a separate division, department, or
227 underwriting office, and acting as an agent for that insurer,
228 whether known as a managing general agent, manager, or other
229 similar term, who, with or without authority, separately or
230 together with affiliates, produces directly or indirectly, or
231 underwrites an amount of gross direct written premium equal to
232 or more than 5 percent of the policyholder surplus as reported
233 in the last annual statement of the insurer in any single
234 quarter or year and also does one or more of the following:

- 235 1. Adjusts or pays claims.
236 2. Negotiates reinsurance on behalf of the insurer.

237 (b) The following persons shall not be considered managing
238 general agents:

- 239 1. An employee of the insurer.
240 2. A United States manager of the United States branch of
241 an alien insurer.
242 3. An underwriting manager managing all the insurance
243 operations of the insurer pursuant to a contract, who is under
244 the common control of the insurer subject to regulation under
245 ss. 628.801-628.803, and whose compensation is not based on the
246 volume of premiums written.
247 4. Administrators as defined by s. 626.88.
248 5. The attorney in fact authorized by and acting for the
249 subscribers of a reciprocal insurer under powers of attorney.

250 ~~(16)~~(17) "Resident" means an individual domiciled and
251 residing in this state.

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252 (17)~~(18)~~ "Service representative" means an individual
253 employed by an insurer or managing general agent for the purpose
254 of assisting a general lines agent in negotiating and effecting
255 insurance contracts when accompanied by a licensed general lines
256 agent. A service representative shall not be simultaneously
257 licensed as a general lines agent in this state. This subsection
258 does not apply to life insurance.

259 (18)~~(19)~~ "Uniform application" means the uniform
260 application of the National Association of Insurance
261 Commissioners for nonresident agent licensing, effective January
262 15, 2001, or subsequent versions adopted by rule by the
263 department.

264 Section 11. Subsection (1) of section 626.022, Florida
265 Statutes, is amended to read:

266 626.022 Scope of part.--

267 (1) This part applies as to insurance agents, ~~solicitors,~~
268 service representatives, adjusters, and insurance agencies; as
269 to any and all kinds of insurance; and as to stock insurers,
270 mutual insurers, reciprocal insurers, and all other types of
271 insurers, except that:

272 (a) It does not apply as to reinsurance, except that ss.
273 626.011-626.031, ss. 626.102-626.181, ss. 626.191-626.211, ss.
274 626.291-626.301, s. 626.331, ss. 626.342-626.521, ss. 626.541-
275 626.591, and ss. 626.601-626.711 shall apply as to reinsurance
276 intermediaries as defined in s. 626.7492.

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

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

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281 (d) This part does not apply to a certified public
282 accountant licensed under chapter 473 who is acting within the
283 scope of the practice of public accounting, as defined in s.
284 473.302, provided that the activities of the certified public
285 accountant are limited to advising a client of the necessity of
286 obtaining insurance, the amount of insurance needed, or the line
287 of coverage needed, and provided that the certified public
288 accountant does not directly or indirectly receive or share in
289 any commission ~~or~~ referral fee, ~~or solicitor's fee~~.

290 Section 12. Paragraph (a) of subsection (7) of section
291 626.112, Florida Statutes, is amended to read:

292 626.112 License and appointment required; agents, customer
293 representatives, adjusters, insurance agencies, service
294 representatives, managing general agents.--

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

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

305 626.171 Application for license.--

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

307 (a) His or her full name, age, social security number,
308 residence address, ~~and place of business~~ address, and mailing
309 address.

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310 (5) An application for a license as an agent, customer
311 representative, adjuster, insurance agency, service
312 representative, managing general agent, or reinsurance
313 intermediary must be accompanied by a set of the individual
314 applicant's fingerprints, or, if the applicant is not an
315 individual, by a set of the fingerprints of the sole proprietor,
316 majority owner, partners, officers, and directors, on a form
317 adopted by rule of the department and accompanied by the
318 fingerprint processing fee set forth in s. 624.501. Fingerprints
319 shall be used to investigate the applicant's qualifications
320 pursuant to s. 626.201. The fingerprints shall be taken
321 certified by a law enforcement agency or other department-
322 approved entity officer.

323 Section 14. Subsection (1) of section 626.175, Florida
324 Statutes, is amended to read:

325 626.175 Temporary licensing.--

326 (1) The department may issue a nonrenewable temporary
327 license for a period not to exceed 6 months authorizing
328 appointment of a general lines insurance agent or a life agent,
329 or an industrial fire or burglary agent, subject to the
330 conditions described in this section. The fees paid for a
331 temporary license and appointment shall be as specified in s.
332 624.501. Fees paid shall not be refunded after a temporary
333 license has been issued.

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

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

336 2. A United States citizen or legal alien who possesses
337 work authorization from the United States Immigration and
338 Naturalization Service.

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339 ~~(b)(a)~~1. In the case of a general lines agent, the
340 department may issue a temporary license to an employee, a
341 family member, a business associate, or a personal
342 representative of a licensed general lines agent for the purpose
343 of continuing or winding up the business affairs of the agent or
344 agency in the event the licensed agent has died or become unable
345 to perform his or her duties because of military service or
346 illness or other physical or mental disability, subject to the
347 following conditions:

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

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

353 c. Application for the temporary license shall have been
354 made by the applicant upon statements and affidavit filed with
355 the department on forms prescribed and furnished by the
356 department.

357 d. Under a temporary license and appointment, the licensee
358 shall not represent any insurer not last represented by the
359 agent being replaced and shall not be licensed or appointed as
360 to any additional kind, line, or class of insurance other than
361 those covered by the last existing agency appointments of the
362 replaced agent. If an insurer withdraws from the agency during
363 the temporary license period, the temporary licensee may be
364 appointed by another similar insurer but only for the period
365 remaining under the temporary license.

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366 2. A regular general lines agent license may be issued to
367 a temporary licensee upon meeting the qualifications for a
368 general lines agent license under s. 626.731.

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

371 1. To the executor or administrator of the estate of a
372 deceased individual licensed and appointed as a life agent at
373 the time of death;

374 2. To a surviving next of kin of the deceased individual,
375 if no administrator or executor has been appointed and
376 qualified; however, any license and appointment under this
377 subparagraph shall be canceled upon issuance of a license to an
378 executor or administrator under subparagraph 1.; or

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

386 ~~(d)~~~~(e)~~ In the case of a limited license authorizing
387 appointment as an industrial fire or burglary agent, the
388 department may issue a temporary license to an individual
389 otherwise qualified to be licensed as an agent who has completed
390 the educational or training requirements prescribed in s.
391 626.732 and has successfully sat for the required examination
392 prior to termination of the 6-month period.

393 Section 15. Section 626.202, Florida Statutes, is amended
394 to read:

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395 626.202 Fingerprinting requirements.--If there is a change
396 in ownership or control of any entity licensed under this
397 chapter, or if a new partner, officer, or director is employed
398 or appointed, a set of fingerprints of the new owner, partner,
399 officer, or director must be filed with the department within 30
400 days after the change. The acquisition of 10 percent or more of
401 the voting securities of a licensed entity is considered a
402 change of ownership or control. The fingerprints must be taken
403 ~~certified~~ by a law enforcement agency or other department-
404 approved entity officer and be accompanied by the fingerprint
405 processing fee in s. 624.501.

406 Section 16. Section 626.201, Florida Statutes, is amended
407 to read:

408 626.201 Investigation.--

409 (1) The department may propound any reasonable
410 interrogatories in addition to those contained in the
411 application, to any applicant for license or appointment, or on
412 any renewal, reinstatement, or continuation thereof, relating to
413 his or her qualifications, residence, prospective place of
414 business, and any other matter which, in the opinion of the
415 department, is deemed necessary or advisable for the protection
416 of the public and to ascertain the applicant's qualifications.

417 (2) The department may, upon completion of the
418 application, make such further investigation as it may deem
419 advisable of the applicant's character, experience, background,
420 and fitness for the license or appointment. Such an inquiry or
421 investigation shall be in addition to any examination required
422 to be taken by the applicant as hereinafter in this chapter
423 provided.

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424 (3) An inquiry or investigation of the applicant's
425 qualifications, character, experience, background, and fitness
426 must include submission of the applicant's fingerprints to the
427 Department of Law Enforcement and the Federal Bureau of
428 Investigation and consideration of any state criminal records,
429 federal criminal records, or local criminal records obtained
430 from these agencies or from local law enforcement agencies.

431 Section 17. Paragraphs (e), (f), (g), and (k) of
432 subsection (2) of section 626.221, Florida Statutes, are amended
433 to read:

434 626.221 Examination requirement; exemptions.--

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

437 (e) An individual who qualified as a managing general
438 agent, service representative, customer representative, or all-
439 lines adjuster by passing a general lines agent's examination
440 and subsequently was licensed and appointed and has been
441 actively engaged in all lines of property and casualty insurance
442 may, upon filing an application for appointment, be licensed and
443 appointed as a general lines agent for the same kinds of
444 business without taking another examination if he or she holds
445 any such currently effective license referred to in this
446 paragraph or held the license within ~~48~~ 24 months prior to the
447 date of filing the application with the department.

448 (f) A person who has been licensed and appointed by the
449 department as a public adjuster or independent adjuster, or
450 licensed and appointed either as an agent or company adjuster as
451 to all property, casualty, and surety insurances, may be
452 licensed and appointed as a company adjuster as to any of such

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453 insurances, or as an independent adjuster or public adjuster,
454 without additional written examination if an application for
455 appointment is filed with the department within 48 ~~24~~ months
456 following the date of cancellation or expiration of the prior
457 appointment.

458 (g) A person who has been licensed by the department as an
459 adjuster for motor vehicle, property and casualty, workers'
460 compensation, and health insurance may be licensed as such an
461 adjuster without additional written examination if his or her
462 application for appointment is filed with the department within
463 48 ~~24~~ months after cancellation or expiration of the prior
464 license.

465 (k) An applicant for license as a customer representative
466 who has the designation of Accredited Advisor in Insurance (AAI)
467 from the Insurance Institute of America, the designation of
468 Certified Insurance Counselor (CIC) from the Society of
469 Certified Insurance Service Counselors, the designation of
470 Accredited Customer Service Representative (ACSR) from the
471 Independent Insurance Agents of America, the designation of
472 Certified Professional Service Representative (CPSR) from the
473 National Foundation for Certified Professional Service
474 Representatives Association of Professional Insurance Agents,
475 the designation of Certified Insurance Service Representative
476 (CISR) from the Society of Certified Insurance Service
477 Representatives. Also, an applicant for license as a customer
478 representative who has the designation of Certified Customer
479 Service Representative (CCSR) from the Florida Association of
480 Insurance Agents, or the designation of Registered Customer
481 Service Representative (RCSR) from a regionally accredited

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482 postsecondary institution in this state, or the designation of
483 Professional Customer Service Representative (PCSR) from the
484 Professional Career Institute, whose curriculum has been
485 approved by the department and whose curriculum includes
486 comprehensive analysis of basic property and casualty lines of
487 insurance and testing at least equal to that of standard
488 department testing for the customer representative license. The
489 department shall adopt rules establishing standards for the
490 approval of curriculum.

491 Section 18. Paragraphs (a), (c), and (d) of subsection
492 (3), paragraphs (a), (b), (c), (d),(g), (h), and (i) of
493 subsection (4), and paragraph (b) of subsection (6) of section
494 626.2815, Florida Statutes, are amended to read:

495 626.2815 Continuing education required; application;
496 exceptions; requirements; penalties.--

497 (3)(a) Each person subject to the provisions of this
498 section must, except as set forth in paragraphs (b) and (c),
499 complete a minimum of 24 ~~28~~ hours of continuing education
500 courses every 2 years in basic or higher-level courses
501 prescribed by this section or in other courses approved by the
502 department. Each person subject to the provisions of this
503 section must complete, as part of his or her ~~their~~ required
504 number of continuing education hours, 3 hours of continuing
505 education, approved by the department, every 2 years on the
506 subject matter of ethics and a minimum of 2 hours of continuing
507 education, approved by the department, every 2 years on the
508 subject matter of unauthorized entities engaging in the business
509 of insurance. The scope of the topic of unauthorized entities
510 shall include the Florida Nonprofit Multiple Employer Welfare

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511 Arrangement Act and the Employee Retirement Income Security Act,
512 29 U.S.C. ss. 1001 et seq., as it relates to the provision of
513 health insurance by employers to their employees and the
514 regulation thereof.

515 (c) A licensee who has been licensed for 25 years or more
516 and is a CLU or a CPCU or has a Bachelor of Science degree in
517 risk management or insurance with evidence of 18 or more
518 semester hours in upper-level insurance-related courses must
519 complete 12 ~~14~~ hours of continuing education courses every 2
520 years in courses prescribed by this section or in other courses
521 approved by the department, except, for compliance periods
522 beginning January 1, 1998, the licensees described in this
523 paragraph shall be required to complete 10 hours of continuing
524 education courses every 2 years.

525 (d) Any person who holds a license as a customer
526 representative, limited customer representative, ~~administrative~~
527 ~~agent~~, title agent, motor vehicle physical damage and mechanical
528 breakdown insurance agent, crop or hail and multiple-peril crop
529 insurance agent, or as an industrial fire insurance or burglary
530 insurance agent and who is not a licensed life or health
531 insurance agent, shall be required to complete 12 ~~14~~ hours of
532 continuing education courses every 2 years, except, for
533 compliance periods beginning on January 1, 1998, each licensee
534 subject to this paragraph shall be required to complete 10 hours
535 of continuing education courses every 2 years.

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

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

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

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

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

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

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

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

556 (6)

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

558 1. Seven members representing agents of which at least one
559 must be a representative from each of the following
560 organizations: the Florida Association of Insurance Agents; the
561 Florida Association of Insurance and Financial Advisors Life
562 ~~Underwriters~~; the Professional Insurance Agents of Florida,
563 Inc.; the Florida Association of Health Underwriters; the
564 Specialty Agents' Association; the Latin American Agents'
565 Association; and the National Association of Insurance Women.
566 Such board members must possess at least a bachelor's degree or
567 higher from an accredited college or university with major
568 coursework in insurance, risk management, or education or

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569 possess the designation of CLU, CPCU, CHFC, CFP, AAI, or CIC. In
570 addition, each member must possess 5 years of classroom
571 instruction experience or 5 years of experience in the
572 development or design of educational programs or 10 years of
573 experience as a licensed resident agent. Each organization may
574 submit to the department a list of recommendations for
575 appointment. If one organization does not submit a list of
576 recommendations, the Insurance Commissioner may select more than
577 one recommended person from a list submitted by other eligible
578 organizations.

579 2. Two members representing insurance companies at least
580 one of whom must represent a Florida Domestic Company and one of
581 whom must represent the Florida Insurance Council. Such board
582 members must be employed within the training department of the
583 insurance company. At least one such member must be a member of
584 the Society of Insurance Trainers and Educators.

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

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

592 Section 19. Section 626.2816, Florida Statutes, is amended
593 to read:

594 626.2816 Regulation of continuing education for licensees,
595 course providers, instructors, school officials, and monitor
596 groups.--

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597 (1) Continuing education course providers, instructors,
598 school officials, and monitor groups must be approved by the
599 department before offering continuing education courses pursuant
600 to s. 626.2815 or s. 626.869.

601 (2) The department shall adopt rules establishing
602 standards for the approval, regulation, and operation of the
603 continuing education programs and for the discipline of
604 licensees, course providers, instructors, school officials, and
605 monitor groups. The standards must be designed to ensure that
606 such course providers, instructors, school officials, and
607 monitor groups have the knowledge, competence, and integrity to
608 fulfill the educational objectives of ss. 626.2815, 626.869(5),
609 648.385, and 648.386.

610 (3) The department shall adopt rules establishing a
611 process by which compliance with the continuing education
612 requirements of ss. 626.2815, 626.869(5), 648.385, and 648.386
613 can be determined, the establishment of a continuing education
614 compliance period requirement ~~requirement cycle~~ for licensees, and forms
615 necessary to implement such a process.

616 Section 20. Subsection (3) of section 626.2817, Florida
617 Statutes, is amended to read:

618 626.2817 Regulation of course providers, instructors,
619 school officials, and monitor groups involved in prelicensure
620 education for insurance agents and other licensees.--

621 (3) The department shall adopt rules to establish a
622 process for determining compliance with the prelicensure
623 requirements of this chapter and chapter 648 ~~and shall establish~~
624 ~~a prelicensure cycle for insurance agents and other licensees.~~

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625 The department shall adopt rules prescribing the forms necessary
626 to administer the prelicensure requirements.

627 Section 21. Subsections (5) and (6) are added to section
628 626.311, Florida Statutes, to read:

629 626.311 Scope of license.--

630 (5) At any time while a license is in force, an insurer
631 may apply to the department on behalf of the licensee for an
632 appointment. Upon receipt of the appointment application and
633 appointment taxes and fees, the department may issue the
634 additional appointment without further investigation concerning
635 the applicant.

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

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

641 626.321 Limited licenses.--

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

646 (a) Motor vehicle physical damage and mechanical breakdown
647 insurance.--License covering insurance against only the loss of
648 or damage to any motor vehicle which is designed for use upon a
649 highway, including trailers and semitrailers designed for use
650 with such vehicles. Such license also covers insurance against
651 the failure of an original or replacement part to perform any
652 function for which it was designed. The applicant for such a
653 license shall pass a written examination covering motor vehicle

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654 physical damage insurance and mechanical breakdown insurance.
655 No individual while so licensed shall hold a license as an agent
656 ~~or solicitor~~ as to any other or additional kind or class of
657 insurance coverage except as to a limited license for credit
658 life and disability insurances as provided in paragraph(e).

659 (e) Credit life or disability insurance.--License covering
660 only credit life or disability insurance. The license may be
661 issued only to an individual employed by a life or health
662 insurer as an officer or other salaried or commissioned
663 representative, to an individual employed by or associated with
664 a lending or financial institution or creditor, or to a lending
665 or financial institution or creditor, and may authorize the sale
666 of such insurance only with respect to borrowers or debtors of
667 such lending or financing institution or creditor. However,
668 only the individual or entity whose tax identification number is
669 used in receiving or is credited with receiving the commission
670 from the sale of such insurance shall be the licensed agent of
671 the insurer. No individual while so licensed shall hold a
672 license as an agent ~~or solicitor~~ as to any other or additional
673 kind or class of life or health insurance coverage. An entity
674 holding a limited license under this paragraph is also
675 authorized to sell credit insurance and credit property
676 insurance. ~~An entity applying for a license under this section:~~
677 ~~1. Is required to submit only one application for a~~
678 ~~license under s. 626.171. The requirements of s. 626.171(5)~~
679 ~~shall only apply to the officers and directors of the entity~~
680 ~~submitting the application.~~
681 ~~2. Is required to obtain a license for each office, branch~~
682 ~~office, or place of business making use of the entity's business~~

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683 ~~name by applying to the department for the license on a~~
684 ~~simplified form developed by rule of the department for this~~
685 ~~purpose.~~

686 ~~3. Is not required to pay any additional application fees~~
687 ~~for a license issued to the offices or places of business~~
688 ~~referenced in subsection(2), but is required to pay the license~~
689 ~~fee as prescribed in s. 624.501, be appointed under s. 626.112,~~
690 ~~and pay the prescribed appointment fee under s. 624.501. The~~
691 ~~license obtained under this paragraph shall be posted at the~~
692 ~~business location for which it was issued so as to be readily~~
693 ~~visible to prospective purchasers of such coverage.~~

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

696 (a) Submit only one application for a license under s.
697 626.171. The requirements of s. 626.171(5) shall only apply to
698 the officers and directors of the entity submitting the
699 application.

700 (b) Obtain a license for each office, branch office, or
701 place of business making use of the entity's business name by
702 applying to the department for the license on a simplified
703 application form developed by rule of the department for this
704 purpose.

705 (c) Pay the applicable fees for a license as prescribed in
706 s. 624.501, be appointed under s. 626.112, and pay the
707 prescribed appointment fee under s. 624.501. A licensed and
708 appointed entity shall be directly responsible and accountable
709 for all acts of the licensee's employees.

710 (3)-(2) The limitations of any license issued under this
711 section shall be expressed therein. The licensee shall have a

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712 separate and additional appointment as to each insurer
713 represented.

714 ~~(4)(3)~~ Except as otherwise expressly provided, an
715 individual applying for or holding a limited license shall be
716 subject to the same applicable requirements and responsibilities
717 as apply to general lines agents in general, if licensed as to
718 motor vehicle physical damage and mechanical breakdown
719 insurance, credit property insurance, industrial fire insurance
720 or burglary insurance, in-transit and storage personal property
721 insurance, communications equipment property insurance or
722 communications equipment inland marine insurance, baggage and
723 motor vehicle excess liability insurance, or credit insurance;
724 or as apply to life agents or health agents in general, as the
725 case may be, if licensed as to personal accident insurance or
726 credit life or credit disability insurance.

727 Section 23. Section 626.322, Florida Statutes, is amended
728 to read:

729 626.322 License, appointment; certain military
730 installations.--A natural person, not a resident of this state,
731 may be licensed and appointed to represent an authorized life
732 insurer domiciled in this state or an authorized foreign life
733 insurer which maintains a regional home office in this state,
734 provided such person represents such insurer exclusively at a
735 United States military installation located in a foreign
736 country. The department may, upon request of the applicant and
737 the insurer on application forms furnished by the department and
738 upon payment of fees as prescribed in s. 624.501, issue a
739 license and appointment to such person. By authorizing the
740 effectuation of an appointment for a license, the insurer is

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741 thereby certifying ~~shall certify~~ to the department that the
742 applicant has the necessary training to hold himself or herself
743 out as a life insurance representative, and the insurer shall
744 further certify that it is willing to be bound by the acts of
745 such applicant within the scope of his or her employment.
746 Appointments shall be continued as prescribed in s. 626.381 and
747 upon payment of a fee as prescribed in s. 624.501, unless sooner
748 terminated. Such fees received shall be credited to the
749 Insurance Commissioner's Regulatory Trust Fund as provided for
750 in s. 624.523.

751 Section 24. Section 626.341, Florida Statutes, is amended
752 to read:

753 626.341 Additional appointments; general lines, life, and
754 health agents.--

755 (1) At any time while a licensee's license is in force, an
756 insurer may apply to the department or person designated by the
757 department to administer the appointment process on behalf of a
758 licensee for an additional appointment as general lines agent or
759 life or health agent for an additional insurer or insurers. The
760 application for appointment shall set forth all information the
761 department may require. Upon receipt of the appointment and
762 payment of the applicable appointment taxes and fees, the
763 department may issue the additional appointment without, in its
764 discretion, further investigation concerning the applicant.

765 (2) A life or health agent with an appointment in force
766 may solicit applications for policies of insurance on behalf of
767 an insurer with respect to which he or she is not an appointed
768 life or health agent, unless otherwise provided by contract, if
769 such agent simultaneously with the submission to such insurer of

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770 the application for insurance solicited by him or her requests
771 the insurer to appoint him or her as agent. However, no
772 commissions shall be paid by such insurer to the agent until
773 such time as an additional appointment with respect to such
774 insurer has been received by the department or person designated
775 by the department to administer the appointment process pursuant
776 to the provisions of subsection (1).

777 Section 25. Section 626.371, Florida Statutes, is amended
778 to read:

779 626.371 Payment of fees, taxes for appointment period
780 without appointment.--

781 (1) All initial appointments shall be submitted to the
782 department on a monthly basis no later than 45 days after the
783 date of appointment and become effective on the date requested
784 on the appointment form.

785 (2) If, upon application and qualification for an initial
786 or renewal appointment and such investigation as the department
787 may make, it appears to the department that an individual who
788 was formerly licensed or is currently licensed but not properly
789 appointed to represent an insurer or employer and who has been
790 actively engaged or is currently actively engaged as such an
791 appointee, but without being appointed as required, the
792 department may, if it finds that such failure to be appointed
793 was an inadvertent error on the part of the insurer or employer
794 so represented, nevertheless issue or authorize the issuance of
795 the appointment as applied for but subject to the condition
796 that, before the appointment is issued, all fees and taxes which
797 would have been due had the applicant been so appointed during
798 such current and prior periods, ~~together~~ with applicable fees

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799 pursuant to s. 624.501 ~~a continuation fee~~ for such current and
800 prior periods ~~terms~~ of appointment, shall be paid to the
801 department.

802 (3)(a) Failure to notify the department within the
803 required time period shall result in the appointing entity being
804 assessed a delinquent fee of \$250 per appointee. Delinquent fees
805 shall be paid by the appointing entity and may not be charged to
806 the appointee.

807 (b) Failure to timely renew an appointment by an
808 appointing entity prior to the expiration date of the
809 appointment shall result in the appointing entity being assessed
810 late filing, continuation, and reinstatement fees as prescribed
811 in s. 624.501. Such fees must be paid by the appointing entity
812 and cannot be charged back to the appointee.

813 Section 26. Subsections (3) and (4) of section 626.381,
814 Florida Statutes, are amended and a new subsection (7) is added
815 to that section to read:

816 626.381 Renewal, continuation, reinstatement, or
817 termination of appointment.--

818 (3) Renewal of an appointment which is received ~~on a date~~
819 ~~set forth~~ by the department or person designated by the
820 department to administer the appointment process prior to the
821 expiration of an appointment in the licensee's birth month or
822 license issue date, whichever applies, in the succeeding month
823 may be renewed by the department without penalty and shall be
824 effective as of the first day of the month succeeding the month
825 in which the appointment would have expired.

826 (4) Renewal of an appointment which is received by the
827 department or person designated by the department to administer

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828 the appointment process after the renewal date ~~set by the~~
829 ~~department~~ may be accepted and effectuated by the department in
830 its discretion if the an additional appointment, late filing,
831 continuation, and reinstatement fee accompanies the renewal
832 request pursuant to s. 624.501. Late filing fees shall be paid
833 by the appointing entity and may not be charged to the
834 appointee.

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

837 Section 27. Subsections (1), (2), and (3) of section
838 626.451, Florida Statutes, are amended, and subsection (7) is
839 added to that section, to read:

840 626.451 Appointment of agent or other representative.--

841 (1) Each appointing entity or person designated by the
842 department to administer the appointment process appointing an
843 agent, adjuster, service representative, customer
844 representative, or managing general agent in this state shall
845 file the appointment with the department and, at the same time,
846 pay the applicable appointment fee and taxes. Every appointment
847 shall be subject to the prior issuance of the appropriate
848 agent's, adjuster's, service representative's, customer
849 representative's, or managing general agent's license.

850 (2) By authorizing the effectuation of an appointment for
851 a licensee, the appointing entity is thereby certifying to the
852 department that an investigation of the licensee has been made
853 ~~As a part of each appointment there shall be a certified~~
854 ~~statement or affidavit of an appropriate officer or official of~~
855 ~~the appointing entity stating what investigation the appointing~~
856 ~~entity has made concerning the proposed appointee and his or her~~

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857 ~~background~~ and that in the appointing entity's opinion and to
858 the best of its knowledge and belief, the licensee is of good as
859 ~~to the~~ moral character and reputation, and is fit to engage in
860 the insurance business. The appointing entity shall provide to
861 the department fitness, and reputation of the proposed appointee
862 ~~and~~ any other information the department may reasonably require
863 relative to the proposed appointee.

864 (3) By authorizing the effectuation of ~~In~~ the appointment
865 of an agent, adjuster, service representative, customer
866 representative, or managing general agent the appointing entity
867 is thereby certifying to the department ~~shall also certify~~
868 ~~therein~~ that it is willing to be bound by the acts of the agent,
869 adjuster, service representative, customer representative, or
870 managing general agent, within the scope of the licensee's ~~his~~
871 ~~or her~~ employment.

872 (7) Each licensee shall advise the department in writing
873 within 30 days after having been found guilty of or having
874 pleaded guilty or nolo contendere to a felony or a crime
875 punishable by imprisonment of 1 year or more under the laws of
876 the United States, any state of the United States, or any other
877 country, without regard to whether a judgment of conviction has
878 been entered by the court having jurisdiction of such cases.

879 Section 28. Section 626.461, Florida Statutes, is amended
880 to read:

881 626.461 Continuation of appointment of agent or other
882 representative.--Subject to renewal or continuation by the
883 appointing entity, the appointment of the agent, adjuster,
884 ~~solicitor,~~ service representative, customer representative, or
885 managing general agent shall continue in effect until the

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886 person's license is revoked or otherwise terminated, unless
887 written notice of earlier termination of the appointment is
888 filed with the department or person designated by the department
889 to administer the appointment process by either the appointing
890 entity or the appointee.

891 Section 29. Subsections (4) and (5) of section 626.471,
892 Florida Statutes, are amended to read:

893 626.471 Termination of appointment.--

894 (4) An appointee may terminate the appointment at any time
895 by giving written or electronic notice thereof to the appointing
896 entity, ~~and filing a copy of the notice with the department, or~~
897 person designated by the department to administer the
898 appointment process. The department shall immediately terminate
899 the appointment and notify the appointing entity of such
900 termination. Such termination shall be subject to the
901 appointee's contract rights, if any.

902 (5) Upon receiving notice of termination, the department
903 or person designated by the department to administer the
904 appointment process shall terminate the appointment.

905 Section 30. Subsection (5) of section 626.601, Florida
906 Statutes, is amended to read:

907 626.601 Improper conduct; inquiry; fingerprinting.--

908 (5) If the department, after investigation, has reason to
909 believe that a licensee may have been found guilty of or pleaded
910 guilty or nolo contendere to a felony or a crime related to the
911 business of insurance in this or any other state or
912 jurisdiction, the department may require the licensee to file
913 with the department a complete set of his or her fingerprints,
914 which shall be accompanied by the fingerprint processing fee set

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915 forth in s. 624.501. The fingerprints shall be taken certified
916 by an authorized law enforcement agency or other department-
917 approved entity officer.

918 Section 31. Paragraph (b) of subsection (1) of section
919 626.731, Florida Statutes, is amended to read:

920 626.731 Qualifications for general lines agent's license.-
921 -

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

926 (b) The applicant is a United States citizen or legal
927 alien who possesses work authorization from the United States
928 Immigration and Naturalization Service and is a bona fide
929 resident of this state. An individual who is a bona fide
930 resident of this state shall be deemed to meet the residence
931 requirement of this paragraph, notwithstanding the existence at
932 the time of application for license of a license in his or her
933 name on the records of another state as a resident licensee of
934 such other state, if the applicant furnishes a letter of
935 clearance satisfactory to the department that the resident
936 licenses have been canceled or changed to a nonresident basis
937 and that he or she is in good standing.

938 Section 32. Subsection (2) of section 626.7315, Florida
939 Statutes, is amended to read:

940 626.7315 Prohibition against the unlicensed transaction of
941 general lines insurance.--With respect to any line of authority
942 as defined in s. 626.015(7), no individual shall, unless
943 licensed as a general lines agent:

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944 (2) In this state, receive or issue a receipt for any
945 money on account of or for any insurer, or receive or issue a
946 receipt for money from other persons to be transmitted to any
947 insurer for a policy, contract, or certificate of insurance or
948 any renewal thereof, even though the policy, certificate, or
949 contract is not signed by him or her as agent or representative
950 of the insurer, except as provided in s. 626.0428(1);

951 Section 33. Paragraphs (a), (b), and (d) of subsection (1)
952 of section 626.732, Florida Statutes, are amended to read:

953 626.732 Requirement as to knowledge, experience, or
954 instruction.--

955 (1) Except as provided in subsection (3), no applicant for
956 a license as a general lines agent, except for a chartered
957 property and casualty underwriter(CPCU), other than as to a
958 limited license as to baggage and motor vehicle excess liability
959 insurance, credit property insurance, credit insurance, in-
960 transit and storage personal property insurance, or
961 communications equipment property insurance or communication
962 equipment inland marine insurance, shall be qualified or
963 licensed unless within the 4 years immediately preceding the
964 date the application for license is filed with the department
965 the applicant has:

966 (a) Taught or successfully completed classroom courses in
967 insurance, 3 hours of which shall be on the subject matter of
968 ethics, satisfactory to the department at a school, college, or
969 extension division thereof, approved by the department;

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

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973 accredited institutions of higher learning in this state and,
974 except if he or she is applying for a limited license under s.
975 626.321, has had at least 6 months of responsible insurance
976 duties as a substantially full-time bona fide employee in all
977 lines of property and casualty insurance set forth in the
978 definition of general lines agent under s. 626.015;

979 (d)1. Completed at least 1 year of responsible insurance
980 duties as a licensed and appointed customer representative or
981 limited customer representative in ~~either~~ commercial or personal
982 lines of property and casualty insurance and 40 hours of
983 classroom courses approved by the department covering the areas
984 of property, casualty, surety, health, and marine insurance; or

985 2. Completed at least 1 year of responsible insurance
986 duties as a licensed and appointed service representative in
987 either commercial or personal lines of property and casualty
988 insurance and 80 hours of classroom courses approved by the
989 department covering the areas of property, casualty, surety,
990 health, and marine insurance.

991 Section 34. Section 626.733, Florida Statutes, is amended
992 to read:

993 626.733 Agency firms and corporations; special
994 requirements.--If a sole proprietorship, partnership,
995 corporation, or association holds an agency contract, all
996 members thereof who solicit, negotiate, or effect insurance
997 contracts, and all officers and stockholders of the corporation
998 who solicit, negotiate, or effect insurance contracts, are
999 required to qualify and be licensed individually as agents,
1000 ~~solicitors~~, or customer representatives; and all of such agents
1001 must be individually appointed as to each property and casualty

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1002 insurer entering into an agency contract with such agency. Each
1003 such appointing insurer as soon as known to it shall comply with
1004 this section and shall determine and require that each agent so
1005 associated in or so connected with such agency is likewise
1006 appointed as to the same such insurer and for the same type and
1007 class of license. However, no insurer is required to comply with
1008 the provisions of this section if such insurer satisfactorily
1009 demonstrates to the department that the insurer has issued an
1010 aggregate net written premium, in an agency, in an amount of
1011 \$25,000 or less.

1012 Section 35. Paragraph (a) of subsection (2) and subsection
1013 (3) of section 626.7351, Florida Statutes, are amended to read:

1014 626.7351 Qualifications for customer representative's
1015 license.--The department shall not grant or issue a license as
1016 customer representative to any individual found by it to be
1017 untrustworthy or incompetent, or who does not meet each of the
1018 following qualifications:

1019 (2)(a) The applicant is a United States citizen or legal
1020 alien who possesses work authorization from the United States
1021 Immigration and Naturalization Service and is a bona fide
1022 resident of this state and will actually reside in the state at
1023 least 6 months out of the year. An individual who is a bona fide
1024 resident of this state shall be deemed to meet the residence
1025 requirements of this subsection, notwithstanding the existence
1026 at the time of application for license of a license in his or
1027 her name on the records of another state as a resident licensee
1028 of the other state, if the applicant furnishes a letter of
1029 clearance satisfactory to the department that the resident

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1030 licenses have been canceled or changed to a nonresident basis
1031 and that he or she is in good standing.

1032 (3) Within the 2 years next preceding the date the
1033 application for license was filed with the department, the
1034 applicant has completed a course in insurance, 3 hours of which
1035 shall be on the subject matter of ethics, approved by the
1036 department or has had at least 6 months' experience in
1037 responsible insurance duties as a substantially full-time
1038 employee. Courses must include instruction on the subject matter
1039 of unauthorized entities engaging in the business of insurance.
1040 The scope of the topic of unauthorized entities shall include
1041 the Florida Nonprofit Multiple-Employer Welfare Arrangement Act
1042 and the Employee Retirement Income Security Act, 29 U.S.C. ss.
1043 1001 et seq., as such acts relate to the provision of health
1044 insurance by employers and the regulation of such insurance.

1045 Section 36. Subsection (2) of section 626.7354, Florida
1046 Statutes, is amended to read:

1047 626.7354 Customer representative's powers; agent's or
1048 agency's responsibility.--

1049 (2) A customer representative may engage in transacting
1050 insurance with customers who have been solicited by any agent,
1051 ~~solicitor~~, or customer representative in the same agency, and
1052 may engage in transacting insurance with customers who have not
1053 been so solicited to the extent and under conditions that are
1054 otherwise consistent with this part and with the insurer's
1055 contract with the agent appointing him or her.

1056 Section 37. Paragraph (c) of subsection (1) of section
1057 626.7355, Florida Statutes, is amended to read:

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1058 626.7355 Temporary license as customer representative
1059 pending examination.--

1060 (1) The department shall issue a temporary customer
1061 representative's license with respect to a person who has
1062 applied for such license upon finding that the person:

1063 (c) Is a United States citizen or legal alien who
1064 possesses work authorization from the United States Immigration
1065 and Naturalization Service and is a bona fide resident of this
1066 state or is a resident of another state sharing a common
1067 boundary with this state. An individual who is a bona fide
1068 resident of this state shall be deemed to meet the residence
1069 requirement of this paragraph, notwithstanding the existence at
1070 the time of application for license, of a license in his or her
1071 name on the records of another state as a resident licensee of
1072 such other state, if the applicant furnishes a letter of
1073 clearance satisfactory to the department that his or her
1074 resident licenses have been canceled or changed to a nonresident
1075 basis and that he or she is in good standing.

1076 Section 38. Subsection (3) of section 626.741, Florida
1077 Statutes, is amended to read:

1078 626.741 Nonresident agents; licensing and restrictions.--

1079 (3) The department shall not, however, issue any license
1080 and appointment to any nonresident who has an office or place of
1081 business in this state, or who has any direct or indirect
1082 pecuniary interest in any insurance agent or insurance agency~~;~~
1083 ~~or in any solicitor~~ licensed as a resident of this state; nor to
1084 any individual who does not, at the time of issuance and
1085 throughout the existence of the Florida license, hold a license
1086 as agent or broker issued by his or her home state; nor to any

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1087 individual who is employed by any insurer as a service
1088 representative or who is a managing general agent in any state,
1089 whether or not also licensed in another state as an agent or
1090 broker. The foregoing requirement to hold a similar license in
1091 the applicant's home state does not apply to customer
1092 representatives unless the home state licenses residents of that
1093 state in a similar manner. The prohibition against having an
1094 office or place of business in this state does not apply to
1095 customer representatives who are required to conduct business
1096 solely within the confines of the office of a licensed and
1097 appointed Florida resident general lines agent in this state.
1098 The authority of such nonresident license is limited to the
1099 specific lines of authority granted in the license issued by the
1100 agent's home state and further limited to the specific lines
1101 authorized under the nonresident license issued by this state.
1102 The department shall have discretion to refuse to issue any
1103 license or appointment to a nonresident when it has reason to
1104 believe that the applicant by ruse or subterfuge is attempting
1105 to avoid the intent and prohibitions contained in this
1106 subsection or to believe that any of the grounds exist as for
1107 suspension or revocation of license as set forth in ss. 626.611
1108 and 626.621.

1109 Section 39. Paragraph (a) of subsection (1) of section
1110 626.753, Florida Statutes, is amended to read:

1111 626.753 Sharing commissions; penalty.--

1112 (1)(a) An agent may divide or share in commissions only
1113 ~~with his or her own employed solicitors and~~ with other agents
1114 appointed and licensed to write the same kind or kinds of
1115 insurance.

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1116 Section 40. Paragraphs (b) and (d) of subsection (1) of
1117 section 626.785, Florida Statutes, are amended to read:

1118 626.785 Qualifications for license.--

1119 (1) The department shall not grant or issue a license as
1120 life agent to any individual found by it to be untrustworthy or
1121 incompetent, or who does not meet the following qualifications:

1122 (b) Must be a United States citizen or legal alien who
1123 possesses work authorization from the United States Immigration
1124 and Naturalization Service and a bona fide resident of this
1125 state.

1126 (d) Must not be a funeral director or direct disposer, or
1127 an employee or representative thereof, or have an office in, or
1128 in connection with, a funeral establishment, except that a
1129 funeral establishment may contract with a life insurance agent
1130 to sell a preneed contract as defined in chapter 497.
1131 Notwithstanding other provisions of this chapter, such insurance
1132 agent may sell limited policies of insurance covering the
1133 expense of final disposition or burial of an insured in the an
1134 amount of \$12,500, plus an annual percentage increase based on
1135 the Annual Consumer Price Index compiled by the United States
1136 Department of Labor, beginning with the Annual Consumer Price
1137 Index announced by the United States Department of Labor for the
1138 year 2003 not to exceed \$10,000.

1139 Section 41. Subsections (1) and (2) of section 626.7851,
1140 Florida Statutes, are amended to read:

1141 626.7851 Requirement as to knowledge, experience, or
1142 instruction.--No applicant for a license as a life agent, except
1143 for a chartered life underwriter (CLU), shall be qualified or
1144 licensed unless within the 4 years immediately preceding the

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1145 date the application for a license is filed with the department
1146 he or she has:

1147 (1) Successfully completed 40 hours of classroom courses
1148 in insurance, 3 hours of which shall be on the subject matter of
1149 ethics, satisfactory to the department at a school or college,
1150 or extension division thereof, or other authorized course of
1151 study, approved by the department. Courses must include
1152 instruction on the subject matter of unauthorized entities
1153 engaging in the business of insurance, to include the Florida
1154 Nonprofit Multiple-Employer Welfare Arrangement Act and the
1155 Employee Retirement Income Security Act, 29 U.S.C. ss. 1001 et
1156 seq., as it relates to the provision of life insurance by
1157 employers to their employees and the regulation thereof;

1158 (2) Successfully completed a correspondence course in
1159 insurance, 3 hours of which shall be on the subject matter of
1160 ethics, satisfactory to the department and regularly offered by
1161 accredited institutions of higher learning in this state,
1162 approved by the department. Courses must include instruction on
1163 the subject matter of unauthorized entities engaging in the
1164 business of insurance, to include the Florida Nonprofit
1165 Multiple-Employer Welfare Arrangement Act and the Employee
1166 Retirement Income Security Act, 29 U.S.C. ss. 1001 et seq., as
1167 it relates to the provision of life insurance by employers to
1168 their employees and the regulation thereof;

1169 Section 42. Subsection (2) of section 626.829, Florida
1170 Statutes, is amended to read:

1171 626.829 "Health agent" defined.--

1172 (2) Any person who acts for an insurer, or on behalf of a
1173 licensed representative of an insurer, to solicit applications

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1174 for or to negotiate and effectuate health insurance contracts,
1175 whether or not he or she is appointed as an agent, subagent,
1176 ~~solicitor~~, or canvasser or by any other title, shall be deemed
1177 to be a health agent and shall be qualified, licensed, and
1178 appointed as a health agent.

1179 Section 43. Paragraph (b) of subsection (1) of section
1180 626.831, Florida Statutes, is amended to read:

1181 626.831 Qualifications for license.--

1182 (1) The department shall not grant or issue a license as
1183 health agent as to any individual found by it to be
1184 untrustworthy or incompetent, or who does not meet the following
1185 qualifications:

1186 (b) Must be a United States citizen or legal alien who
1187 possesses work authorization from the United States Immigration
1188 and Naturalization Service and a bona fide resident of this
1189 state.

1190 Section 44. Subsections (1) and (2) of section 626.8311,
1191 Florida Statutes, are amended to read:

1192 626.8311 Requirement as to knowledge, experience, or
1193 instruction.--No applicant for a license as a health agent,
1194 except for a chartered life underwriter (CLU), shall be
1195 qualified or licensed unless within the 4 years immediately
1196 preceding the date the application for license is filed with the
1197 department he or she has:

1198 (1) Successfully completed 40 hours of classroom courses
1199 in insurance, 3 hours of which shall be on the subject matter of
1200 ethics, satisfactory to the department at a school or college,
1201 or extension division thereof, or other authorized course of
1202 study, approved by the department. Courses must include

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1203 instruction on the subject matter of unauthorized entities
1204 engaging in the business of insurance, to include the Florida
1205 Nonprofit Multiple-Employer Welfare Arrangement Act and the
1206 Employee Retirement Income Security Act, 29 U.S.C. ss. 1001 et
1207 seq., as it relates to the provision of health insurance by
1208 employers to their employees and the regulation thereof;

1209 (2) Successfully completed a correspondence course in
1210 insurance, 3 hours of which shall be on the subject matter of
1211 ethics, satisfactory to the department and regularly offered by
1212 accredited institutions of higher learning in this state,
1213 approved by the department. Courses must include instruction on
1214 the subject matter of unauthorized entities engaging in the
1215 business of insurance, to include the Florida Nonprofit
1216 Multiple-Employer Welfare Arrangement Act and the Employee
1217 Retirement Income Security Act, 29 U.S.C. ss. 1001 et seq., as
1218 it relates to the provision of health insurance by employers to
1219 their employees and the regulation thereof;

1220 Section 45. Subsection (2) of section 626.8414, Florida
1221 Statutes, is amended to read:

1222 626.8414 Qualifications for examination.--The department
1223 must authorize any natural person to take the examination for
1224 the issuance of a license as a title insurance agent if the
1225 person meets all of the following qualifications:

1226 (2) The applicant must be a United States citizen or legal
1227 alien who possesses work authorization from the United States
1228 Immigration and Naturalization Service and a bona fide resident
1229 of this state. A person meets the residency requirement of this
1230 subsection, notwithstanding the existence at the time of
1231 application for license of a license in the applicant's name on

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1232 the records of another state as a resident licensee of such
1233 other state, if the applicant furnishes a letter of clearance
1234 satisfactory to the department that the resident licenses have
1235 been canceled or changed to a nonresident basis and that the
1236 applicant is in good standing.

1237 Section 46. Paragraph (a) of subsection (3) of section
1238 626.8417, Florida Statutes, is amended to read:

1239 626.8417 Title insurance agent licensure; exemptions.--

1240 (3) The department shall not grant or issue a license as
1241 title agent to any individual found by it to be untrustworthy or
1242 incompetent, who does not meet the qualifications for
1243 examination specified in s. 626.8414, or who does not meet the
1244 following qualifications:

1245 (a) Within the 4 years immediately preceding the date of
1246 the application for license, the applicant must have completed a
1247 40-hour classroom course in title insurance, 3 hours of which
1248 shall be on the subject matter of ethics, as approved by the
1249 department, or must have had at least 12 months of experience in
1250 responsible title insurance duties, while working in the title
1251 insurance business as a substantially full-time, bona fide
1252 employee of a title agency, title agent, title insurer, or
1253 attorney who conducts real estate closing transactions and
1254 issues title insurance policies but who is exempt from licensure
1255 pursuant to paragraph (4)(a). If an applicant's qualifications
1256 are based upon the periods of employment at responsible title
1257 insurance duties, the applicant must submit, with the
1258 application for license on a form prescribed by the department,
1259 the affidavit of the applicant and of the employer setting forth
1260 the period of such employment, that the employment was

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1261 substantially full time, and giving a brief abstract of the
1262 nature of the duties performed by the applicant.

1263 Section 47. Section 626.843, Florida Statutes, is amended
1264 to read:

1265 626.843 Renewal, continuation, reinstatement, termination
1266 of title insurance agent's appointment.--

1267 (1) The appointment of a title insurance agent shall
1268 continue in force until suspended, revoked, or otherwise
1269 terminated, but subject to a renewed request filed by the
1270 insurer every 24 months after the original issue date of the
1271 appointment, accompanied by payment of the renewal appointment
1272 fee and taxes as prescribed in s. 624.501.

1273 (2) Title insurance agent appointments shall be renewed
1274 pursuant to s. 626.381 for insurance representatives in general.
1275 ~~Each insurer shall file with the department the lists,~~
1276 ~~statements, and information as to appointments which are being~~
1277 ~~renewed or being terminated, accompanied by payment of the~~
1278 ~~applicable renewal fees and taxes as prescribed in s. 624.501,~~
1279 ~~by a date set forth by the department following the month during~~
1280 ~~which the appointments will expire.~~

1281 ~~(3) Request for renewal of an appointment which is~~
1282 ~~received on a date set forth by the department in the succeeding~~
1283 ~~month may be renewed by the department without penalty, and~~
1284 ~~shall be effective as of the day the appointment would have~~
1285 ~~expired.~~

1286 ~~(4) Request for renewal of an appointment which is~~
1287 ~~received by the department after the date set by the department~~
1288 ~~may be accepted and effectuated by the department in its~~
1289 ~~discretion if an additional appointment continuation and~~

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1290 ~~reinstatement fee accompany the request for renewal pursuant to~~
1291 ~~s. 624.501.~~

1292 ~~(3)(5)~~ The appointment issued shall remain in effect for
1293 so long as the appointment represented thereby continues in
1294 force as provided in this section.

1295 Section 48. Paragraph (b) of subsection (1) of section
1296 626.865, Florida Statutes, is amended to read:

1297 626.865 Public adjuster's qualifications, bond.--

1298 (1) The department shall issue a license to an applicant
1299 for a public adjuster's license upon determining that the
1300 applicant has paid the applicable fees specified in s. 624.501
1301 and possesses the following qualifications:

1302 (b) Is a United States citizen or legal alien who
1303 possesses work authorization from the United States Immigration
1304 and Naturalization Service and a bona fide resident of this
1305 state.

1306 Section 49. Subsection (2) of section 626.866, Florida
1307 Statutes, is amended to read:

1308 626.866 Independent adjuster's qualifications.--The
1309 department shall issue a license to an applicant for an
1310 independent adjuster's license upon determining that the
1311 applicable license fee specified in s. 624.501 has been paid and
1312 that the applicant possesses the following qualifications:

1313 (2) Is a United States citizen or legal alien who
1314 possesses work authorization from the United States Immigration
1315 and Naturalization Service and a bona fide resident of this
1316 state.

1317 Section 50. Subsection (2) of section 626.867, Florida
1318 Statutes, is amended to read:

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1319 626.867 Company employee adjuster's qualifications.--The
1320 department shall issue a license to an applicant for a company
1321 employee adjuster's license upon determining that the applicable
1322 license fee specified in s. 624.501 has been paid and that the
1323 applicant possesses the following qualifications:

1324 (2) Is a United States citizen or legal alien who
1325 possesses work authorization from the United States Immigration
1326 and Naturalization Service and a bona fide resident of this
1327 state.

1328 Section 51. Section 626.869, Florida Statutes, is amended
1329 to read:

1330 626.869 License, adjusters.--

1331 (1) An applicant for a license as an adjuster may qualify
1332 and his or her license when issued may cover adjusting in any
1333 one of the following classes of insurance:

1334 (a) All lines of insurance except life and annuities.

1335 (b) Motor vehicle physical damage insurance.

1336 (c) Property and casualty insurance.

1337 (d) Workers' compensation insurance.

1338 (e) Health insurance.

1339 (2) All individuals who on October 1, 1990, hold an
1340 adjuster's license and appointment limited to fire and allied
1341 lines, including marine or casualty or boiler and machinery, may
1342 remain licensed and appointed under the limited license and may
1343 renew their appointment, but no license or appointment which has
1344 been terminated, not renewed, suspended, or revoked shall be
1345 reinstated, and no new or additional licenses or appointments
1346 shall be issued.

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1347 ~~(3) With the exception of a public adjuster limited to~~
1348 ~~health insurance, a limited license set forth in subsection (1)~~
1349 ~~as an independent or public adjuster may only be issued to and~~
1350 ~~retained by an employee of an independent or public adjusting~~
1351 ~~firm which is supervised by a duly appointed all-lines adjuster~~
1352 ~~or an employee of an independent or public adjuster licensed and~~
1353 ~~appointed in all lines of insurance other than life and annuity.~~
1354 ~~The office of the limited lines adjuster shall be in the office~~
1355 ~~of the licensed all-lines adjuster responsible for his or her~~
1356 ~~supervision and instruction.~~

1357 ~~—(3)(4) The applicant's application for license shall~~
1358 ~~specify which of the foregoing classes of business the~~
1359 ~~application for license is to cover.~~

1360 ~~(4)(5) Any individual ~~person~~ holding a license for 24~~
1361 ~~consecutive months or longer and who engages in adjusting~~
1362 ~~workers' compensation insurance must, beginning in his or her~~
1363 ~~their birth month and every 2 years thereafter, have completed~~
1364 ~~24 hours of courses, 2 hours of which relate to ethics, in~~
1365 ~~subjects designed to inform the licensee regarding the current~~
1366 ~~insurance ~~workers' compensation~~ laws of this state, so as to~~
1367 ~~enable him or her to engage in business as an ~~a~~ ~~workers'~~~~
1368 ~~~~compensation~~ insurance adjuster fairly and without injury to the~~
1369 ~~public and to adjust all claims in accordance with the policy or~~
1370 ~~contract and the ~~workers' compensation~~ laws of this state. In~~
1371 ~~order to qualify as an eligible course under this subsection,~~
1372 ~~the course must:~~

1373 ~~—(a) Have a course outline approved by the department.~~

1374 ~~—(b) Be taught at a school training facility or other~~
1375 ~~location approved by the department.~~

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1376 ~~—— (c) Be taught by instructors with at least 5 years of~~
1377 ~~experience in the area of workers' compensation, general lines~~
1378 ~~of insurance, or other persons approved by the department.~~
1379 ~~However, a member of The Florida Bar is exempt from the 5 years'~~
1380 ~~experience requirement.~~

1381 ~~—— (d) Furnish the attendee a certificate of completion. The~~
1382 ~~course provider shall send a roster to the department in a~~
1383 ~~format prescribed by the department.~~

1384 (5) The regulation of continuing education for licensees,
1385 course providers, instructors, school officials, and monitor
1386 groups shall be as provided for in s. 626.2816.

1387

1388 Section 52. Subsection (1) of section 626.874, Florida
1389 Statutes, is amended to read:

1390 626.874 Catastrophe or emergency adjusters.--

1391 (1) In the event of a catastrophe or emergency, the
1392 department may issue a license, for the purposes and under the
1393 conditions which it shall fix and for the period of emergency as
1394 it shall determine, to persons who are residents or nonresidents
1395 of this state, who are at least 18 years of age, who are United
1396 States citizens or legal aliens who possess work authorization
1397 from the United States Immigration and Naturalization Service,
1398 and who are not licensed adjusters under this part but who have
1399 been designated and certified to it as qualified to act as
1400 adjusters by independent resident adjusters or by an authorized
1401 insurer or by a licensed general lines agent to adjust claims,
1402 losses, or damages under policies or contracts of insurance
1403 issued by such insurers. The fee for the license shall be as
1404 provided in s. 624.501(12)(c).

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1405 Section 53. Section 626.878, Florida Statutes, is amended
1406 to read:

1407 626.878 Rules; code of ethics.--An adjuster shall
1408 subscribe to the code of ethics specified in the rules of the
1409 department. The rules shall implement the provisions of this
1410 part and specify the terms and conditions of contracts,
1411 including a right to cancel, and require practices necessary to
1412 ensure fair dealing, prohibit conflicts of interest, and ensure
1413 preservation of the rights of the claimant to participate in the
1414 adjustment of claims.

1415 Section 54. Subsection (1) of section 626.797, Florida
1416 Statutes, is amended to read:

1417 626.797 Code of ethics.--

1418 (1) The department shall, after consultation with the
1419 Florida Association Of Insurance and Financial Advisors Life
1420 Underwriters, adopt a code of ethics, or continue any such code
1421 heretofore so adopted, to govern the conduct of life agents in
1422 their relations with the public, other agents, and the insurers.

1423 Section 55. Paragraph (z) of subsection (1) of section
1424 626.9541, Florida Statutes, is amended to read:

1425 626.9541 Unfair methods of competition and unfair or
1426 deceptive acts or practices defined.--

1427 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE
1428 ACTS.--The following are defined as unfair methods of
1429 competition and unfair or deceptive acts or practices:

1430 (z) Sliding.--Sliding is the act or practice of:

1431 1. Representing to the applicant that a specific ancillary
1432 coverage or product is required by law in conjunction with the

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1433 purchase of ~~motor vehicle~~ insurance when such coverage or
1434 product is not required;

1435 2. Representing to the applicant that a specific ancillary
1436 coverage or product is included in the ~~motor vehicle~~ policy
1437 applied for without an additional charge when such charge is
1438 required; or

1439 3. Charging an applicant for a specific ancillary coverage
1440 or product, in addition to the cost of the ~~motor vehicle~~
1441 insurance coverage applied for, without the informed consent of
1442 the applicant.

1443 Section 56. Paragraph (f) is added to subsection (7) of
1444 section 626.9916, Florida Statutes, to read:

1445 626.9916 Viatical settlement broker license required;
1446 application for license.--

1447 (7) Upon the filing of a sworn application and the payment
1448 of the license fee and all other applicable fees under this act,
1449 the department shall investigate each applicant and may issue
1450 the applicant a license if the department finds that the
1451 applicant:

1452 (f) If a natural person, is at least 18 years of age and a
1453 United States citizen or legal alien who possesses work
1454 authorization from the United States Immigration and
1455 Naturalization Service.

1456 Section 57. Paragraph (a) of subsection (5) of section
1457 627.7295, Florida Statutes, is amended to read:

1458 627.7295 Motor vehicle insurance contracts.--

1459 (5)(a) A licensed general lines agent may charge a per-
1460 policy fee not to exceed \$20 ~~\$10~~ to cover the administrative
1461 costs of the agent associated with selling the motor vehicle

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1462 insurance policy ~~if the policy covers only personal injury~~
1463 ~~protection coverage as provided by s. 627.736 and property~~
1464 ~~damage liability coverage as provided by s. 627.7275 and if no~~
1465 ~~other insurance is sold or issued in conjunction with or~~
1466 ~~collateral to the policy. The per-policy fee shall be paid only~~
1467 ~~to the agent and may not be paid by or passed on to the insurer.~~
1468 The per-policy fee must be a component of the insurer's rate
1469 filing and may not be charged by an agent unless the fee is
1470 included in the filing. The fee is not considered part of the
1471 premium except for purposes of the department's review of
1472 expense factors in a filing made pursuant to s. 627.062.

1473 Section 58. Subsection (3) of section 632.634, Florida
1474 Statutes, is amended to read:

1475 632.634 Licensing and appointment of agents.--

1476 (3) Any agent, representative, or member of a society who
1477 in any preceding calendar year has solicited and procured life
1478 insurance benefit contracts on behalf of any society in a total
1479 amount of insurance less than \$50,000, or, in the case of any
1480 other kind or kinds of insurance benefit contracts which the
1481 society might write, on not more than 25 individuals, shall be
1482 exempt from the agent licensing and appointment requirements of
1483 subsection (1). Upon request by the department, every society
1484 shall register, on forms prescribed by the department and on or
1485 before March 1 of each year, the name and residence address of
1486 each agent, representative, or member exempt under the
1487 provisions of this subsection and shall, within 30 days of
1488 termination of employment, notify the department of the
1489 termination. Any agent, representative, or member for which an
1490 exemption is claimed due to employment by the society subsequent

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1491 to March 1 shall be registered by the society with the
1492 department within 10 days of the date of employment.

1493 Section 59. Section 634.171, Florida Statutes, is amended
1494 to read:

1495 634.171 Salesperson to be licensed and appointed.--
1496 Salespersons for motor vehicle service agreement companies and
1497 insurers shall be licensed, appointed, renewed, continued,
1498 reinstated, or terminated as prescribed in chapter 626 for
1499 insurance representatives in general. However, they shall be
1500 exempt from all other provisions of chapter 626 including
1501 fingerprinting, photo identification, education, and examination
1502 provisions. License, appointment, and other fees shall be those
1503 prescribed in s. 624.501. A licensed and appointed salesperson
1504 shall be directly responsible and accountable for all acts of
1505 her or his employees and other representatives. Each service
1506 agreement company or insurer shall, on forms prescribed by the
1507 department, within 30 days after termination of the appointment,
1508 notify the department of such termination. No employee or
1509 salesperson of a motor vehicle service agreement company or
1510 insurer may directly or indirectly solicit or negotiate
1511 insurance contracts, or hold herself or himself out in any
1512 manner to be an insurance agent ~~or solicitor~~, unless so
1513 qualified, licensed, and appointed therefor under the Florida
1514 Insurance Code. A motor vehicle service agreement company is not
1515 required to be licensed as a salesperson to solicit, sell,
1516 issue, or otherwise transact the motor vehicle service
1517 agreements issued by the motor vehicle service agreement
1518 company.

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1519 Section 60. Section 634.420, Florida Statutes, is amended
1520 to read:

1521 634.420 License and appointment of sales representatives.-
1522 -Sales representatives for service warranty associations or
1523 insurers shall be licensed, appointed, renewed, continued,
1524 reinstated, or terminated in accordance with procedures as
1525 prescribed in chapter 626 for insurance representatives in
1526 general. However, they shall be exempt from all other provisions
1527 of chapter 626, including fingerprinting, photo identification,
1528 education, and examination. License, appointment, and other fees
1529 shall be those prescribed in s. 624.501. A licensed and
1530 appointed sales representative shall be directly responsible and
1531 accountable for all acts of the licensed sales representative's
1532 employees or other representatives. Each service warranty
1533 association or insurer shall, on forms prescribed by the
1534 department, within 30 days after termination of the appointment,
1535 notify the department of such termination. No employee or sales
1536 representative of a service warranty association or insurer may
1537 directly or indirectly solicit or negotiate insurance contracts,
1538 or hold herself or himself out in any manner to be an insurance
1539 agent ~~or solicitor~~, unless so qualified, licensed, and appointed
1540 therefor under the insurance code.

1541 Section 61. Section 642.034, Florida Statutes, is amended
1542 to read:

1543 642.034 License and appointment required.--No person may
1544 solicit, negotiate, sell, or execute legal expense insurance
1545 contracts on behalf of an insurer in this state unless such
1546 person is licensed and appointed as a sales representative or is
1547 licensed and appointed under the insurance code as a general

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1548 lines agent ~~or solicitor~~. No person licensed and appointed as a
1549 legal expense insurance sales representative may solicit,
1550 negotiate, sell, or execute any other contract of insurance
1551 unless such person is duly licensed and appointed to do so under
1552 the provisions of chapter 626.

1553 Section 62. Section 642.036, Florida Statutes, is amended
1554 to read:

1555 642.036 Sales representatives to be licensed and
1556 appointed.--Sales representatives of legal expense insurers
1557 shall be licensed, appointed, renewed, continued, reinstated, or
1558 terminated as prescribed in chapter 626 for insurance
1559 representatives in general, and shall pay the license and
1560 appointment fees prescribed in s. 624.501. No employee or sales
1561 representative of an insurer may directly or indirectly solicit
1562 or negotiate insurance contracts, or hold herself or himself out
1563 in any manner to be an insurance agent ~~or solicitor~~, unless so
1564 qualified, licensed, and appointed therefor under the insurance
1565 code.

1566 Section 63. Section 642.045, Florida Statutes, is amended
1567 to read:

1568 642.045 Procedure for refusal, suspension, or revocation
1569 of license and appointment of sales representative; departmental
1570 action upon violation by licensed insurance agent ~~or solicitor~~. -
1571 -

1572 (1) If any sales representative is convicted by a court of
1573 a violation of any provision of ss. 642.011-642.049, the license
1574 and appointment of such individual shall thereby be deemed to be
1575 immediately revoked without any further procedure relative
1576 thereto by the department.

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1577 (2) Whenever it appears that any licensed insurance agent
1578 ~~or solicitor~~ has violated the provisions of ss. 642.011-642.049,
1579 or if any grounds listed in s. 642.041 or s. 642.043 exist as to
1580 such agent ~~or solicitor~~, the department may take such action as
1581 is authorized by the insurance code for a violation of the
1582 insurance code by such agent ~~or solicitor~~, or such action as is
1583 authorized by this chapter for a violation of this chapter by a
1584 sales representative.

1585 Section 64. Paragraph (b) of subsection (5) and subsection
1586 (9) of section 648.27, Florida Statutes, are amended to read:

1587 648.27 Licenses and appointments; general.--

1588 (5)

1589 (b) The license of a temporary bail bond agent ~~or runner~~
1590 shall continue in force until suspended, revoked, or otherwise
1591 terminated.

1592 (9) If, upon application for an appointment and such
1593 investigation as the department may make, it appears to the
1594 department that an individual has been actively engaged or is
1595 currently actively engaged in bail bond activities without being
1596 appointed as required, the department may, if it finds that such
1597 failure to be appointed is an error on the part of the insurer
1598 or employer so represented, issue or authorize the issuance of
1599 the appointment as applied for, but subject to the condition
1600 that, before the appointment is issued, all fees and taxes which
1601 would have been due had the applicant been so appointed during
1602 such current and prior periods, together with a continuation fee
1603 for such current and prior terms of appointment, shall be paid
1604 to the department. Failure to notify the department within the
1605 required time period shall result in the appointing entity being

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1606 assessed a delinquent fee of \$250. Delinquent fees shall be paid
1607 by the appointing entity and shall not be charged to the
1608 appointee.

1609 Section 65. Paragraph (b) of subsection (2) and
1610 subsections (5) and (6) of section 648.34, Florida Statutes, are
1611 amended to read:

1612 648.34 Bail bond agents; qualifications.--

1613 (2) To qualify as a bail bond agent, it must affirmatively
1614 appear at the time of application and throughout the period of
1615 licensure that the applicant has complied with the provisions of
1616 s. 648.355 and has obtained a temporary license pursuant to such
1617 section and:

1618 (b) The applicant is a United States citizen or legal
1619 alien who possesses work authorization from the United States
1620 Immigration and Naturalization Service and is a resident of this
1621 state. An individual who is a resident of this state shall be
1622 deemed to meet the residence requirement of this paragraph,
1623 notwithstanding the existence, at the time of application for
1624 license, of a license in the applicant's name on the records of
1625 another state as a resident licensee of such other state, if the
1626 applicant furnishes a letter of clearance satisfactory to the
1627 department that his or her resident licenses have been canceled
1628 or changed to a nonresident basis and that he or she is in good
1629 standing.

1630 (5) The department shall conduct a comprehensive
1631 investigation of each applicant, including a background check.
1632 The investigation of the applicant's qualifications, character,
1633 experience, background, and fitness shall include submission of
1634 the applicant's fingerprints to the Department of Law

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1635 Enforcement and the Federal Bureau of Investigation and
1636 consideration of any state criminal records, federal criminal
1637 records, or local criminal records obtained from these agencies
1638 or from local law enforcement agencies.

1639 (6) The provisions of s. 112.011 do not apply to bail bond
1640 agents ~~or runners~~ or to applicants for licensure as bail bond
1641 agents ~~or runners~~.

1642 Section 66. Paragraphs (b) and (e) of subsection (1) of
1643 section 648.355, Florida Statutes, are amended to read:

1644 648.355 Temporary limited license as limited surety agent
1645 or professional bail bond agent; pending examination.--

1646 (1) The department may, in its discretion, issue a
1647 temporary license as a limited surety agent or professional bail
1648 bond agent, subject to the following conditions:

1649 (b) The applicant is a United States citizen or legal
1650 alien who possesses work authorization from the United States
1651 Immigration and Naturalization Service and is a resident of this
1652 state. An individual who is a resident of this state shall be
1653 deemed to meet the residence requirement of this paragraph,
1654 notwithstanding the existence, at the time of application for
1655 temporary license, of a license in the individual's name on the
1656 records of another state as a resident licensee of such other
1657 state, if the applicant furnishes a letter of clearance
1658 satisfactory to the department that the individual's resident
1659 licenses have been canceled or changed to a nonresident basis
1660 and that the individual is in good standing.

1661 (e) The applicant must be employed full-time at the time
1662 of licensure, and at all times throughout the existence of the
1663 temporary license, by only one licensed and appointed

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1664 supervising bail bond agent, who supervises the work of the
1665 applicant and is responsible for the licensee's conduct in the
1666 bail bond business. The applicant must be appointed by the same
1667 insurers as the supervising bail bond agent. The supervising
1668 bail bond agent shall certify monthly to the department under
1669 oath, on a form prescribed by the department, the names and
1670 hours worked each week of all temporary bail bond agents. Filing
1671 a false certification is grounds for the immediate suspension of
1672 the license and imposition of a \$5,000 administrative fine. The
1673 department may adopt rules that establish standards for the
1674 employment requirements.

1675 Section 67. Paragraph (a) of subsection (2) and subsection
1676 (3) of section 648.382, Florida Statutes, are amended, and
1677 subsection (6) is added to that section, to read:

1678 648.382 Appointment of bail bond agents and temporary bail
1679 bond agents; effective date of appointment.--

1680 (2) Prior to any appointment, an appropriate officer or
1681 official of the appointing insurer in the case of a bail bond
1682 agent or an insurer, managing general agent, or bail bond agent
1683 in the case of a temporary bail bond agent must submit:

1684 (a) A certified statement or affidavit to the department
1685 stating what investigation has been made concerning the proposed
1686 appointee and the proposed appointee's background and the
1687 appointing person's opinion to the best of his or her knowledge
1688 and belief as to the moral character, ~~fitness~~, and reputation of
1689 the proposed appointee. In lieu of such certified statement or
1690 affidavit, by authorizing the effectuation of an appointment for
1691 a licensee, the appointing entity certifies to the department
1692 that such investigation has been made and that the results of

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1693 the investigation and the appointing person's opinion is that
1694 the proposed appointee is a person of good moral character and
1695 reputation and is fit to engage in the bail bond business;

1696 (3) By authorizing the effectuation of an appointment for
1697 a licensee, the appointing insurer certifies to the department
1698 ~~Prior to any appointment of a bail bond agent, the appointing~~
1699 ~~insurer must certify to the department~~ that the insurer will be
1700 bound by the acts of the bail bond agent acting within the scope
1701 of his or her appointment, and, in the case of a temporary bail
1702 bond agent, the appointing insurer, managing general agent, or
1703 bail bond agent, as the case may be, must certify to the
1704 department that he or she will supervise the temporary bail bond
1705 agent's activities.

1706 (6) Failure to notify the department within the required
1707 time period shall result in the appointing entity being assessed
1708 a delinquent fee of \$250. Delinquent fees shall be paid by the
1709 appointing entity and shall not be charged to the appointee.

1710 Section 68. Section 648.383, Florida Statutes, is amended
1711 to read:

1712 648.383 Renewal, continuation, reinstatement, and
1713 termination of appointment; bail bond agents.--

1714 (1) The appointment of a bail bond agent shall continue in
1715 force unless suspended, revoked, or otherwise terminated,
1716 subject to a renewal request filed by the appointing entity in
1717 the appointee's birth month and every 24 months thereafter. A
1718 renewal request must be filed with the department or person
1719 designated by the department to administer appointments along
1720 with payment of the renewal appointment fee and taxes as
1721 prescribed in s. 624.501.

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1722 (2) Each appointing person or person designated by the
1723 department to administer appointments must file ~~with the~~
1724 ~~department~~ the lists, statement, and information as to each bail
1725 bond agent whose appointment is being renewed, accompanied by
1726 payment of the applicable renewal fees and taxes as prescribed
1727 in s. 624.501, ~~by a date established by the department following~~
1728 ~~the month during which the appointment will expire.~~

1729 (3) An appointment may be renewed ~~by the department~~
1730 without penalty if the information required under subsection (2)
1731 is received ~~by the department on or~~ prior to the expiration of
1732 the appointment in the licensee's birth month date established
1733 ~~by the department for renewal~~, and such appointment shall be
1734 renewed, ~~is~~ effective on the first day of the month succeeding
1735 the month in which the appointment was scheduled to expire.

1736 (4) If the information required under subsection (2) is
1737 received ~~by the department~~ after the renewal date established by
1738 ~~the department for renewal~~, the appointment may be renewed ~~by~~
1739 ~~the department~~ if the an additional appointment, late filing,
1740 continuation, and reinstatement fees accompany ~~fee accompanies~~
1741 the application as required under s. 624.501.

1742 Section 69. Subsections (1) and (3) of section 648.50,
1743 Florida Statutes, are amended to read:

1744 648.50 Effect of suspension, revocation upon associated
1745 licenses and licensees.--

1746 (1) Upon the suspension, revocation, or refusal to renew
1747 or continue any license or appointment or the eligibility to
1748 hold a license or appointment of a bail bond agent or, temporary
1749 bail bond agent, ~~or runner~~, the department shall at the same
1750 time likewise suspend or revoke all other licenses or

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1751 appointments and the eligibility to hold any other such licenses
1752 or appointments which may be held by the licensee under the
1753 Florida Insurance Code.

1754 (3) No person whose license as a bail bond agent ~~or~~
1755 temporary bail bond agent, ~~or runner~~ has been revoked or
1756 suspended shall be employed by any bail bond agent, have any
1757 ownership interest in any business involving bail bonds, or have
1758 any financial interest of any type in any bail bond business
1759 during the period of revocation or suspension.

1760 Section 70. Sections 626.032 and 626.361, Florida
1761 Statutes, are repealed.

1762 Section 71. Paragraph (d) of subsection (6) of section
1763 627.351, Florida Statutes, is amended to read:

1764 627.351 Insurance risk apportionment plans.--

1765 (6) CITIZENS PROPERTY INSURANCE CORPORATION.--

1766 (d)1. It is the intent of the Legislature that the rates
1767 for coverage provided by the corporation be actuarially sound
1768 and not competitive with approved rates charged in the admitted
1769 voluntary market, so that the corporation functions as a
1770 residual market mechanism to provide insurance only when the
1771 insurance cannot be procured in the voluntary market. Rates
1772 shall include an appropriate catastrophe loading factor that
1773 reflects the actual catastrophic exposure of the corporation.

1774 2. For each county, the average rates of the corporation
1775 for each line of business for personal lines residential
1776 policies excluding rates for wind-only policies shall be no
1777 lower than the average rates charged by the insurer that had the
1778 highest average rate in that county among the 20 insurers with
1779 the greatest total direct written premium in the state for that

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1780 line of business in the preceding year, except that with respect
1781 to mobile home coverages, the average rates of the corporation
1782 shall be no lower than the average rates charged by the insurer
1783 that had the highest average rate in that county among the 5
1784 insurers with the greatest total written premium for mobile home
1785 owner's policies in the state in the preceding year.

1786 3. Rates for personal lines residential wind-only policies
1787 must be actuarially sound and not competitive with approved
1788 rates charged by authorized insurers. However, for personal
1789 lines residential wind-only policies issued or renewed between
1790 July 1, 2002, and June 30, 2003, the maximum premium increase
1791 must be no greater than 10 percent of the Florida Windstorm
1792 Underwriting Association premium for that policy in effect on
1793 June 30, 2002, as adjusted for coverage changes and seasonal
1794 occupancy surcharges. For personal lines residential wind-only
1795 policies issued or renewed between July 1, 2003, and June 30,
1796 2004, the corporation shall use its existing filed and approved
1797 wind-only rating and classification plans, provided, however,
1798 that the maximum premium increase must be no greater than 20
1799 percent of the premium for that policy in effect on June 30,
1800 2003, as adjusted for coverage changes and seasonal occupancy
1801 surcharges.

1802
1803 ~~The personal lines residential wind-only rates for the~~
1804 ~~corporation effective July 1, 2003, must be based on a rate~~
1805 ~~filing by the corporation which establishes rates which are~~
1806 ~~actuarially sound and not competitive with approved rates~~
1807 ~~charged by authorized insurers. Corporation rate manuals shall~~
1808 include a rate surcharge for seasonal occupancy. To ensure that

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1809 personal lines residential wind-only rates effective on or after
1810 July 1, 2004 ~~2003~~, are not competitive with approved rates
1811 charged by authorized insurers, the corporation, in conjunction
1812 with the office, shall develop a wind-only rate making
1813 methodology, which methodology shall be contained in a rate
1814 filing made by the corporation with the office by January 1,
1815 2004. If the office thereafter determines that the wind-only
1816 rates or rating factors filed by the corporation fail to comply
1817 with the wind-only rate making methodology provided for in this
1818 subsection, it shall so notify the corporation and require the
1819 corporation to amend its rates or rating factors to come into
1820 compliance within 90 days of notice from the office. The office
1821 shall report to the Speaker of the House of Representatives and
1822 the President of the Senate on the provisions of the wind-only
1823 rate making methodology by January 31, 2004 ~~the department, by~~
1824 ~~March 1 of each year, shall provide the corporation, for each~~
1825 ~~county in which there are geographical areas in which personal~~
1826 ~~lines residential wind-only policies may be issued, the average~~
1827 ~~rates charged by the insurer that had the highest average rate~~
1828 ~~in that county for wind coverage in that insurer's rating~~
1829 ~~territories which most closely approximate the geographical area~~
1830 ~~in that county in which personal lines residential wind-only~~
1831 ~~policies may be written by the corporation. The average rates~~
1832 ~~provided must be from an insurer among the 20 insurers with the~~
1833 ~~greatest total direct written premium in the state for personal~~
1834 ~~lines residential property insurance for the preceding year.~~
1835 ~~With respect to mobile homes, the five insurers with the~~
1836 ~~greatest total written premium for that line of business in the~~
1837 ~~preceding year shall be used. The corporation shall certify to~~

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1838 ~~the department that its average personal lines residential wind-~~
1839 ~~only rates are no lower in each county than the average rates~~
1840 ~~provided by the department. The department is authorized to~~
1841 ~~adopt rules to establish reporting requirements to obtain the~~
1842 ~~necessary wind-only rate information from insurers to implement~~
1843 ~~this provision.~~

1844 4. Rates for commercial lines coverage shall not be
1845 subject to the requirements of subparagraph 2., but shall be
1846 subject to all other requirements of this paragraph and s.
1847 627.062.

1848 5. Nothing in this paragraph shall require or allow the
1849 corporation to adopt a rate that is inadequate under s. 627.062.

1850 6. The corporation shall certify to the office at least
1851 twice annually that its personal lines rates comply with the
1852 requirements of subparagraphs 1. and 2. If any adjustment in the
1853 rates or rating factors of the corporation is necessary to
1854 ensure such compliance, the corporation shall make and implement
1855 such adjustments and file its revised rates and rating factors
1856 with the office. If the office thereafter determines that the
1857 revised rates and rating factors fail to comply with the
1858 provisions of subparagraphs 1. and 2, it shall notify the
1859 corporation and require the corporation to amend its rates or
1860 rating factors in conjunction with its next rate filing. The
1861 office must notify the corporation by electronic means of any
1862 rate filing it approves for any insurer among the insurers
1863 referred to in subparagraph 2 ~~make a rate filing at least once a~~
1864 ~~year, but no more often than quarterly.~~

1865 7. In addition to the rates otherwise determined pursuant
1866 to this paragraph, the corporation shall impose and collect an

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1867 amount equal to the premium tax provided for in s. 624.509 to
1868 augment the financial resources of the corporation.

1869 8.a To assist the corporation in developing additional
1870 ratemaking methods to assure compliance with subparagraphs 1.
1871 and 4., the corporation shall appoint a rate methodology panel
1872 consisting of one person recommended by the Florida Association
1873 of Insurance Agents, one person recommended by the Professional
1874 Insurance Agents of Florida, one person recommended by the
1875 Florida Association of Insurance and Financial Advisors, one
1876 person recommended by the insurer with the highest voluntary
1877 market share of residential property insurance business in the
1878 state, one person recommended by the insurer with the second-
1879 highest voluntary market share of residential property insurance
1880 business in the state, one person recommended by an insurer
1881 writing commercial residential property insurance in this state,
1882 one person recommended by the Office of Insurance Regulation,
1883 and one board member designated by the board chairman, who shall
1884 serve as chairman of the panel.

1885 b. By January 1, 2004, the rate methodology panel shall
1886 provide a report to the corporation of its findings and
1887 recommendations for the use of additional ratemaking methods and
1888 procedures, including the use of a rate-equalization surcharge
1889 in an amount sufficient to assure that the total cost of
1890 coverage for policyholders or applicants to the corporation is
1891 sufficient to comply with subparagraph 1.

1892 c. Within 30 days after such report, the corporation shall
1893 present to the President of the Senate, the Speaker of the House
1894 of Representatives, the minority party leaders of each house of
1895 the Legislature, and the chairs of the standing committees of

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1896 each house of the Legislature having jurisdiction of insurance
1897 issues, a plan for implementing the additional ratemaking
1898 methods and an outline of any legislation needed to facilitate
1899 use of the new methods.

1900 d. The plan must include a provision that producer
1901 commissions paid by the corporation shall not be calculated in
1902 such a manner as to include any rate-equalization surcharge.
1903 However, without regard to the plan to be developed or its
1904 implementation, producer commissions paid by the corporation for
1905 each account, other than the quota share primary program, shall
1906 remain fixed as to percentage, effective rate, calculation, and
1907 payment method, as these were in effect on January 1, 2003.

1908 9. By January 1, 2004, the corporation shall develop a
1909 notice to policyholders or applicants that the rates of Citizens
1910 Property Insurance Corporation are intended to be higher than
1911 the rates of any admitted carrier and providing other
1912 information the corporation deems necessary to assist consumers
1913 in finding other voluntary admitted insurers willing to insure
1914 their property.

1915 Section 72. Section 624.105, Florida Statutes, is created
1916 to read:

1917 624.105 Waiver of customer liability.--Any regulated
1918 company as defined in s. 350.111, any electric utility as
1919 defined in s. 366.02(2), any utility as defined in s.
1920 367.021(12) or s.367.022(2) and (7), and any provider of
1921 communications services as defined in s. 202.11(3) may charge
1922 for and include an optional waiver of liability provision in
1923 their customer contracts under which the entity agrees to waive
1924 all or a portion of the customer's liability for service from

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1925 the entity for a defined period in the event of the customer's
1926 call to active military service, death, disability, involuntary
1927 unemployment, qualification for family leave, or similar
1928 qualifying event or condition. Such provisions may not be
1929 effective in the customer's contract with the entity unless
1930 affirmatively elected by the customer. No such provision shall
1931 constitute insurance so long as the provision is a contract
1932 between the entity and its customer.

1933 Section 73. Section 717.1071, Florida Statutes, is created
1934 to read:

1935 717.1071 Lost owners of unclaimed demutualization,
1936 rehabilitation, or related reorganization proceeds.--

1937 (1) Property distributable in the course of a
1938 demutualization, rehabilitation, or related reorganization of an
1939 insurance company is deemed abandoned 2 years after the date the
1940 property is first distributable if, at the time of the first
1941 distribution, the last known address of the owner on the books
1942 and records of the holder is known to be incorrect or the
1943 distribution or statements are returned by the post office as
1944 undeliverable; and the owner has not communicated in writing
1945 with the holder or its agent regarding the interest or otherwise
1946 communicated with the holder regarding the interest as evidenced
1947 by a memorandum or other record on file with the holder or its
1948 agent.

1949 (2) Property distributable in the course of
1950 demutualization, rehabilitation, or related reorganization of a
1951 mutual insurance company that is not subject to subsection (1)
1952 shall be reportable as otherwise provided by this chapter.

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1953 (3) Property subject to this section shall be reported and
1954 delivered no later than May 1 as of the preceding December 31,
1955 however the initial report under this section shall be filed no
1956 later than November 1, 2003, as of December 31, 2002.

1957 Section 74. Subsection (8) of section 624.430, Florida
1958 Statutes, is renumbered as subsection (9), and new subsection
1959 (8) is added to said section, to read:

1960 624.430 Withdrawal of insurer or discontinuance of writing
1961 certain kinds or lines of insurance.--

1962 (8) Notwithstanding subsection (7), any insurer desiring
1963 to surrender its certificate of authority, withdraw from this
1964 state, or discontinue the writing of any one or multiple kinds
1965 or lines of insurance in this state is expected to have availed
1966 itself of all reasonably available reinsurance. Reasonably
1967 available reinsurance shall include unrealized reinsurance,
1968 which is defined as reinsurance recoverable on known losses
1969 incurred and due under valid reinsurance contracts that have not
1970 been identified in the normal course of business and have not
1971 been reported in financial statements filed with the Office of
1972 Insurer Regulation. Within 90 days after surrendering its
1973 certificate of authority, withdrawing from this state, or
1974 discontinuing the writing of any one or multiple kinds or lines
1975 of insurance in this state, the insurer shall certify to the
1976 Director of the Office of Insurer Regulation that the insurer
1977 has engaged an independent third party to search for unrealized
1978 reinsurance, and that the insurer has made all relevant books
1979 and records available to such third party. The compensation to
1980 such third party may be a percentage of unrealized reinsurance
1981 identified and collected.

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1982 Section 75. Subsection (11) of section 626.7451, Florida
1983 Statutes, is amended to read:

1984 626.7451 Managing general agents; required contract
1985 provisions.--No person acting in the capacity of a managing
1986 general agent shall place business with an insurer unless there
1987 is in force a written contract between the parties which sets
1988 forth the responsibility for a particular function, specifies
1989 the division of responsibilities, and contains the following
1990 minimum provisions:

1991 (11) A licensed managing general agent, when placing
1992 business with an insurer under this code, may charge a per-
1993 policy fee not to exceed \$40 ~~\$25~~. In no instance shall the
1994 aggregate of per-policy fees for a placement of business
1995 authorized under this section, when combined with any other per-
1996 policy fee charged by the insurer, result in per-policy fees
1997 which exceed the aggregate amount of \$40 ~~\$25~~. The per-policy fee
1998 shall be a component of the insurer's rate filing and shall be
1999 fully earned. A managing general agent that collects a per-
2000 policy fee shall remit a minimum of \$5 per policy to the insurer
2001 for the funding of a Special Investigations Unit dedicated to
2002 the prevention of motor vehicle insurance fraud, \$2 per policy
2003 to the Division of Insurance Fraud of the Department of
2004 Financial Services which shall be dedicated to the prevention
2005 and detection of motor vehicle insurance fraud, and \$3 per
2006 policy to the Office of Statewide Prosecution which shall be
2007 dedicated to the prosecution of motor vehicle insurance fraud.
2008 Any insurer that writes directly without a managing general
2009 agent and that charges a per-policy fee may charge an additional
2010 \$5 per policy to fund its Special Investigations Unit, which

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2011 shall be dedicated to the prevention of motor vehicle insurance
2012 fraud, \$2 per policy to the Division of Insurance Fraud of the
2013 Department of Financial Services, which shall be dedicated to
2014 the prevention and detection of motor vehicle insurance fraud,
2015 and \$3 per policy to the Office of Statewide Prosecution which
2016 shall be dedicated to the prosecution of motor vehicle insurance
2017 fraud.

2018

2019 For the purposes of this section and ss. 626.7453 and 626.7454,
2020 the term "controlling person" or "controlling" has the meaning
2021 set forth in s. 625.012(5)(b)1., and the term "controlled
2022 person" or "controlled" has the meaning set forth in s.
2023 625.012(5)(b)2.

2024 Section 76. Section 624.4623, Florida Statutes, is created
2025 to read:

2026 624.4623 Independent Educational Institution Self-
2027 Insurance Funds-

2028 (1) Notwithstanding any other provision of law, any two or
2029 more independent nonprofit colleges or universities accredited
2030 by the Commission on Colleges of the Southern Association of
2031 Colleges and Schools or independent, nonprofit, accredited
2032 secondary educational institutions, located in and chartered by
2033 the state of Florida, may form a self-insurance fund for the
2034 purpose of pooling and spreading liabilities of its group
2035 members in any property or casualty risk or surety insurance or
2036 securing the payment of benefits under chapter 440, provided the
2037 independent educational institution self-insurance fund that is
2038 created must:

2039 (a) Have annual normal premiums in excess of \$5 million;

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2040 (b) Maintain a continuing program of excess insurance
2041 coverage and reserve evaluation to protect the financial
2042 stability of the fund in an amount and manner determined by a
2043 qualified and independent actuary;

2044 (c) Submit annually an audited fiscal year-end financial
2045 statement by an independent certified public accountant within 6
2046 months after the end of the fiscal year to the office; and

2047 (d) Have a governing body which is comprised entirely of
2048 independent educational institution officials.

2049 (2) An independent educational institution self-insurance
2050 fund that meets the requirements of this section is not subject
2051 to s. 624.4621 and is not required to file any report with the
2052 department under s. 440.38(2)(b) which is uniquely required of
2053 group self-insurer funds qualified under s. 624.4621. If any of
2054 the requirements of this section are not met, the independent
2055 educational self-insurance fund is subject to the requirements
2056 of s. 624.4621.

2057 ===== T I T L E A M E N D M E N T =====

2058 Between lines 11 and 12, insert:

2059 amending ss. 624.04, 624.303, 624.313, 624.317, 624.504,
2060 624.506, 624.521, 626.022, 626.112, 626.733, 626.7354, 626.741,
2061 626.753, 626.829, 634.171, 634.420, 642.034, 642.036, and
2062 642.045, F.S.; deleting references to solicitors to conform to
2063 prior deletions; amending ss. 624.34, 626.202, and 626.601,
2064 F.S.; revising certain fingerprinting requirements; amending s.
2065 624.501, F.S.; providing for a fee for certain late appointment
2066 filings; amending s. 626.015, F.S.; deleting a definition of
2067 administrative agent; amending s. 626.171, F.S.; revising
2068 applicant address requirements; specifying required background

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2069 investigation information; amending ss. 626.175, 626.7355,
2070 626.731, 626.831, 626.8414, 626.865, 626.866, 626.867, 626.874,
2071 626.9916, 648.34, and 648.355, F.S.; revising licensure
2072 eligibility criteria to specify United States citizenship or
2073 certain legal alien status; providing for the adoption of rules;
2074 amending s. 626.201, F.S.; revising certain fingerprint
2075 requirements; amending s. 626.221, F.S.; revising appointment
2076 application filing time period requirements; amending s.
2077 626.2815, F.S.; requiring certain continuing education hour and
2078 subject requirements; deleting references to solicitors to
2079 conform to prior deletions; revising a continuing education
2080 board member title; amending s. 626.2816, F.S.; revising a
2081 cross-reference; clarifying a continuing education requirement;
2082 amending s. 626.2817, F.S.; deleting a prelicensure rule
2083 requirement; amending s. 626.311, F.S.; providing for the
2084 appointment of certain licensees; amending s. 626.321, F.S.;
2085 deleting references to solicitors to conform to prior deletions;
2086 providing for one application for a license and payment of
2087 applicable fees; amending s. 626.322, F.S.; clarifying the
2088 effect of insurer authorization of effectuation of certain
2089 appointments; amending s. 626.341, F.S.; including a department-
2090 designated person to administer appointment processes for
2091 certain appointment-related actions; amending s. 626.371, F.S.;
2092 providing requirements for submittal and effective date of
2093 appointments; imposing a delinquent fee for certain notification
2094 failures; providing fee payment requirements; amending s.
2095 626.381, F.S.; including a department-designated person to
2096 administer appointment processes for certain appointment-related
2097 actions; providing for a fee for certain late appointment

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2098 filings; amending s. 626.451, F.S.; including a department-
2099 designated person to administer appointment processes for
2100 certain appointment-related actions; clarifying the effect of
2101 insurer authorization of effectuation of certain appointments;
2102 requiring licensee notification of the department of certain
2103 criminal proceedings; amending s. 626.461, F.S.; including a
2104 department-designated person to administer appointment processes
2105 for certain appointment-related actions; deleting references to
2106 solicitors to conform to prior deletions; amending s. 626.471,
2107 F.S.; including a department-designated person to administer
2108 appointment processes for certain appointment-related actions;
2109 providing for termination of certain appointments; requiring
2110 notice of termination; amending s. 626.843, F.S.; revising
2111 procedures for renewing title insurance agent appointments;
2112 amending s. 626.7315, F.S.; providing an exception to a
2113 prohibition against certain individuals receiving money on
2114 account of or for an insurer; amending ss. 626.732, 626.7851,
2115 626.8311, and 626.8417, F.S.; revising certain education subject
2116 requirements; amending s. 626.7351, F.S.; revising licensure
2117 eligibility criteria to specify United States citizenship or
2118 certain legal alien status; revising certain education subject
2119 requirements; providing additional education course
2120 requirements; amending s. 626.785, F.S.; revising licensure
2121 eligibility criteria to specify United States citizenship or
2122 certain legal alien status; increasing the amount of coverage
2123 for burial-related expenses that may be sold by a life insurance
2124 agent under contract with a funeral establishment; amending s.
2125 626.797, F.S.; revising an association title; amending s.
2126 626.869, F.S.; deleting a provision relating to limited licenses

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2127 for certain adjusters; revising certain education requirements;
2128 amending s. 626.878, F.S.; specifying implementation
2129 requirements for the department's ethics rules; amending s.
2130 626.9541, F.S.; revising sliding as an unfair method of
2131 competition and unfair or deceptive act or practice; amending s.
2132 632.634, F.S.; specifying registration of a society only upon
2133 department request; amending s. 627.7295, F.S.; revising the
2134 per-policy fees that general lines agents may charge on certain
2135 policies; amending s. 648.27, F.S.; imposing a delinquent fee
2136 for certain notification failures; providing fee payment
2137 requirements; deleting obsolete runner references; amending s.
2138 648.382, F.S.; clarifying the effect of insurer authorization of
2139 effectuation of certain appointments; imposing a delinquent fee
2140 for certain notification failures; providing fee payment
2141 requirements; amending s. 648.383, F.S.; including a department-
2142 designated person to administer appointment processes for
2143 certain appointment-related actions; providing for a fee for
2144 certain late appointment filings; amending s. 648.50, F.S.;
2145 deleting obsolete runner references; repealing s. 626.032, F.S.,
2146 relating to continuing education and required designation of
2147 administrative agents; repealing s. 626.361, F.S., relating to
2148 the effective date of appointments; amending s. 627.351, F.S.;
2149 providing requirements for the corporation relating to personal
2150 lines residential wind-only policies; requiring the corporation
2151 to develop a wind-only rate making methodology; requiring a
2152 report; requiring the Citizens Property Insurance Corporation to
2153 certify at certain intervals that its rates comply with
2154 requirements to be set a certain levels relative to other
2155 insurers; authorizing the Office of Insurance Regulation to

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2156 review and act upon such certification; requiring the
2157 corporation to appoint a rate methodology panel to make
2158 recommendations for the use of additional ratemaking methods,
2159 including the use of a rate equalization surcharge to assure
2160 that the cost of coverage is sufficient to comply with state
2161 law; requiring the corporation to provide a related report to
2162 the Legislature and a plan for implementing the additional
2163 ratemaking methods; specifying how the plan shall apply to agent
2164 commissions; requiring the corporation to develop a notice to
2165 policyholders; creating s. 624.105, F.S.; providing for waiver
2166 of customer liability for certain fess by providers of utility
2167 and telecommunications services under certain circumstances;
2168 creating s. 717.1071, F.S.; providing procedures, requirements,
2169 and limitations on lost owners of certain unclaimed insurance
2170 entity activity proceeds; amending s. 624.430, F.S.; requiring
2171 certain insurers to obtain reasonably available reinsurance
2172 under certain circumstances; providing procedures and criteria;
2173 amending s. 626.7451, F.S.; providing a per-policy fee to be
2174 remitted to the insurer's Special Investigations Unit, the
2175 Division of Insurance Fraud of the Department of Financial
2176 Services, and the Office of Statewide Prosecution for purposes
2177 of preventing, detecting, and prosecuting motor vehicle
2178 insurance fraud; creating s. 624.4623, F.S.; authorizing two or
2179 more independent colleges or universities to form a self-
2180 insurance fund; providing specific requirements;