



1 A bill to be entitled

2 An act relating to insurance claims and premium payments;
3 amending s. 627.4035, F.S.; providing for the payment of
4 insurance premiums by a debit or credit card, automatic
5 electronic funds transfer, or payroll deduction plan;
6 amending s. 627.7015, F.S.; defining "claim" for purposes
7 of alternative procedures for resolution of disputed
8 property insurance claims; amending s. 627.901, F.S.;
9 revising limits on service charges for premium financing;
10 amending ss. 624.04, 624.303, 624.313, 624.317, 624.504,
11 624.506, 624.521, 626.022, 626.112, 626.733, 626.7354,
12 626.741, 626.753, 626.829, 634.171, 634.420, 642.034,
13 642.036, and 642.045, F.S.; deleting references to
14 solicitors to conform to prior deletions; amending ss.
15 624.34, 626.202, and 626.601, F.S.; revising certain
16 fingerprinting requirements; amending s. 624.501, F.S.;
17 providing for a fee for certain late appointment filings;
18 amending s. 626.015, F.S.; deleting a definition of
19 administrative agent; amending s. 626.171, F.S.; revising
20 applicant address requirements; specifying required
21 background investigation information; amending ss.
22 626.175, 626.7355, 626.731, 626.831, 626.8414, 626.865,
23 626.866, 626.867, 626.874, 626.9916, 648.34, and 648.355,
24 F.S.; revising licensure eligibility criteria to specify
25 United States citizenship or certain legal alien status;
26 providing for the adoption of rules; amending s. 626.201,
27 F.S.; revising certain fingerprint requirements; amending
28 s. 626.221, F.S.; revising appointment application filing



29 time period requirements; amending s. 626.2815, F.S.;
30 requiring certain continuing education hour and subject
31 requirements; deleting references to solicitors to conform
32 to prior deletions; revising a continuing education board
33 member title; amending s. 626.2816, F.S.; revising a
34 cross-reference; clarifying a continuing education
35 requirement; amending s. 626.2817, F.S.; deleting a
36 prelicensure rule requirement; amending s. 626.311, F.S.;
37 providing for the appointment of certain licensees;
38 amending s. 626.321, F.S.; deleting references to
39 solicitors to conform to prior deletions; providing for
40 one application for a license and payment of applicable
41 fees; amending s. 626.322, F.S.; clarifying the effect of
42 insurer authorization of effectuation of certain
43 appointments; amending s. 626.341, F.S.; including a
44 department-designated person to administer appointment
45 processes for certain appointment-related actions;
46 amending s. 626.371, F.S.; providing requirements for
47 submittal and effective date of appointments; imposing a
48 delinquent fee for certain notification failures;
49 providing fee payment requirements; amending s. 626.381,
50 F.S.; including a department-designated person to
51 administer appointment processes for certain appointment-
52 related actions; providing for a fee for certain late
53 appointment filings; amending s. 626.451, F.S.; including
54 a department-designated person to administer appointment
55 processes for certain appointment-related actions;
56 clarifying the effect of insurer authorization of



57 | effectuation of certain appointments; requiring licensee
58 | notification of the department of certain criminal
59 | proceedings; amending s. 626.461, F.S.; including a
60 | department-designated person to administer appointment
61 | processes for certain appointment-related actions;
62 | deleting references to solicitors to conform to prior
63 | deletions; amending s. 626.471, F.S.; including a
64 | department-designated person to administer appointment
65 | processes for certain appointment-related actions;
66 | providing for termination of certain appointments;
67 | requiring notice of termination; amending s. 626.843,
68 | F.S.; revising procedures for renewing title insurance
69 | agent appointments; amending s. 626.7315, F.S.; providing
70 | an exception to a prohibition against certain individuals
71 | receiving money on account of or for an insurer; amending
72 | ss. 626.732, 626.7851, 626.8311, and 626.8417, F.S.;
73 | revising certain education subject requirements; amending
74 | s. 626.7351, F.S.; revising licensure eligibility criteria
75 | to specify United States citizenship or certain legal
76 | alien status; revising certain education subject
77 | requirements; providing additional education course
78 | requirements; amending s. 626.785, F.S.; revising
79 | licensure eligibility criteria to specify United States
80 | citizenship or certain legal alien status; increasing the
81 | amount of coverage for burial-related expenses that may be
82 | sold by a life insurance agent under contract with a
83 | funeral establishment; amending s. 626.797, F.S.; revising
84 | an association title; amending s. 626.869, F.S.; deleting



85 a provision relating to limited licenses for certain
86 adjusters; revising certain education requirements;
87 amending s. 626.878, F.S.; specifying implementation
88 requirements for the department's ethics rules; amending
89 s. 626.9541, F.S.; clarifying activities that constitute
90 illegal dealings in premiums; revising sliding as an
91 unfair method of competition and unfair or deceptive act
92 or practice; amending s. 632.634, F.S.; specifying
93 registration of a society only upon department request;
94 amending s. 648.27, F.S.; imposing a delinquent fee for
95 certain notification failures; providing fee payment
96 requirements; deleting obsolete runner references;
97 amending s. 648.382, F.S.; clarifying the effect of
98 insurer authorization of effectuation of certain
99 appointments; imposing a delinquent fee for certain
100 notification failures; providing fee payment requirements;
101 amending s. 648.383, F.S.; including a department-
102 designated person to administer appointment processes for
103 certain appointment-related actions; providing for a fee
104 for certain late appointment filings; amending s. 648.50,
105 F.S.; deleting obsolete runner references; repealing s.
106 626.032, F.S., relating to continuing education and
107 required designation of administrative agents; repealing
108 s. 626.361, F.S., relating to the effective date of
109 appointments; amending s. 627.351, F.S.; providing
110 requirements for the corporation relating to personal
111 lines residential wind-only policies; requiring the
112 corporation to develop a wind-only rate making



113 methodology; requiring a report; requiring the Citizens
114 Property Insurance Corporation to certify at certain
115 intervals that its rates comply with requirements to be
116 set a certain levels relative to other insurers;
117 authorizing the Office of Insurance Regulation to review
118 and act upon such certification; requiring the corporation
119 to appoint a rate methodology panel to make
120 recommendations for the use of additional ratemaking
121 methods, including the use of a rate equalization
122 surcharge to assure that the cost of coverage is
123 sufficient to comply with state law; requiring the
124 corporation to provide a related report to the Legislature
125 and a plan for implementing the additional ratemaking
126 methods; specifying how the plan shall apply to agent
127 commissions; requiring the corporation to develop a notice
128 to policyholders; creating s. 624.105, F.S.; providing for
129 waiver of customer liability for certain fees by providers
130 of utility and telecommunications services under certain
131 circumstances; creating s. 717.1071, F.S.; providing
132 procedures, requirements, and limitations on lost owners
133 of certain unclaimed insurance entity activity proceeds;
134 amending s. 624.430, F.S.; requiring certain insurers to
135 obtain reasonably available reinsurance under certain
136 circumstances; providing procedures and criteria; amending
137 s. 626.7451, F.S.; providing a per-policy fee to be
138 remitted to the insurer's Special Investigations Unit, the
139 Division of Insurance Fraud of the Department of Financial
140 Services, and the Office of Statewide Prosecution for



141 purposes of preventing, detecting, and prosecuting motor
142 vehicle insurance fraud; creating s. 624.4623, F.S.;
143 authorizing two or more independent colleges or
144 universities to form a self-insurance fund; providing
145 specific requirements; amending s. 624.81, F.S.; requiring
146 insurers that are under administrative supervision to
147 avail themselves of all reasonably available reinsurance;
148 providing for a third party to search for reinsurance;
149 providing for reimbursing the third party; amending s.
150 626.9541, F.S.; prohibiting insurers from refusing to
151 insure solely because the insured or applicant is a public
152 official; providing an effective date.

153

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

155

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

158 627.4035 Cash payment of premiums; claims.--

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

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

166 627.7015 Alternative procedure for resolution of disputed
167 property insurance claims.--



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

171 (a) With respect to which the insurer has a reasonable
 172 basis to suspect fraud;

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

175 (c) With respect to which the insurer has a reasonable
 176 basis to believe that the claimant has intentionally made a
 177 material misrepresentation of fact which is relevant to the
 178 claim, and the entire request for payment of a loss has been
 179 denied on the basis of the material misrepresentation; or

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

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

185 627.901 Premium financing by an insurance agent or
 186 agency.--

187 (1) A general lines agent may make reasonable service
 188 charges for financing insurance premiums on policies issued or
 189 business produced by such an agent or agency, s. 626.9541
 190 notwithstanding. The service charge shall not exceed \$3 ~~\$1~~ per
 191 installment, ~~or a \$6 total service charge per year, for any~~
 192 ~~premium balance of \$120 or less. For any premium balance greater~~
 193 ~~than \$120 but not more than \$220, the service charge shall not~~
 194 ~~exceed \$9 per year. The maximum service charge for any premium~~
 195 ~~balance greater than \$220 shall not exceed \$36~~ \$12 per year. In



196 lieu of such service charges, an insurance agent or agency, at
197 the sole discretion of such agent or agency, may charge a rate
198 of interest not to exceed 18 percent simple interest per year
199 on:

- 200 (a) The unpaid balance; or
201 (b) The average unpaid balance as billed over the term of
202 the policy and subject to endorsement changes. The interest
203 authorized by this paragraph may be billed in equal
204 installments.

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

207 624.04 "Person" defined.--"Person" includes an individual,
208 insurer, company, association, organization, Lloyds, society,
209 reciprocal insurer or interinsurance exchange, partnership,
210 syndicate, business trust, corporation, agent, general agent,
211 broker, ~~solicitor~~, service representative, adjuster, and every
212 legal entity.

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

215 624.303 Seal; certified copies as evidence.--

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

219 Section 6. Paragraph (a) of subsection (2) of section
220 624.313, Florida Statutes, is amended to read:

221 624.313 Publications.--

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



224 (a) As needed, questions and answers for the use of
225 persons applying for an examination for licensing as agents ~~or~~
226 ~~solicitors~~ for property, casualty, surety, health, and
227 miscellaneous insurers.

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

230 624.317 Investigation of agents, adjusters,
231 administrators, service companies, and others.--If it has reason
232 to believe that any person has violated or is violating any
233 provision of this code, or upon the written complaint signed by
234 any interested person indicating that any such violation may
235 exist, the department shall conduct such investigation as it
236 deems necessary of the accounts, records, documents, and
237 transactions pertaining to or affecting the insurance affairs of
238 any:

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

241 Section 8. Section 624.34, Florida Statutes, is amended to
242 read:

243 624.34 Authority of Department of Law Enforcement to
244 accept fingerprints of, and exchange criminal history records
245 with respect to, certain persons.--

246 (1) The Department of Law Enforcement may accept
247 fingerprints of organizers, incorporators, subscribers,
248 officers, stockholders, directors, or any other persons
249 involved, directly or indirectly, in the organization,
250 operation, or management of:



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

253 (b) Any other entity which is examined or investigated or
254 which is eligible to be examined or investigated under the
255 provisions of the Florida Insurance Code.

256 (2) The Department of Law Enforcement may accept
257 fingerprints of individuals who apply for a license as an agent,
258 customer representative, adjuster, service representative, or
259 managing general agent or the fingerprints of the majority
260 owner, sole proprietor, partners, officers, and directors of a
261 corporation or other legal entity that applies for licensure
262 with the department under the provisions of the Florida
263 Insurance Code.

264 (3) The Department of Law Enforcement may, to the extent
265 provided for by federal law, exchange state, multistate, and
266 federal criminal history records with the department and the
267 office for the purpose of the issuance, denial, suspension, or
268 revocation of a certificate of authority, certification, or
269 license to operate in this state.

270 (4) The Department of Law Enforcement may accept
271 fingerprints of any other person required by statute or rule to
272 submit fingerprints to the department or office or any applicant
273 or licensee regulated by the department or office who is
274 required to demonstrate that he or she has not been convicted of
275 or pled guilty or nolo contendere to a felony or a misdemeanor.

276 (5) The Department of Law Enforcement shall, upon receipt
277 of fingerprints from the department or office, submit the



278 fingerprints to the Federal Bureau of Investigation to check
 279 federal criminal history records.

280 (6) Statewide criminal records obtained through the
 281 Department of Law Enforcement, federal criminal records obtained
 282 through the Federal Bureau of Investigation, and local criminal
 283 records obtained through local law enforcement agencies shall be
 284 used by the department and office for the purpose of issuance,
 285 denial, suspension, or revocation of certificates of authority,
 286 certifications, or licenses issued to operate in this state.

287 Section 9. Paragraph (b) of subsection (6) of section
 288 624.501, Florida Statutes, is amended, and subsection (28) is
 289 added to that section, to read:

290 624.501 Filing, license, appointment, and miscellaneous
 291 fees.--The department shall collect in advance, and persons so
 292 served shall pay to it in advance, fees, licenses, and
 293 miscellaneous charges as follows:

294 (6) Insurance representatives, property, marine, casualty,
 295 and surety insurance.

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

298 Appointment fee....\$42.00
 299 State tax....12.00
 300 County tax....6.00
 301 Total....\$60.00

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



305 Section 10. Section 624.504, Florida Statutes, is amended
306 to read:

307 624.504 Liability for state, county tax.--

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

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

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

316 624.506 County tax; deposit and remittance.--

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

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

325 624.521 Deposit of certain tax receipts; refund of
326 improper payments.--

327 (1) The Department of Insurance shall promptly deposit in
328 the State Treasury to the credit of the Insurance Commissioner's
329 Regulatory Trust Fund all "state tax" portions of agents' ~~and~~
330 ~~solicitors'~~ licenses collected under s. 624.501 necessary to
331 fund the Division of Insurance Fraud. The balance of the tax
332 shall be credited to the General Fund. All moneys received by



333 the Department of Insurance not in accordance with the
334 provisions of this code or not in the exact amount as specified
335 by the applicable provisions of this code shall be returned to
336 the remitter. The records of the department shall show the date
337 and reason for such return.

338 Section 13. Section 626.015, Florida Statutes, is amended
339 to read:

340 626.015 Definitions.--As used in this part:

341 (1) "Adjuster" means a public adjuster as defined in s.
342 626.854, independent adjuster as defined in s. 626.855, or
343 company employee adjuster as defined in s. 626.856.

344 ~~(2) "Administrative agent" means a life agent or health
345 agent who:~~

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

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

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

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

353 (2)~~(3)~~ "Agent" means a general lines agent, life agent,
354 health agent, or title agent, or all such agents, as indicated
355 by context. The term "agent" includes an insurance producer or
356 producer, but does not include a customer representative,
357 limited customer representative, or service representative.

358 (3)~~(4)~~ "Appointment" means the authority given by an
359 insurer or employer to a licensee to transact insurance or
360 adjust claims on behalf of an insurer or employer.



361 ~~(4)~~(5) "Customer representative" means an individual
362 appointed by a general lines agent or agency to assist that
363 agent or agency in transacting the business of insurance from
364 the office of that agent or agency.

365 ~~(5)~~(6) "Department" means the Department of Insurance.

366 ~~(6)~~(7) "General lines agent" means an agent transacting
367 any one or more of the following kinds of insurance:

368 (a) Property insurance.

369 (b) Casualty insurance, including commercial liability
370 insurance underwritten by a risk retention group, a commercial
371 self-insurance fund as defined in s. 624.462, or a workers'
372 compensation self-insurance fund established pursuant to s.
373 624.4621.

374 (c) Surety insurance.

375 (d) Health insurance, when transacted by an insurer also
376 represented by the same agent as to property or casualty or
377 surety insurance.

378 (e) Marine insurance.

379 ~~(7)~~(8) "Health agent" means an agent representing a health
380 maintenance organization or, as to health insurance only, an
381 insurer transacting health insurance.

382 ~~(8)~~(9) "Home state" means the District of Columbia and any
383 state or territory of the United States in which an insurance
384 agent maintains his or her principal place of residence and is
385 licensed to act as an insurance agent.

386 ~~(9)~~(10) "Insurance agency" means a business location at
387 which an individual, firm, partnership, corporation,
388 association, or other entity, other than an employee of the



389 individual, firm, partnership, corporation, association, or
390 other entity and other than an insurer as defined by s. 624.03
391 or an adjuster as defined by subsection (1), engages in any
392 activity or employs individuals to engage in any activity which
393 by law may be performed only by a licensed insurance agent.

394 (10)~~(11)~~ "License" means a document issued by the
395 department authorizing a person to be appointed to transact
396 insurance or adjust claims for the kind, line, or class of
397 insurance identified in the document.

398 (11)~~(12)~~ "Life agent" means an individual representing an
399 insurer as to life insurance and annuity contracts, including
400 agents appointed to transact life insurance, fixed-dollar
401 annuity contracts, or variable contracts by the same insurer.

402 (12)~~(13)~~ "Limited customer representative" means a
403 customer representative appointed by a general lines agent or
404 agency to assist that agent or agency in transacting only the
405 business of private passenger motor vehicle insurance from the
406 office of that agent or agency. A limited customer
407 representative is subject to the Florida Insurance Code in the
408 same manner as a customer representative, unless otherwise
409 specified.

410 (13)~~(14)~~ "Limited lines insurance" means those categories
411 of business specified in ss. 626.321 and 635.011.

412 (14)~~(15)~~ "Line of authority" means a kind, line, or class
413 of insurance an agent is authorized to transact.

414 (15)~~(16)~~(a) "Managing general agent" means any person
415 managing all or part of the insurance business of an insurer,
416 including the management of a separate division, department, or



417 | underwriting office, and acting as an agent for that insurer,
418 | whether known as a managing general agent, manager, or other
419 | similar term, who, with or without authority, separately or
420 | together with affiliates, produces directly or indirectly, or
421 | underwrites an amount of gross direct written premium equal to
422 | or more than 5 percent of the policyholder surplus as reported
423 | in the last annual statement of the insurer in any single
424 | quarter or year and also does one or more of the following:

- 425 | 1. Adjusts or pays claims.
- 426 | 2. Negotiates reinsurance on behalf of the insurer.

427 | (b) The following persons shall not be considered managing
428 | general agents:

- 429 | 1. An employee of the insurer.
- 430 | 2. A United States manager of the United States branch of
431 | an alien insurer.
- 432 | 3. An underwriting manager managing all the insurance
433 | operations of the insurer pursuant to a contract, who is under
434 | the common control of the insurer subject to regulation under
435 | ss. 628.801-628.803, and whose compensation is not based on the
436 | volume of premiums written.
- 437 | 4. Administrators as defined by s. 626.88.
- 438 | 5. The attorney in fact authorized by and acting for the
439 | subscribers of a reciprocal insurer under powers of attorney.

440 | (16)~~(17)~~ "Resident" means an individual domiciled and
441 | residing in this state.

442 | (17)~~(18)~~ "Service representative" means an individual
443 | employed by an insurer or managing general agent for the purpose
444 | of assisting a general lines agent in negotiating and effecting



445 insurance contracts when accompanied by a licensed general lines
446 agent. A service representative shall not be simultaneously
447 licensed as a general lines agent in this state. This subsection
448 does not apply to life insurance.

449 (18)~~(19)~~ "Uniform application" means the uniform
450 application of the National Association of Insurance
451 Commissioners for nonresident agent licensing, effective January
452 15, 2001, or subsequent versions adopted by rule by the
453 department.

454 Section 14. Subsection (1) of section 626.022, Florida
455 Statutes, is amended to read:

456 626.022 Scope of part.--

457 (1) This part applies as to insurance agents, ~~solicitors,~~
458 service representatives, adjusters, and insurance agencies; as
459 to any and all kinds of insurance; and as to stock insurers,
460 mutual insurers, reciprocal insurers, and all other types of
461 insurers, except that:

462 (a) It does not apply as to reinsurance, except that ss.
463 626.011-626.031, ss. 626.102-626.181, ss. 626.191-626.211, ss.
464 626.291-626.301, s. 626.331, ss. 626.342-626.521, ss. 626.541-
465 626.591, and ss. 626.601-626.711 shall apply as to reinsurance
466 intermediaries as defined in s. 626.7492.

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

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

471 (d) This part does not apply to a certified public
472 accountant licensed under chapter 473 who is acting within the



473 scope of the practice of public accounting, as defined in s.
474 473.302, provided that the activities of the certified public
475 accountant are limited to advising a client of the necessity of
476 obtaining insurance, the amount of insurance needed, or the line
477 of coverage needed, and provided that the certified public
478 accountant does not directly or indirectly receive or share in
479 any commission or, referral fee, ~~or solicitor's fee~~.

480 Section 15. Paragraph (a) of subsection (7) of section
481 626.112, Florida Statutes, is amended to read:

482 626.112 License and appointment required; agents, customer
483 representatives, adjusters, insurance agencies, service
484 representatives, managing general agents.--

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

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

495 626.171 Application for license.--

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

497 (a) His or her full name, age, social security number,
498 residence address, and ~~place of business~~ address, and mailing
499 address.



500 (5) An application for a license as an agent, customer
501 representative, adjuster, insurance agency, service
502 representative, managing general agent, or reinsurance
503 intermediary must be accompanied by a set of the individual
504 applicant's fingerprints, or, if the applicant is not an
505 individual, by a set of the fingerprints of the sole proprietor,
506 majority owner, partners, officers, and directors, on a form
507 adopted by rule of the department and accompanied by the
508 fingerprint processing fee set forth in s. 624.501. Fingerprints
509 shall be used to investigate the applicant's qualifications
510 pursuant to s. 626.201. The fingerprints shall be taken
511 certified by a law enforcement agency or other department-
512 approved entity officer.

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

515 626.175 Temporary licensing.--

516 (1) The department may issue a nonrenewable temporary
517 license for a period not to exceed 6 months authorizing
518 appointment of a general lines insurance agent or a life agent,
519 or an industrial fire or burglary agent, subject to the
520 conditions described in this section. The fees paid for a
521 temporary license and appointment shall be as specified in s.
522 624.501. Fees paid shall not be refunded after a temporary
523 license has been issued.

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

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



526 2. A United States citizen or legal alien who possesses
527 work authorization from the United States Immigration and
528 Naturalization Service.

529 **(b)**~~(a)~~1. In the case of a general lines agent, the
530 department may issue a temporary license to an employee, a
531 family member, a business associate, or a personal
532 representative of a licensed general lines agent for the purpose
533 of continuing or winding up the business affairs of the agent or
534 agency in the event the licensed agent has died or become unable
535 to perform his or her duties because of military service or
536 illness or other physical or mental disability, subject to the
537 following conditions:

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

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

543 c. Application for the temporary license shall have been
544 made by the applicant upon statements and affidavit filed with
545 the department on forms prescribed and furnished by the
546 department.

547 d. Under a temporary license and appointment, the licensee
548 shall not represent any insurer not last represented by the
549 agent being replaced and shall not be licensed or appointed as
550 to any additional kind, line, or class of insurance other than
551 those covered by the last existing agency appointments of the
552 replaced agent. If an insurer withdraws from the agency during
553 the temporary license period, the temporary licensee may be



554 appointed by another similar insurer but only for the period
555 remaining under the temporary license.

556 2. A regular general lines agent license may be issued to
557 a temporary licensee upon meeting the qualifications for a
558 general lines agent license under s. 626.731.

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

561 1. To the executor or administrator of the estate of a
562 deceased individual licensed and appointed as a life agent at
563 the time of death;

564 2. To a surviving next of kin of the deceased individual,
565 if no administrator or executor has been appointed and
566 qualified; however, any license and appointment under this
567 subparagraph shall be canceled upon issuance of a license to an
568 executor or administrator under subparagraph 1.; or

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

576 (d)~~(e)~~ In the case of a limited license authorizing
577 appointment as an industrial fire or burglary agent, the
578 department may issue a temporary license to an individual
579 otherwise qualified to be licensed as an agent who has completed
580 the educational or training requirements prescribed in s.



581 626.732 and has successfully sat for the required examination
582 prior to termination of the 6-month period.

583 Section 18. Section 626.202, Florida Statutes, is amended
584 to read:

585 626.202 Fingerprinting requirements.--If there is a change
586 in ownership or control of any entity licensed under this
587 chapter, or if a new partner, officer, or director is employed
588 or appointed, a set of fingerprints of the new owner, partner,
589 officer, or director must be filed with the department within 30
590 days after the change. The acquisition of 10 percent or more of
591 the voting securities of a licensed entity is considered a
592 change of ownership or control. The fingerprints must be taken
593 ~~certified~~ by a law enforcement agency or other department-
594 approved entity officer and be accompanied by the fingerprint
595 processing fee in s. 624.501.

596 Section 19. Section 626.201, Florida Statutes, is amended
597 to read:

598 626.201 Investigation.--

599 (1) The department may propound any reasonable
600 interrogatories in addition to those contained in the
601 application, to any applicant for license or appointment, or on
602 any renewal, reinstatement, or continuation thereof, relating to
603 his or her qualifications, residence, prospective place of
604 business, and any other matter which, in the opinion of the
605 department, is deemed necessary or advisable for the protection
606 of the public and to ascertain the applicant's qualifications.

607 (2) The department may, upon completion of the
608 application, make such further investigation as it may deem



609 advisable of the applicant's character, experience, background,
610 and fitness for the license or appointment. Such an inquiry or
611 investigation shall be in addition to any examination required
612 to be taken by the applicant as hereinafter in this chapter
613 provided.

614 (3) An inquiry or investigation of the applicant's
615 qualifications, character, experience, background, and fitness
616 must include submission of the applicant's fingerprints to the
617 Department of Law Enforcement and the Federal Bureau of
618 Investigation and consideration of any state criminal records,
619 federal criminal records, or local criminal records obtained
620 from these agencies or from local law enforcement agencies.

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

624 626.221 Examination requirement; exemptions.--

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

627 (e) An individual who qualified as a managing general
628 agent, service representative, customer representative, or all-
629 lines adjuster by passing a general lines agent's examination
630 and subsequently was licensed and appointed and has been
631 actively engaged in all lines of property and casualty insurance
632 may, upon filing an application for appointment, be licensed and
633 appointed as a general lines agent for the same kinds of
634 business without taking another examination if he or she holds
635 any such currently effective license referred to in this



636 paragraph or held the license within ~~48~~ 24 months prior to the
637 date of filing the application with the department.

638 (f) A person who has been licensed and appointed by the
639 department as a public adjuster or independent adjuster, or
640 licensed and appointed either as an agent or company adjuster as
641 to all property, casualty, and surety insurances, may be
642 licensed and appointed as a company adjuster as to any of such
643 insurances, or as an independent adjuster or public adjuster,
644 without additional written examination if an application for
645 appointment is filed with the department within ~~48~~ 24 months
646 following the date of cancellation or expiration of the prior
647 appointment.

648 (g) A person who has been licensed by the department as an
649 adjuster for motor vehicle, property and casualty, workers'
650 compensation, and health insurance may be licensed as such an
651 adjuster without additional written examination if his or her
652 application for appointment is filed with the department within
653 ~~48~~ 24 months after cancellation or expiration of the prior
654 license.

655 (k) An applicant for license as a customer representative
656 who has the designation of Accredited Advisor in Insurance (AAI)
657 from the Insurance Institute of America, the designation of
658 Certified Insurance Counselor (CIC) from the Society of
659 Certified Insurance Service Counselors, the designation of
660 Accredited Customer Service Representative (ACSR) from the
661 Independent Insurance Agents of America, the designation of
662 Certified Professional Service Representative (CPSR) from the
663 National Foundation for Certified Professional Service



664 Representatives Association of Professional Insurance Agents,
665 the designation of Certified Insurance Service Representative
666 (CISR) from the Society of Certified Insurance Service
667 Representatives. Also, an applicant for license as a customer
668 representative who has the designation of Certified Customer
669 Service Representative (CCSR) from the Florida Association of
670 Insurance Agents, or the designation of Registered Customer
671 Service Representative (RCSR) from a regionally accredited
672 postsecondary institution in this state, or the designation of
673 Professional Customer Service Representative (PCSR) from the
674 Professional Career Institute, whose curriculum has been
675 approved by the department and whose curriculum includes
676 comprehensive analysis of basic property and casualty lines of
677 insurance and testing at least equal to that of standard
678 department testing for the customer representative license. The
679 department shall adopt rules establishing standards for the
680 approval of curriculum.

681 Section 21. Paragraphs (a), (c), and (d) of subsection
682 (3), paragraphs (a), (b), (c), (d), (g), (h), and (i) of
683 subsection (4), and paragraph (b) of subsection (6) of section
684 626.2815, Florida Statutes, are amended to read:

685 626.2815 Continuing education required; application;
686 exceptions; requirements; penalties.--

687 (3)(a) Each person subject to the provisions of this
688 section must, except as set forth in paragraphs (b) and (c),
689 complete a minimum of 24 ~~28~~ hours of continuing education
690 courses every 2 years in basic or higher-level courses
691 prescribed by this section or in other courses approved by the



692 department. Each person subject to the provisions of this
693 section must complete, as part of his or her ~~their~~ required
694 number of continuing education hours, 3 hours of continuing
695 education, approved by the department, every 2 years on the
696 subject matter of ethics and a minimum of 2 hours of continuing
697 education, approved by the department, every 2 years on the
698 subject matter of unauthorized entities engaging in the business
699 of insurance. The scope of the topic of unauthorized entities
700 shall include the Florida Nonprofit Multiple Employer Welfare
701 Arrangement Act and the Employee Retirement Income Security Act,
702 29 U.S.C. ss. 1001 et seq., as it relates to the provision of
703 health insurance by employers to their employees and the
704 regulation thereof.

705 (c) A licensee who has been licensed for 25 years or more
706 and is a CLU or a CPCU or has a Bachelor of Science degree in
707 risk management or insurance with evidence of 18 or more
708 semester hours in upper-level insurance-related courses must
709 complete 12 ~~14~~ hours of continuing education courses every 2
710 years in courses prescribed by this section or in other courses
711 approved by the department, except, for compliance periods
712 beginning January 1, 1998, the licensees described in this
713 paragraph shall be required to complete 10 hours of continuing
714 education courses every 2 years.

715 (d) Any person who holds a license as a customer
716 representative, limited customer representative, ~~administrative~~
717 ~~agent~~, title agent, motor vehicle physical damage and mechanical
718 breakdown insurance agent, crop or hail and multiple-peril crop
719 insurance agent, or as an industrial fire insurance or burglary



720 insurance agent and who is not a licensed life or health
721 insurance agent, shall be required to complete 12 ~~14~~ hours of
722 continuing education courses every 2 years, except, for
723 compliance periods beginning on January 1, 1998, each licensee
724 subject to this paragraph shall be required to complete 10 hours
725 of continuing education courses every 2 years.

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

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

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

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

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

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

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

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

746 (6)

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



748 1. Seven members representing agents of which at least one
749 must be a representative from each of the following
750 organizations: the Florida Association of Insurance Agents; the
751 Florida Association of Insurance and Financial Advisors Life
752 ~~Underwriters~~; the Professional Insurance Agents of Florida,
753 Inc.; the Florida Association of Health Underwriters; the
754 Specialty Agents' Association; the Latin American Agents'
755 Association; and the National Association of Insurance Women.
756 Such board members must possess at least a bachelor's degree or
757 higher from an accredited college or university with major
758 coursework in insurance, risk management, or education or
759 possess the designation of CLU, CPCU, CHFC, CFP, AAI, or CIC. In
760 addition, each member must possess 5 years of classroom
761 instruction experience or 5 years of experience in the
762 development or design of educational programs or 10 years of
763 experience as a licensed resident agent. Each organization may
764 submit to the department a list of recommendations for
765 appointment. If one organization does not submit a list of
766 recommendations, the Insurance Commissioner may select more than
767 one recommended person from a list submitted by other eligible
768 organizations.

769 2. Two members representing insurance companies at least
770 one of whom must represent a Florida Domestic Company and one of
771 whom must represent the Florida Insurance Council. Such board
772 members must be employed within the training department of the
773 insurance company. At least one such member must be a member of
774 the Society of Insurance Trainers and Educators.



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

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

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

784 626.2816 Regulation of continuing education for licensees,
785 course providers, instructors, school officials, and monitor
786 groups.--

787 (1) Continuing education course providers, instructors,
788 school officials, and monitor groups must be approved by the
789 department before offering continuing education courses pursuant
790 to s. 626.2815 or s. 626.869.

791 (2) The department shall adopt rules establishing
792 standards for the approval, regulation, and operation of the
793 continuing education programs and for the discipline of
794 licensees, course providers, instructors, school officials, and
795 monitor groups. The standards must be designed to ensure that
796 such course providers, instructors, school officials, and
797 monitor groups have the knowledge, competence, and integrity to
798 fulfill the educational objectives of ss. 626.2815, 626.869~~(5)~~,
799 648.385, and 648.386.

800 (3) The department shall adopt rules establishing a
801 process by which compliance with the continuing education
802 requirements of ss. 626.2815, 626.869~~(5)~~, 648.385, and 648.386



803 can be determined, the establishment of a continuing education
804 compliance period ~~requirement cycle~~ for licensees, and forms
805 necessary to implement such a process.

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

808 626.2817 Regulation of course providers, instructors,
809 school officials, and monitor groups involved in prelicensure
810 education for insurance agents and other licensees.--

811 (3) The department shall adopt rules to establish a
812 process for determining compliance with the prelicensure
813 requirements of this chapter and chapter 648 ~~and shall establish~~
814 ~~a prelicensure cycle for insurance agents and other licensees.~~
815 The department shall adopt rules prescribing the forms necessary
816 to administer the prelicensure requirements.

817 Section 24. Subsections (5) and (6) are added to section
818 626.311, Florida Statutes, to read:

819 626.311 Scope of license.--

820 (5) At any time while a license is in force, an insurer
821 may apply to the department on behalf of the licensee for an
822 appointment. Upon receipt of the appointment application and
823 appointment taxes and fees, the department may issue the
824 additional appointment without further investigation concerning
825 the applicant.

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

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



831 626.321 Limited licenses.--

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

836 (a) Motor vehicle physical damage and mechanical breakdown
837 insurance.--License covering insurance against only the loss of
838 or damage to any motor vehicle which is designed for use upon a
839 highway, including trailers and semitrailers designed for use
840 with such vehicles. Such license also covers insurance against
841 the failure of an original or replacement part to perform any
842 function for which it was designed. The applicant for such a
843 license shall pass a written examination covering motor vehicle
844 physical damage insurance and mechanical breakdown insurance.
845 No individual while so licensed shall hold a license as an agent
846 ~~or solicitor~~ as to any other or additional kind or class of
847 insurance coverage except as to a limited license for credit
848 life and disability insurances as provided in paragraph(e).

849 (e) Credit life or disability insurance.--License covering
850 only credit life or disability insurance. The license may be
851 issued only to an individual employed by a life or health
852 insurer as an officer or other salaried or commissioned
853 representative, to an individual employed by or associated with
854 a lending or financial institution or creditor, or to a lending
855 or financial institution or creditor, and may authorize the sale
856 of such insurance only with respect to borrowers or debtors of
857 such lending or financing institution or creditor. However,
858 only the individual or entity whose tax identification number is



859 used in receiving or is credited with receiving the commission
860 from the sale of such insurance shall be the licensed agent of
861 the insurer. No individual while so licensed shall hold a
862 license as an agent ~~or solicitor~~ as to any other or additional
863 kind or class of life or health insurance coverage. An entity
864 holding a limited license under this paragraph is also
865 authorized to sell credit insurance and credit property
866 insurance. ~~An entity applying for a license under this section:~~

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

871 ~~2. Is required to obtain a license for each office, branch~~
872 ~~office, or place of business making use of the entity's business~~
873 ~~name by applying to the department for the license on a~~
874 ~~simplified form developed by rule of the department for this~~
875 ~~purpose.~~

876 ~~3. Is not required to pay any additional application fees~~
877 ~~for a license issued to the offices or places of business~~
878 ~~referenced in subsection(2), but is required to pay the license~~
879 ~~fee as prescribed in s. 624.501, be appointed under s. 626.112,~~
880 ~~and pay the prescribed appointment fee under s. 624.501. The~~
881 ~~license obtained under this paragraph shall be posted at the~~
882 ~~business location for which it was issued so as to be readily~~
883 ~~visible to prospective purchasers of such coverage.~~

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



886 (a) Submit only one application for a license under s.
887 626.171. The requirements of s. 626.171(5) shall only apply to
888 the officers and directors of the entity submitting the
889 application.

890 (b) Obtain a license for each office, branch office, or
891 place of business making use of the entity's business name by
892 applying to the department for the license on a simplified
893 application form developed by rule of the department for this
894 purpose.

895 (c) Pay the applicable fees for a license as prescribed in
896 s. 624.501, be appointed under s. 626.112, and pay the
897 prescribed appointment fee under s. 624.501. A licensed and
898 appointed entity shall be directly responsible and accountable
899 for all acts of the licensee's employees.

900 (3)(2) The limitations of any license issued under this
901 section shall be expressed therein. The licensee shall have a
902 separate and additional appointment as to each insurer
903 represented.

904 (4)(3) Except as otherwise expressly provided, an
905 individual applying for or holding a limited license shall be
906 subject to the same applicable requirements and responsibilities
907 as apply to general lines agents in general, if licensed as to
908 motor vehicle physical damage and mechanical breakdown
909 insurance, credit property insurance, industrial fire insurance
910 or burglary insurance, in-transit and storage personal property
911 insurance, communications equipment property insurance or
912 communications equipment inland marine insurance, baggage and
913 motor vehicle excess liability insurance, or credit insurance;



914 or as apply to life agents or health agents in general, as the
915 case may be, if licensed as to personal accident insurance or
916 credit life or credit disability insurance.

917 Section 26. Section 626.322, Florida Statutes, is amended
918 to read:

919 626.322 License, appointment; certain military
920 installations.--A natural person, not a resident of this state,
921 may be licensed and appointed to represent an authorized life
922 insurer domiciled in this state or an authorized foreign life
923 insurer which maintains a regional home office in this state,
924 provided such person represents such insurer exclusively at a
925 United States military installation located in a foreign
926 country. The department may, upon request of the applicant and
927 the insurer on application forms furnished by the department and
928 upon payment of fees as prescribed in s. 624.501, issue a
929 license and appointment to such person. By authorizing the
930 effectuation of an appointment for a license, the insurer is
931 thereby certifying ~~shall certify~~ to the department that the
932 applicant has the necessary training to hold himself or herself
933 out as a life insurance representative, and the insurer shall
934 further certify that it is willing to be bound by the acts of
935 such applicant within the scope of his or her employment.
936 Appointments shall be continued as prescribed in s. 626.381 and
937 upon payment of a fee as prescribed in s. 624.501, unless sooner
938 terminated. Such fees received shall be credited to the
939 Insurance Commissioner's Regulatory Trust Fund as provided for
940 in s. 624.523.



941 Section 27. Section 626.341, Florida Statutes, is amended
942 to read:

943 626.341 Additional appointments; general lines, life, and
944 health agents.--

945 (1) At any time while a licensee's license is in force, an
946 insurer may apply to the department or person designated by the
947 department to administer the appointment process on behalf of a
948 licensee for an additional appointment as general lines agent or
949 life or health agent for an additional insurer or insurers. The
950 application for appointment shall set forth all information the
951 department may require. Upon receipt of the appointment and
952 payment of the applicable appointment taxes and fees, the
953 department may issue the additional appointment without, in its
954 discretion, further investigation concerning the applicant.

955 (2) A life or health agent with an appointment in force
956 may solicit applications for policies of insurance on behalf of
957 an insurer with respect to which he or she is not an appointed
958 life or health agent, unless otherwise provided by contract, if
959 such agent simultaneously with the submission to such insurer of
960 the application for insurance solicited by him or her requests
961 the insurer to appoint him or her as agent. However, no
962 commissions shall be paid by such insurer to the agent until
963 such time as an additional appointment with respect to such
964 insurer has been received by the department or person designated
965 by the department to administer the appointment process pursuant
966 to the provisions of subsection (1).

967 Section 28. Section 626.371, Florida Statutes, is amended
968 to read:



969 626.371 Payment of fees, taxes for appointment period
970 without appointment.--

971 (1) All initial appointments shall be submitted to the
972 department on a monthly basis no later than 45 days after the
973 date of appointment and become effective on the date requested
974 on the appointment form.

975 (2) If, upon application and qualification for an initial
976 or renewal appointment and such investigation as the department
977 may make, it appears to the department that an individual who
978 was formerly licensed or is currently licensed but not properly
979 appointed to represent an insurer or employer and who has been
980 actively engaged or is currently actively engaged as such an
981 appointee, but without being appointed as required, the
982 department may, if it finds that such failure to be appointed
983 was an inadvertent error on the part of the insurer or employer
984 so represented, nevertheless issue or authorize the issuance of
985 the appointment as applied for but subject to the condition
986 that, before the appointment is issued, all fees and taxes which
987 would have been due had the applicant been so appointed during
988 such current and prior periods, ~~together~~ with applicable fees
989 pursuant to s. 624.501 a ~~continuation~~ fee for such current and
990 prior periods ~~terms~~ of appointment, shall be paid to the
991 department.

992 (3)(a) Failure to notify the department within the
993 required time period shall result in the appointing entity being
994 assessed a delinquent fee of \$250 per appointee. Delinquent fees
995 shall be paid by the appointing entity and may not be charged to
996 the appointee.



997 (b) Failure to timely renew an appointment by an
998 appointing entity prior to the expiration date of the
999 appointment shall result in the appointing entity being assessed
1000 late filing, continuation, and reinstatement fees as prescribed
1001 in s. 624.501. Such fees must be paid by the appointing entity
1002 and cannot be charged back to the appointee.

1003 Section 29. Subsections (3) and (4) of section 626.381,
1004 Florida Statutes, are amended and a new subsection (7) is added
1005 to that section to read:

1006 626.381 Renewal, continuation, reinstatement, or
1007 termination of appointment.--

1008 (3) Renewal of an appointment which is received ~~on a date~~
1009 ~~set forth~~ by the department or person designated by the
1010 department to administer the appointment process prior to the
1011 expiration of an appointment in the licensee's birth month or
1012 license issue date, whichever applies, in the succeeding month
1013 may be renewed by the department without penalty and shall be
1014 effective as of the first day of the month succeeding the month
1015 in which the appointment would have expired.

1016 (4) Renewal of an appointment which is received by the
1017 department or person designated by the department to administer
1018 the appointment process after the renewal date set by the
1019 ~~department~~ may be accepted and effectuated by the department in
1020 its discretion if the an additional appointment, late filing,
1021 continuation, and reinstatement fee accompanies the renewal
1022 request pursuant to s. 624.501. Late filing fees shall be paid
1023 by the appointing entity and may not be charged to the
1024 appointee.



1025 (7) The department may adopt rules to implement this
1026 section.

1027 Section 30. Subsections (1), (2), and (3) of section
1028 626.451, Florida Statutes, are amended, and subsection (7) is
1029 added to that section, to read:

1030 626.451 Appointment of agent or other representative.--

1031 (1) Each appointing entity or person designated by the
1032 department to administer the appointment process appointing an
1033 agent, adjuster, service representative, customer
1034 representative, or managing general agent in this state shall
1035 file the appointment with the department and, at the same time,
1036 pay the applicable appointment fee and taxes. Every appointment
1037 shall be subject to the prior issuance of the appropriate
1038 agent's, adjuster's, service representative's, customer
1039 representative's, or managing general agent's license.

1040 (2) By authorizing the effectuation of an appointment for
1041 a licensee, the appointing entity is thereby certifying to the
1042 department that an investigation of the licensee has been made
1043 ~~As a part of each appointment there shall be a certified~~
1044 ~~statement or affidavit of an appropriate officer or official of~~
1045 ~~the appointing entity stating what investigation the appointing~~
1046 ~~entity has made concerning the proposed appointee and his or her~~
1047 ~~background~~ and that in the appointing entity's opinion and to
1048 the best of its knowledge and belief, the licensee is of good as
1049 ~~to the~~ moral character and reputation, and is fit to engage in
1050 the insurance business. The appointing entity shall provide to
1051 the department fitness, and ~~reputation of the proposed appointee~~



1052 and any other information the department may reasonably require
1053 relative to the proposed appointee.

1054 (3) By authorizing the effectuation of ~~In~~ the appointment
1055 of an agent, adjuster, service representative, customer
1056 representative, or managing general agent the appointing entity
1057 is thereby certifying to the department ~~shall also certify~~
1058 ~~therein~~ that it is willing to be bound by the acts of the agent,
1059 adjuster, service representative, customer representative, or
1060 managing general agent, within the scope of the licensee's ~~his~~
1061 ~~or her~~ employment.

1062 (7) Each licensee shall advise the department in writing
1063 within 30 days after having been found guilty of or having
1064 pleaded guilty or nolo contendere to a felony or a crime
1065 punishable by imprisonment of 1 year or more under the laws of
1066 the United States, any state of the United States, or any other
1067 country, without regard to whether a judgment of conviction has
1068 been entered by the court having jurisdiction of such cases.

1069 Section 31. Section 626.461, Florida Statutes, is amended
1070 to read:

1071 626.461 Continuation of appointment of agent or other
1072 representative.--Subject to renewal or continuation by the
1073 appointing entity, the appointment of the agent, adjuster,
1074 ~~solicitor~~, service representative, customer representative, or
1075 managing general agent shall continue in effect until the
1076 person's license is revoked or otherwise terminated, unless
1077 written notice of earlier termination of the appointment is
1078 filed with the department or person designated by the department



1079 to administer the appointment process by either the appointing
1080 entity or the appointee.

1081 Section 32. Subsections (4) and (5) of section 626.471,
1082 Florida Statutes, are amended to read:

1083 626.471 Termination of appointment.--

1084 (4) An appointee may terminate the appointment at any time
1085 by giving written or electronic notice thereof to the appointing
1086 entity, ~~and filing a copy of the notice with the department, or~~
1087 person designated by the department to administer the
1088 appointment process. The department shall immediately terminate
1089 the appointment and notify the appointing entity of such
1090 termination. Such termination shall be subject to the
1091 appointee's contract rights, if any.

1092 (5) Upon receiving notice of termination, the department
1093 or person designated by the department to administer the
1094 appointment process shall terminate the appointment.

1095 Section 33. Subsection (5) of section 626.601, Florida
1096 Statutes, is amended to read:

1097 626.601 Improper conduct; inquiry; fingerprinting.--

1098 (5) If the department, after investigation, has reason to
1099 believe that a licensee may have been found guilty of or pleaded
1100 guilty or nolo contendere to a felony or a crime related to the
1101 business of insurance in this or any other state or
1102 jurisdiction, the department may require the licensee to file
1103 with the department a complete set of his or her fingerprints,
1104 which shall be accompanied by the fingerprint processing fee set
1105 forth in s. 624.501. The fingerprints shall be taken certified



1106 by an authorized law enforcement agency or other department-
1107 approved entity officer.

1108 Section 34. Paragraph (b) of subsection (1) of section
1109 626.731, Florida Statutes, is amended to read:

1110 626.731 Qualifications for general lines agent's
1111 license.--

1112 (1) The department shall not grant or issue a license as
1113 general lines agent to any individual found by it to be
1114 untrustworthy or incompetent or who does not meet each of the
1115 following qualifications:

1116 (b) The applicant is a United States citizen or legal
1117 alien who possesses work authorization from the United States
1118 Immigration and Naturalization Service and is a bona fide
1119 resident of this state. An individual who is a bona fide
1120 resident of this state shall be deemed to meet the residence
1121 requirement of this paragraph, notwithstanding the existence at
1122 the time of application for license of a license in his or her
1123 name on the records of another state as a resident licensee of
1124 such other state, if the applicant furnishes a letter of
1125 clearance satisfactory to the department that the resident
1126 licenses have been canceled or changed to a nonresident basis
1127 and that he or she is in good standing.

1128 Section 35. Subsection (2) of section 626.7315, Florida
1129 Statutes, is amended to read:

1130 626.7315 Prohibition against the unlicensed transaction of
1131 general lines insurance.--With respect to any line of authority
1132 as defined in s. 626.015(7), no individual shall, unless
1133 licensed as a general lines agent:



1134 (2) In this state, receive or issue a receipt for any
1135 money on account of or for any insurer, or receive or issue a
1136 receipt for money from other persons to be transmitted to any
1137 insurer for a policy, contract, or certificate of insurance or
1138 any renewal thereof, even though the policy, certificate, or
1139 contract is not signed by him or her as agent or representative
1140 of the insurer, except as provided in s. 626.0428(1) ;

1141 Section 36. Paragraphs (a), (b), and (d) of subsection (1)
1142 of section 626.732, Florida Statutes, are amended to read:

1143 626.732 Requirement as to knowledge, experience, or
1144 instruction.--

1145 (1) Except as provided in subsection (3), no applicant for
1146 a license as a general lines agent, except for a chartered
1147 property and casualty underwriter(CPCU), other than as to a
1148 limited license as to baggage and motor vehicle excess liability
1149 insurance, credit property insurance, credit insurance, in-
1150 transit and storage personal property insurance, or
1151 communications equipment property insurance or communication
1152 equipment inland marine insurance, shall be qualified or
1153 licensed unless within the 4 years immediately preceding the
1154 date the application for license is filed with the department
1155 the applicant has:

1156 (a) Taught or successfully completed classroom courses in
1157 insurance, 3 hours of which shall be on the subject matter of
1158 ethics, satisfactory to the department at a school, college, or
1159 extension division thereof, approved by the department;

1160 (b) Completed a correspondence course in insurance, 3
1161 hours of which shall be on the subject matter of ethics,



1162 satisfactory to the department and regularly offered by
1163 accredited institutions of higher learning in this state and,
1164 except if he or she is applying for a limited license under s.
1165 626.321, has had at least 6 months of responsible insurance
1166 duties as a substantially full-time bona fide employee in all
1167 lines of property and casualty insurance set forth in the
1168 definition of general lines agent under s. 626.015;

1169 (d)1. Completed at least 1 year of responsible insurance
1170 duties as a licensed and appointed customer representative or
1171 limited customer representative in ~~either~~ commercial or personal
1172 lines of property and casualty insurance and 40 hours of
1173 classroom courses approved by the department covering the areas
1174 of property, casualty, surety, health, and marine insurance; or
1175 2. Completed at least 1 year of responsible insurance
1176 duties as a licensed and appointed service representative in
1177 either commercial or personal lines of property and casualty
1178 insurance and 80 hours of classroom courses approved by the
1179 department covering the areas of property, casualty, surety,
1180 health, and marine insurance.

1181 Section 37. Section 626.733, Florida Statutes, is amended
1182 to read:

1183 626.733 Agency firms and corporations; special
1184 requirements.--If a sole proprietorship, partnership,
1185 corporation, or association holds an agency contract, all
1186 members thereof who solicit, negotiate, or effect insurance
1187 contracts, and all officers and stockholders of the corporation
1188 who solicit, negotiate, or effect insurance contracts, are
1189 required to qualify and be licensed individually as agents₇



1190 ~~solicitors~~, or customer representatives; and all of such agents
1191 must be individually appointed as to each property and casualty
1192 insurer entering into an agency contract with such agency. Each
1193 such appointing insurer as soon as known to it shall comply with
1194 this section and shall determine and require that each agent so
1195 associated in or so connected with such agency is likewise
1196 appointed as to the same such insurer and for the same type and
1197 class of license. However, no insurer is required to comply with
1198 the provisions of this section if such insurer satisfactorily
1199 demonstrates to the department that the insurer has issued an
1200 aggregate net written premium, in an agency, in an amount of
1201 \$25,000 or less.

1202 Section 38. Paragraph (a) of subsection (2) and subsection
1203 (3) of section 626.7351, Florida Statutes, are amended to read:

1204 626.7351 Qualifications for customer representative's
1205 license.--The department shall not grant or issue a license as
1206 customer representative to any individual found by it to be
1207 untrustworthy or incompetent, or who does not meet each of the
1208 following qualifications:

1209 (2)(a) The applicant is a United States citizen or legal
1210 alien who possesses work authorization from the United States
1211 Immigration and Naturalization Service and is a bona fide
1212 resident of this state and will actually reside in the state at
1213 least 6 months out of the year. An individual who is a bona fide
1214 resident of this state shall be deemed to meet the residence
1215 requirements of this subsection, notwithstanding the existence
1216 at the time of application for license of a license in his or
1217 her name on the records of another state as a resident licensee



1218 of the other state, if the applicant furnishes a letter of
1219 clearance satisfactory to the department that the resident
1220 licenses have been canceled or changed to a nonresident basis
1221 and that he or she is in good standing.

1222 (3) Within the 2 years next preceding the date the
1223 application for license was filed with the department, the
1224 applicant has completed a course in insurance, 3 hours of which
1225 shall be on the subject matter of ethics, approved by the
1226 department or has had at least 6 months' experience in
1227 responsible insurance duties as a substantially full-time
1228 employee. Courses must include instruction on the subject matter
1229 of unauthorized entities engaging in the business of insurance.
1230 The scope of the topic of unauthorized entities shall include
1231 the Florida Nonprofit Multiple-Employer Welfare Arrangement Act
1232 and the Employee Retirement Income Security Act, 29 U.S.C. ss.
1233 1001 et seq., as such acts relate to the provision of health
1234 insurance by employers and the regulation of such insurance.

1235 Section 39. Subsection (2) of section 626.7354, Florida
1236 Statutes, is amended to read:

1237 626.7354 Customer representative's powers; agent's or
1238 agency's responsibility.--

1239 (2) A customer representative may engage in transacting
1240 insurance with customers who have been solicited by any agent,
1241 ~~solicitor~~, or customer representative in the same agency, and
1242 may engage in transacting insurance with customers who have not
1243 been so solicited to the extent and under conditions that are
1244 otherwise consistent with this part and with the insurer's
1245 contract with the agent appointing him or her.



1246 Section 40. Paragraph (c) of subsection (1) of section
1247 626.7355, Florida Statutes, is amended to read:

1248 626.7355 Temporary license as customer representative
1249 pending examination.--

1250 (1) The department shall issue a temporary customer
1251 representative's license with respect to a person who has
1252 applied for such license upon finding that the person:

1253 (c) Is a United States citizen or legal alien who
1254 possesses work authorization from the United States Immigration
1255 and Naturalization Service and is a bona fide resident of this
1256 state or is a resident of another state sharing a common
1257 boundary with this state. An individual who is a bona fide
1258 resident of this state shall be deemed to meet the residence
1259 requirement of this paragraph, notwithstanding the existence at
1260 the time of application for license, of a license in his or her
1261 name on the records of another state as a resident licensee of
1262 such other state, if the applicant furnishes a letter of
1263 clearance satisfactory to the department that his or her
1264 resident licenses have been canceled or changed to a nonresident
1265 basis and that he or she is in good standing.

1266 Section 41. Subsection (3) of section 626.741, Florida
1267 Statutes, is amended to read:

1268 626.741 Nonresident agents; licensing and restrictions.--

1269 (3) The department shall not, however, issue any license
1270 and appointment to any nonresident who has an office or place of
1271 business in this state, or who has any direct or indirect
1272 pecuniary interest in any insurance agent or, insurance agency,
1273 ~~or in any solicitor~~ licensed as a resident of this state; nor to



1274 any individual who does not, at the time of issuance and
1275 throughout the existence of the Florida license, hold a license
1276 as agent or broker issued by his or her home state; nor to any
1277 individual who is employed by any insurer as a service
1278 representative or who is a managing general agent in any state,
1279 whether or not also licensed in another state as an agent or
1280 broker. The foregoing requirement to hold a similar license in
1281 the applicant's home state does not apply to customer
1282 representatives unless the home state licenses residents of that
1283 state in a similar manner. The prohibition against having an
1284 office or place of business in this state does not apply to
1285 customer representatives who are required to conduct business
1286 solely within the confines of the office of a licensed and
1287 appointed Florida resident general lines agent in this state.
1288 The authority of such nonresident license is limited to the
1289 specific lines of authority granted in the license issued by the
1290 agent's home state and further limited to the specific lines
1291 authorized under the nonresident license issued by this state.
1292 The department shall have discretion to refuse to issue any
1293 license or appointment to a nonresident when it has reason to
1294 believe that the applicant by ruse or subterfuge is attempting
1295 to avoid the intent and prohibitions contained in this
1296 subsection or to believe that any of the grounds exist as for
1297 suspension or revocation of license as set forth in ss. 626.611
1298 and 626.621.

1299 Section 42. Paragraph (a) of subsection (1) of section
1300 626.753, Florida Statutes, is amended to read:

1301 626.753 Sharing commissions; penalty.--



1302 (1)(a) An agent may divide or share in commissions only
1303 ~~with his or her own employed solicitors and~~ with other agents
1304 appointed and licensed to write the same kind or kinds of
1305 insurance.

1306 Section 43. Paragraphs (b) and (d) of subsection (1) of
1307 section 626.785, Florida Statutes, are amended to read:

1308 626.785 Qualifications for license.--

1309 (1) The department shall not grant or issue a license as
1310 life agent to any individual found by it to be untrustworthy or
1311 incompetent, or who does not meet the following qualifications:

1312 (b) Must be a United States citizen or legal alien who
1313 possesses work authorization from the United States Immigration
1314 and Naturalization Service and a bona fide resident of this
1315 state.

1316 (d) Must not be a funeral director or direct disposer, or
1317 an employee or representative thereof, or have an office in, or
1318 in connection with, a funeral establishment, except that a
1319 funeral establishment may contract with a life insurance agent
1320 to sell a preneed contract as defined in chapter 497.
1321 Notwithstanding other provisions of this chapter, such insurance
1322 agent may sell limited policies of insurance covering the
1323 expense of final disposition or burial of an insured in the an
1324 amount of \$12,500, plus an annual percentage increase based on
1325 the Annual Consumer Price Index compiled by the United States
1326 Department of Labor, beginning with the Annual Consumer Price
1327 Index announced by the United States Department of Labor for the
1328 year 2003 ~~not to exceed \$10,000.~~



1329 Section 44. Subsections (1) and (2) of section 626.7851,
1330 Florida Statutes, are amended to read:

1331 626.7851 Requirement as to knowledge, experience, or
1332 instruction.--No applicant for a license as a life agent, except
1333 for a chartered life underwriter (CLU), shall be qualified or
1334 licensed unless within the 4 years immediately preceding the
1335 date the application for a license is filed with the department
1336 he or she has:

1337 (1) Successfully completed 40 hours of classroom courses
1338 in insurance, 3 hours of which shall be on the subject matter of
1339 ethics, satisfactory to the department at a school or college,
1340 or extension division thereof, or other authorized course of
1341 study, approved by the department. Courses must include
1342 instruction on the subject matter of unauthorized entities
1343 engaging in the business of insurance, to include the Florida
1344 Nonprofit Multiple-Employer Welfare Arrangement Act and the
1345 Employee Retirement Income Security Act, 29 U.S.C. ss. 1001 et
1346 seq., as it relates to the provision of life insurance by
1347 employers to their employees and the regulation thereof;

1348 (2) Successfully completed a correspondence course in
1349 insurance, 3 hours of which shall be on the subject matter of
1350 ethics, satisfactory to the department and regularly offered by
1351 accredited institutions of higher learning in this state,
1352 approved by the department. Courses must include instruction on
1353 the subject matter of unauthorized entities engaging in the
1354 business of insurance, to include the Florida Nonprofit
1355 Multiple-Employer Welfare Arrangement Act and the Employee
1356 Retirement Income Security Act, 29 U.S.C. ss. 1001 et seq., as



1357 it relates to the provision of life insurance by employers to
1358 their employees and the regulation thereof;

1359 Section 45. Subsection (2) of section 626.829, Florida
1360 Statutes, is amended to read:

1361 626.829 "Health agent" defined.--

1362 (2) Any person who acts for an insurer, or on behalf of a
1363 licensed representative of an insurer, to solicit applications
1364 for or to negotiate and effectuate health insurance contracts,
1365 whether or not he or she is appointed as an agent, subagent,
1366 ~~solicitor~~, or canvasser or by any other title, shall be deemed
1367 to be a health agent and shall be qualified, licensed, and
1368 appointed as a health agent.

1369 Section 46. Paragraph (b) of subsection (1) of section
1370 626.831, Florida Statutes, is amended to read:

1371 626.831 Qualifications for license.--

1372 (1) The department shall not grant or issue a license as
1373 health agent as to any individual found by it to be
1374 untrustworthy or incompetent, or who does not meet the following
1375 qualifications:

1376 (b) Must be a United States citizen or legal alien who
1377 possesses work authorization from the United States Immigration
1378 and Naturalization Service and a bona fide resident of this
1379 state.

1380 Section 47. Subsections (1) and (2) of section 626.8311,
1381 Florida Statutes, are amended to read:

1382 626.8311 Requirement as to knowledge, experience, or
1383 instruction.--No applicant for a license as a health agent,
1384 except for a chartered life underwriter (CLU), shall be



1385 qualified or licensed unless within the 4 years immediately
1386 preceding the date the application for license is filed with the
1387 department he or she has:

1388 (1) Successfully completed 40 hours of classroom courses
1389 in insurance, 3 hours of which shall be on the subject matter of
1390 ethics, satisfactory to the department at a school or college,
1391 or extension division thereof, or other authorized course of
1392 study, approved by the department. Courses must include
1393 instruction on the subject matter of unauthorized entities
1394 engaging in the business of insurance, to include the Florida
1395 Nonprofit Multiple-Employer Welfare Arrangement Act and the
1396 Employee Retirement Income Security Act, 29 U.S.C. ss. 1001 et
1397 seq., as it relates to the provision of health insurance by
1398 employers to their employees and the regulation thereof;

1399 (2) Successfully completed a correspondence course in
1400 insurance, 3 hours of which shall be on the subject matter of
1401 ethics, satisfactory to the department and regularly offered by
1402 accredited institutions of higher learning in this state,
1403 approved by the department. Courses must include instruction on
1404 the subject matter of unauthorized entities engaging in the
1405 business of insurance, to include the Florida Nonprofit
1406 Multiple-Employer Welfare Arrangement Act and the Employee
1407 Retirement Income Security Act, 29 U.S.C. ss. 1001 et seq., as
1408 it relates to the provision of health insurance by employers to
1409 their employees and the regulation thereof;

1410 Section 48. Subsection (2) of section 626.8414, Florida
1411 Statutes, is amended to read:



1412 626.8414 Qualifications for examination.--The department
1413 must authorize any natural person to take the examination for
1414 the issuance of a license as a title insurance agent if the
1415 person meets all of the following qualifications:

1416 (2) The applicant must be a United States citizen or legal
1417 alien who possesses work authorization from the United States
1418 Immigration and Naturalization Service and a bona fide resident
1419 of this state. A person meets the residency requirement of this
1420 subsection, notwithstanding the existence at the time of
1421 application for license of a license in the applicant's name on
1422 the records of another state as a resident licensee of such
1423 other state, if the applicant furnishes a letter of clearance
1424 satisfactory to the department that the resident licenses have
1425 been canceled or changed to a nonresident basis and that the
1426 applicant is in good standing.

1427 Section 49. Paragraph (a) of subsection (3) of section
1428 626.8417, Florida Statutes, is amended to read:

1429 626.8417 Title insurance agent licensure; exemptions.--

1430 (3) The department shall not grant or issue a license as
1431 title agent to any individual found by it to be untrustworthy or
1432 incompetent, who does not meet the qualifications for
1433 examination specified in s. 626.8414, or who does not meet the
1434 following qualifications:

1435 (a) Within the 4 years immediately preceding the date of
1436 the application for license, the applicant must have completed a
1437 40-hour classroom course in title insurance, 3 hours of which
1438 shall be on the subject matter of ethics, as approved by the
1439 department, or must have had at least 12 months of experience in



1440 responsible title insurance duties, while working in the title
1441 insurance business as a substantially full-time, bona fide
1442 employee of a title agency, title agent, title insurer, or
1443 attorney who conducts real estate closing transactions and
1444 issues title insurance policies but who is exempt from licensure
1445 pursuant to paragraph (4)(a). If an applicant's qualifications
1446 are based upon the periods of employment at responsible title
1447 insurance duties, the applicant must submit, with the
1448 application for license on a form prescribed by the department,
1449 the affidavit of the applicant and of the employer setting forth
1450 the period of such employment, that the employment was
1451 substantially full time, and giving a brief abstract of the
1452 nature of the duties performed by the applicant.

1453 Section 50. Section 626.843, Florida Statutes, is amended
1454 to read:

1455 626.843 Renewal, continuation, reinstatement, termination
1456 of title insurance agent's appointment.--

1457 (1) The appointment of a title insurance agent shall
1458 continue in force until suspended, revoked, or otherwise
1459 terminated, but subject to a renewed request filed by the
1460 insurer every 24 months after the original issue date of the
1461 appointment, accompanied by payment of the renewal appointment
1462 fee and taxes as prescribed in s. 624.501.

1463 (2) Title insurance agent appointments shall be renewed
1464 pursuant to s. 626.381 for insurance representatives in general.
1465 ~~Each insurer shall file with the department the lists,~~
1466 ~~statements, and information as to appointments which are being~~
1467 ~~renewed or being terminated, accompanied by payment of the~~



1468 ~~applicable renewal fees and taxes as prescribed in s. 624.501,~~
1469 ~~by a date set forth by the department following the month during~~
1470 ~~which the appointments will expire.~~

1471 ~~(3) Request for renewal of an appointment which is~~
1472 ~~received on a date set forth by the department in the succeeding~~
1473 ~~month may be renewed by the department without penalty, and~~
1474 ~~shall be effective as of the day the appointment would have~~
1475 ~~expired.~~

1476 ~~(4) Request for renewal of an appointment which is~~
1477 ~~received by the department after the date set by the department~~
1478 ~~may be accepted and effectuated by the department in its~~
1479 ~~discretion if an additional appointment continuation and~~
1480 ~~reinstatement fee accompany the request for renewal pursuant to~~
1481 ~~s. 624.501.~~

1482 ~~(3)(5)~~ The appointment issued shall remain in effect for
1483 so long as the appointment represented thereby continues in
1484 force as provided in this section.

1485 Section 51. Paragraph (b) of subsection (1) of section
1486 626.865, Florida Statutes, is amended to read:

1487 626.865 Public adjuster's qualifications, bond.--

1488 (1) The department shall issue a license to an applicant
1489 for a public adjuster's license upon determining that the
1490 applicant has paid the applicable fees specified in s. 624.501
1491 and possesses the following qualifications:

1492 (b) Is a United States citizen or legal alien who
1493 possesses work authorization from the United States Immigration
1494 and Naturalization Service and a bona fide resident of this
1495 state.



1496 Section 52. Subsection (2) of section 626.866, Florida
1497 Statutes, is amended to read:

1498 626.866 Independent adjuster's qualifications.--The
1499 department shall issue a license to an applicant for an
1500 independent adjuster's license upon determining that the
1501 applicable license fee specified in s. 624.501 has been paid and
1502 that the applicant possesses the following qualifications:

1503 (2) Is a United States citizen or legal alien who
1504 possesses work authorization from the United States Immigration
1505 and Naturalization Service and a bona fide resident of this
1506 state.

1507 Section 53. Subsection (2) of section 626.867, Florida
1508 Statutes, is amended to read:

1509 626.867 Company employee adjuster's qualifications.--The
1510 department shall issue a license to an applicant for a company
1511 employee adjuster's license upon determining that the applicable
1512 license fee specified in s. 624.501 has been paid and that the
1513 applicant possesses the following qualifications:

1514 (2) Is a United States citizen or legal alien who
1515 possesses work authorization from the United States Immigration
1516 and Naturalization Service and a bona fide resident of this
1517 state.

1518 Section 54. Section 626.869, Florida Statutes, is amended
1519 to read:

1520 626.869 License, adjusters.--

1521 (1) An applicant for a license as an adjuster may qualify
1522 and his or her license when issued may cover adjusting in any
1523 one of the following classes of insurance:



1524 (a) All lines of insurance except life and annuities.

1525 (b) Motor vehicle physical damage insurance.

1526 (c) Property and casualty insurance.

1527 (d) Workers' compensation insurance.

1528 (e) Health insurance.

1529 (2) All individuals who on October 1, 1990, hold an
1530 adjuster's license and appointment limited to fire and allied
1531 lines, including marine or casualty or boiler and machinery, may
1532 remain licensed and appointed under the limited license and may
1533 renew their appointment, but no license or appointment which has
1534 been terminated, not renewed, suspended, or revoked shall be
1535 reinstated, and no new or additional licenses or appointments
1536 shall be issued.

1537 ~~(3) With the exception of a public adjuster limited to~~
1538 ~~health insurance, a limited license set forth in subsection (1)~~
1539 ~~as an independent or public adjuster may only be issued to and~~
1540 ~~retained by an employee of an independent or public adjusting~~
1541 ~~firm which is supervised by a duly appointed all-lines adjuster~~
1542 ~~or an employee of an independent or public adjuster licensed and~~
1543 ~~appointed in all lines of insurance other than life and annuity.~~
1544 ~~The office of the limited lines adjuster shall be in the office~~
1545 ~~of the licensed all-lines adjuster responsible for his or her~~
1546 ~~supervision and instruction.~~

1547 (3)~~(4)~~ The applicant's application for license shall
1548 specify which of the foregoing classes of business the
1549 application for license is to cover.

1550 (4)~~(5)~~ Any individual ~~person~~ holding a license for 24
1551 consecutive months or longer ~~and who engages in adjusting~~



1552 ~~workers' compensation insurance~~ must, beginning in his or her
1553 ~~their~~ birth month and every 2 years thereafter, have completed
1554 24 hours of courses, 2 hours of which relate to ethics, in
1555 subjects designed to inform the licensee regarding the current
1556 insurance ~~workers' compensation~~ laws of this state, so as to
1557 enable him or her to engage in business as an ~~a workers'~~
1558 ~~compensation~~ insurance adjuster fairly and without injury to the
1559 public and to adjust all claims in accordance with the policy or
1560 contract and the ~~workers' compensation~~ laws of this state. ~~In~~
1561 ~~order to qualify as an eligible course under this subsection,~~
1562 ~~the course must:~~

1563 ~~(a) Have a course outline approved by the department.~~

1564 ~~(b) Be taught at a school training facility or other~~
1565 ~~location approved by the department.~~

1566 ~~(c) Be taught by instructors with at least 5 years of~~
1567 ~~experience in the area of workers' compensation, general lines~~
1568 ~~of insurance, or other persons approved by the department.~~

1569 ~~However, a member of The Florida Bar is exempt from the 5 years'~~
1570 ~~experience requirement.~~

1571 ~~(d) Furnish the attendee a certificate of completion. The~~
1572 ~~course provider shall send a roster to the department in a~~
1573 ~~format prescribed by the department.~~

1574 (5) The regulation of continuing education for licensees,
1575 course providers, instructors, school officials, and monitor
1576 groups shall be as provided for in s. 626.2816.

1577 Section 55. Subsection (1) of section 626.874, Florida
1578 Statutes, is amended to read:

1579 626.874 Catastrophe or emergency adjusters.--



1580 (1) In the event of a catastrophe or emergency, the
1581 department may issue a license, for the purposes and under the
1582 conditions which it shall fix and for the period of emergency as
1583 it shall determine, to persons who are residents or nonresidents
1584 of this state, who are at least 18 years of age, who are United
1585 States citizens or legal aliens who possess work authorization
1586 from the United States Immigration and Naturalization Service,
1587 and who are not licensed adjusters under this part but who have
1588 been designated and certified to it as qualified to act as
1589 adjusters by independent resident adjusters or by an authorized
1590 insurer or by a licensed general lines agent to adjust claims,
1591 losses, or damages under policies or contracts of insurance
1592 issued by such insurers. The fee for the license shall be as
1593 provided in s. 624.501(12)(c).

1594 Section 56. Section 626.878, Florida Statutes, is amended
1595 to read:

1596 626.878 Rules; code of ethics.--An adjuster shall
1597 subscribe to the code of ethics specified in the rules of the
1598 department. The rules shall implement the provisions of this
1599 part and specify the terms and conditions of contracts,
1600 including a right to cancel, and require practices necessary to
1601 ensure fair dealing, prohibit conflicts of interest, and ensure
1602 preservation of the rights of the claimant to participate in the
1603 adjustment of claims.

1604 Section 57. Subsection (1) of section 626.797, Florida
1605 Statutes, is amended to read:

1606 626.797 Code of ethics.--



1607 (1) The department shall, after consultation with the
1608 Florida Association Of Insurance and Financial Advisors Life
1609 ~~Underwriters~~, adopt a code of ethics, or continue any such code
1610 heretofore so adopted, to govern the conduct of life agents in
1611 their relations with the public, other agents, and the insurers.

1612 Section 58. Paragraphs (o) and (z) of subsection (1) of
1613 section 626.9541, Florida Statutes, are amended to read:

1614 626.9541 Unfair methods of competition and unfair or
1615 deceptive acts or practices defined.--

1616 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE
1617 ACTS.--The following are defined as unfair methods of
1618 competition and unfair or deceptive acts or practices:

1619 (o) Illegal dealings in premiums; excess or reduced
1620 charges for insurance.--

1621 1. Knowingly collecting any sum as a premium or charge for
1622 insurance, which is not then provided, or is not in due course
1623 to be provided, subject to acceptance of the risk by the
1624 insurer, by an insurance policy issued by an insurer as
1625 permitted by this code.

1626 2. Knowingly collecting as a premium or charge for
1627 insurance any sum in excess of or less than the premium or
1628 charge applicable to such insurance, in accordance with the
1629 applicable classifications and rates as filed with and approved
1630 by the department, and as specified in the policy; or, in cases
1631 when classifications, premiums, or rates are not required by
1632 this code to be so filed and approved, premiums and charges
1633 collected from a Florida resident in excess of or less than
1634 those specified in the policy and as fixed by the insurer. This



1635 provision shall not be deemed to prohibit the charging and
1636 collection, by surplus lines agents licensed under part VIII of
1637 this chapter, of the amount of applicable state and federal
1638 taxes, or fees as authorized by s. 626.916(4), in addition to
1639 the premium required by the insurer or the charging and
1640 collection, by licensed agents, of the exact amount of any
1641 discount or other such fee charged by a credit card facility in
1642 connection with the use of a credit card, as authorized by
1643 subparagraph (q)3., in addition to the premium required by the
1644 insurer. This subparagraph shall not be construed to prohibit
1645 collection of a premium for a universal life or a variable or
1646 indeterminate value insurance policy made in accordance with the
1647 terms of the contract.

1648 3.a. Imposing or requesting an additional premium for a
1649 policy of motor vehicle liability, personal injury protection,
1650 medical payment, or collision insurance or any combination
1651 thereof or refusing to renew the policy solely because the
1652 insured was involved in a motor vehicle accident unless the
1653 insurer's file contains information from which the insurer in
1654 good faith determines that the insured was substantially at
1655 fault in the accident.

1656 b. An insurer which imposes and collects such a surcharge
1657 or which refuses to renew such policy shall, in conjunction with
1658 the notice of premium due or notice of nonrenewal, notify the
1659 named insured that he or she is entitled to reimbursement of
1660 such amount or renewal of the policy under the conditions listed
1661 below and will subsequently reimburse him or her or renew the



1662 policy, if the named insured demonstrates that the operator
1663 involved in the accident was:

1664 (I) Lawfully parked;

1665 (II) Reimbursed by, or on behalf of, a person responsible
1666 for the accident or has a judgment against such person;

1667 (III) Struck in the rear by another vehicle headed in the
1668 same direction and was not convicted of a moving traffic
1669 violation in connection with the accident;

1670 (IV) Hit by a "hit-and-run" driver, if the accident was
1671 reported to the proper authorities within 24 hours after
1672 discovering the accident;

1673 (V) Not convicted of a moving traffic violation in
1674 connection with the accident, but the operator of the other
1675 automobile involved in such accident was convicted of a moving
1676 traffic violation;

1677 (VI) Finally adjudicated not to be liable by a court of
1678 competent jurisdiction;

1679 (VII) In receipt of a traffic citation which was dismissed
1680 or nolle prossed; or

1681 (VIII) Not at fault as evidenced by a written statement
1682 from the insured establishing facts demonstrating lack of fault
1683 which are not rebutted by information in the insurer's file from
1684 which the insurer in good faith determines that the insured was
1685 substantially at fault.

1686 c. In addition to the other provisions of this
1687 subparagraph, an insurer may not fail to renew a policy if the
1688 insured has had only one accident in which he or she was at
1689 fault within the current 3-year period. However, an insurer may



1690 nonrenew a policy for reasons other than accidents in accordance
1691 with s. 627.728. This subparagraph does not prohibit nonrenewal
1692 of a policy under which the insured has had three or more
1693 accidents, regardless of fault, during the most recent 3-year
1694 period.

1695 4. Imposing or requesting an additional premium for, or
1696 refusing to renew, a policy for motor vehicle insurance solely
1697 because the insured committed a noncriminal traffic infraction
1698 as described in s. 318.14 unless the infraction is:

1699 a. A second infraction committed within an 18-month
1700 period, or a third or subsequent infraction committed within a
1701 36-month period.

1702 b. A violation of s. 316.183, when such violation is a
1703 result of exceeding the lawful speed limit by more than 15 miles
1704 per hour.

1705 5. Upon the request of the insured, the insurer and
1706 licensed agent shall supply to the insured the complete proof of
1707 fault or other criteria which justifies the additional charge or
1708 cancellation.

1709 6. No insurer shall impose or request an additional
1710 premium for motor vehicle insurance, cancel or refuse to issue a
1711 policy, or refuse to renew a policy because the insured or the
1712 applicant is a handicapped or physically disabled person, so
1713 long as such handicap or physical disability does not
1714 substantially impair such person's mechanically assisted driving
1715 ability.

1716 7. No insurer may cancel or otherwise terminate any
1717 insurance contract or coverage, or require execution of a



1718 consent to rate endorsement, during the stated policy term for
1719 the purpose of offering to issue, or issuing, a similar or
1720 identical contract or coverage to the same insured with the same
1721 exposure at a higher premium rate or continuing an existing
1722 contract or coverage with the same exposure at an increased
1723 premium.

1724 8. No insurer may issue a nonrenewal notice on any
1725 insurance contract or coverage, or require execution of a
1726 consent to rate endorsement, for the purpose of offering to
1727 issue, or issuing, a similar or identical contract or coverage
1728 to the same insured at a higher premium rate or continuing an
1729 existing contract or coverage at an increased premium without
1730 meeting any applicable notice requirements.

1731 9. No insurer shall, with respect to premiums charged for
1732 motor vehicle insurance, unfairly discriminate solely on the
1733 basis of age, sex, marital status, or scholastic achievement.

1734 10. Imposing or requesting an additional premium for motor
1735 vehicle comprehensive or uninsured motorist coverage solely
1736 because the insured was involved in a motor vehicle accident or
1737 was convicted of a moving traffic violation.

1738 11. No insurer shall cancel or issue a nonrenewal notice
1739 on any insurance policy or contract without complying with any
1740 applicable cancellation or nonrenewal provision required under
1741 the Florida Insurance Code.

1742 12. No insurer shall impose or request an additional
1743 premium, cancel a policy, or issue a nonrenewal notice on any
1744 insurance policy or contract because of any traffic infraction
1745 when adjudication has been withheld and no points have been



1746 assessed pursuant to s. 318.14(9) and (10). However, this
1747 subparagraph does not apply to traffic infractions involving
1748 accidents in which the insurer has incurred a loss due to the
1749 fault of the insured.

1750 (z) Sliding.--Sliding is the act or practice of:

1751 1. Representing to the applicant that a specific ancillary
1752 coverage or product is required by law in conjunction with the
1753 purchase of ~~motor vehicle~~ insurance when such coverage or
1754 product is not required;

1755 2. Representing to the applicant that a specific ancillary
1756 coverage or product is included in the ~~motor vehicle~~ policy
1757 applied for without an additional charge when such charge is
1758 required; or

1759 3. Charging an applicant for a specific ancillary coverage
1760 or product, in addition to the cost of the ~~motor vehicle~~
1761 insurance coverage applied for, without the informed consent of
1762 the applicant.

1763 Section 59. Paragraph (f) is added to subsection (7) of
1764 section 626.9916, Florida Statutes, to read:

1765 626.9916 Viatical settlement broker license required;
1766 application for license.--

1767 (7) Upon the filing of a sworn application and the payment
1768 of the license fee and all other applicable fees under this act,
1769 the department shall investigate each applicant and may issue
1770 the applicant a license if the department finds that the
1771 applicant:

1772 (f) If a natural person, is at least 18 years of age and a
1773 United States citizen or legal alien who possesses work



1774 authorization from the United States Immigration and
1775 Naturalization Service.

1776 Section 60. Subsection (3) of section 632.634, Florida
1777 Statutes, is amended to read:

1778 632.634 Licensing and appointment of agents.--

1779 (3) Any agent, representative, or member of a society who
1780 in any preceding calendar year has solicited and procured life
1781 insurance benefit contracts on behalf of any society in a total
1782 amount of insurance less than \$50,000, or, in the case of any
1783 other kind or kinds of insurance benefit contracts which the
1784 society might write, on not more than 25 individuals, shall be
1785 exempt from the agent licensing and appointment requirements of
1786 subsection (1). Upon request by the department, every society
1787 shall register, on forms prescribed by the department and on or
1788 before March 1 of each year, the name and residence address of
1789 each agent, representative, or member exempt under the
1790 provisions of this subsection and shall, within 30 days of
1791 termination of employment, notify the department of the
1792 termination. Any agent, representative, or member for which an
1793 exemption is claimed due to employment by the society subsequent
1794 to March 1 shall be registered by the society with the
1795 department within 10 days of the date of employment.

1796 Section 61. Section 634.171, Florida Statutes, is amended
1797 to read:

1798 634.171 Salesperson to be licensed and appointed.--
1799 Salespersons for motor vehicle service agreement companies and
1800 insurers shall be licensed, appointed, renewed, continued,
1801 reinstated, or terminated as prescribed in chapter 626 for



1802 insurance representatives in general. However, they shall be
1803 exempt from all other provisions of chapter 626 including
1804 fingerprinting, photo identification, education, and examination
1805 provisions. License, appointment, and other fees shall be those
1806 prescribed in s. 624.501. A licensed and appointed salesperson
1807 shall be directly responsible and accountable for all acts of
1808 her or his employees and other representatives. Each service
1809 agreement company or insurer shall, on forms prescribed by the
1810 department, within 30 days after termination of the appointment,
1811 notify the department of such termination. No employee or
1812 salesperson of a motor vehicle service agreement company or
1813 insurer may directly or indirectly solicit or negotiate
1814 insurance contracts, or hold herself or himself out in any
1815 manner to be an insurance agent ~~or solicitor~~, unless so
1816 qualified, licensed, and appointed therefor under the Florida
1817 Insurance Code. A motor vehicle service agreement company is not
1818 required to be licensed as a salesperson to solicit, sell,
1819 issue, or otherwise transact the motor vehicle service
1820 agreements issued by the motor vehicle service agreement
1821 company.

1822 Section 62. Section 634.420, Florida Statutes, is amended
1823 to read:

1824 634.420 License and appointment of sales representatives.-
1825 -Sales representatives for service warranty associations or
1826 insurers shall be licensed, appointed, renewed, continued,
1827 reinstated, or terminated in accordance with procedures as
1828 prescribed in chapter 626 for insurance representatives in
1829 general. However, they shall be exempt from all other provisions



1830 of chapter 626, including fingerprinting, photo identification,
1831 education, and examination. License, appointment, and other fees
1832 shall be those prescribed in s. 624.501. A licensed and
1833 appointed sales representative shall be directly responsible and
1834 accountable for all acts of the licensed sales representative's
1835 employees or other representatives. Each service warranty
1836 association or insurer shall, on forms prescribed by the
1837 department, within 30 days after termination of the appointment,
1838 notify the department of such termination. No employee or sales
1839 representative of a service warranty association or insurer may
1840 directly or indirectly solicit or negotiate insurance contracts,
1841 or hold herself or himself out in any manner to be an insurance
1842 agent ~~or solicitor~~, unless so qualified, licensed, and appointed
1843 therefor under the insurance code.

1844 Section 63. Section 642.034, Florida Statutes, is amended
1845 to read:

1846 642.034 License and appointment required.--No person may
1847 solicit, negotiate, sell, or execute legal expense insurance
1848 contracts on behalf of an insurer in this state unless such
1849 person is licensed and appointed as a sales representative or is
1850 licensed and appointed under the insurance code as a general
1851 lines agent ~~or solicitor~~. No person licensed and appointed as a
1852 legal expense insurance sales representative may solicit,
1853 negotiate, sell, or execute any other contract of insurance
1854 unless such person is duly licensed and appointed to do so under
1855 the provisions of chapter 626.

1856 Section 64. Section 642.036, Florida Statutes, is amended
1857 to read:



1858 642.036 Sales representatives to be licensed and
1859 appointed.--Sales representatives of legal expense insurers
1860 shall be licensed, appointed, renewed, continued, reinstated, or
1861 terminated as prescribed in chapter 626 for insurance
1862 representatives in general, and shall pay the license and
1863 appointment fees prescribed in s. 624.501. No employee or sales
1864 representative of an insurer may directly or indirectly solicit
1865 or negotiate insurance contracts, or hold herself or himself out
1866 in any manner to be an insurance agent ~~or solicitor~~, unless so
1867 qualified, licensed, and appointed therefor under the insurance
1868 code.

1869 Section 65. Section 642.045, Florida Statutes, is amended
1870 to read:

1871 642.045 Procedure for refusal, suspension, or revocation
1872 of license and appointment of sales representative; departmental
1873 action upon violation by licensed insurance agent ~~or~~
1874 ~~solicitor~~.--

1875 (1) If any sales representative is convicted by a court of
1876 a violation of any provision of ss. 642.011-642.049, the license
1877 and appointment of such individual shall thereby be deemed to be
1878 immediately revoked without any further procedure relative
1879 thereto by the department.

1880 (2) Whenever it appears that any licensed insurance agent
1881 ~~or solicitor~~ has violated the provisions of ss. 642.011-642.049,
1882 or if any grounds listed in s. 642.041 or s. 642.043 exist as to
1883 such agent ~~or solicitor~~, the department may take such action as
1884 is authorized by the insurance code for a violation of the
1885 insurance code by such agent ~~or solicitor~~, or such action as is



1886 authorized by this chapter for a violation of this chapter by a
1887 sales representative.

1888 Section 66. Paragraph (b) of subsection (5) and subsection
1889 (9) of section 648.27, Florida Statutes, are amended to read:

1890 648.27 Licenses and appointments; general.--

1891 (5)

1892 (b) The license of a temporary bail bond agent ~~or runner~~
1893 shall continue in force until suspended, revoked, or otherwise
1894 terminated.

1895 (9) If, upon application for an appointment and such
1896 investigation as the department may make, it appears to the
1897 department that an individual has been actively engaged or is
1898 currently actively engaged in bail bond activities without being
1899 appointed as required, the department may, if it finds that such
1900 failure to be appointed is an error on the part of the insurer
1901 or employer so represented, issue or authorize the issuance of
1902 the appointment as applied for, but subject to the condition
1903 that, before the appointment is issued, all fees and taxes which
1904 would have been due had the applicant been so appointed during
1905 such current and prior periods, together with a continuation fee
1906 for such current and prior terms of appointment, shall be paid
1907 to the department. Failure to notify the department within the
1908 required time period shall result in the appointing entity being
1909 assessed a delinquent fee of \$250. Delinquent fees shall be paid
1910 by the appointing entity and shall not be charged to the
1911 appointee.



1912 Section 67. Paragraph (b) of subsection (2) and
1913 subsections (5) and (6) of section 648.34, Florida Statutes, are
1914 amended to read:

1915 648.34 Bail bond agents; qualifications.--

1916 (2) To qualify as a bail bond agent, it must affirmatively
1917 appear at the time of application and throughout the period of
1918 licensure that the applicant has complied with the provisions of
1919 s. 648.355 and has obtained a temporary license pursuant to such
1920 section and:

1921 (b) The applicant is a United States citizen or legal
1922 alien who possesses work authorization from the United States
1923 Immigration and Naturalization Service and is a resident of this
1924 state. An individual who is a resident of this state shall be
1925 deemed to meet the residence requirement of this paragraph,
1926 notwithstanding the existence, at the time of application for
1927 license, of a license in the applicant's name on the records of
1928 another state as a resident licensee of such other state, if the
1929 applicant furnishes a letter of clearance satisfactory to the
1930 department that his or her resident licenses have been canceled
1931 or changed to a nonresident basis and that he or she is in good
1932 standing.

1933 (5) The department shall conduct a comprehensive
1934 investigation of each applicant, including a background check.
1935 The investigation of the applicant's qualifications, character,
1936 experience, background, and fitness shall include submission of
1937 the applicant's fingerprints to the Department of Law
1938 Enforcement and the Federal Bureau of Investigation and
1939 consideration of any state criminal records, federal criminal



1940 records, or local criminal records obtained from these agencies
1941 or from local law enforcement agencies.

1942 (6) The provisions of s. 112.011 do not apply to bail bond
1943 agents ~~or runners~~ or to applicants for licensure as bail bond
1944 agents ~~or runners~~.

1945 Section 68. Paragraphs (b) and (e) of subsection (1) of
1946 section 648.355, Florida Statutes, are amended to read:

1947 648.355 Temporary limited license as limited surety agent
1948 or professional bail bond agent; pending examination.--

1949 (1) The department may, in its discretion, issue a
1950 temporary license as a limited surety agent or professional bail
1951 bond agent, subject to the following conditions:

1952 (b) The applicant is a United States citizen or legal
1953 alien who possesses work authorization from the United States
1954 Immigration and Naturalization Service and is a resident of this
1955 state. An individual who is a resident of this state shall be
1956 deemed to meet the residence requirement of this paragraph,
1957 notwithstanding the existence, at the time of application for
1958 temporary license, of a license in the individual's name on the
1959 records of another state as a resident licensee of such other
1960 state, if the applicant furnishes a letter of clearance
1961 satisfactory to the department that the individual's resident
1962 licenses have been canceled or changed to a nonresident basis
1963 and that the individual is in good standing.

1964 (e) The applicant must be employed full-time at the time
1965 of licensure, and at all times throughout the existence of the
1966 temporary license, by only one licensed and appointed
1967 supervising bail bond agent, who supervises the work of the



1968 applicant and is responsible for the licensee's conduct in the
1969 bail bond business. The applicant must be appointed by the same
1970 insurers as the supervising bail bond agent. The supervising
1971 bail bond agent shall certify monthly to the department under
1972 oath, on a form prescribed by the department, the names and
1973 hours worked each week of all temporary bail bond agents. Filing
1974 a false certification is grounds for the immediate suspension of
1975 the license and imposition of a \$5,000 administrative fine. The
1976 department may adopt rules that establish standards for the
1977 employment requirements.

1978 Section 69. Paragraph (a) of subsection (2) and subsection
1979 (3) of section 648.382, Florida Statutes, are amended, and
1980 subsection (6) is added to that section, to read:

1981 648.382 Appointment of bail bond agents and temporary bail
1982 bond agents; effective date of appointment.--

1983 (2) Prior to any appointment, an appropriate officer or
1984 official of the appointing insurer in the case of a bail bond
1985 agent or an insurer, managing general agent, or bail bond agent
1986 in the case of a temporary bail bond agent must submit:

1987 (a) A certified statement or affidavit to the department
1988 stating what investigation has been made concerning the proposed
1989 appointee and the proposed appointee's background and the
1990 appointing person's opinion to the best of his or her knowledge
1991 and belief as to the moral character, ~~fitness~~, and reputation of
1992 the proposed appointee. In lieu of such certified statement or
1993 affidavit, by authorizing the effectuation of an appointment for
1994 a licensee, the appointing entity certifies to the department
1995 that such investigation has been made and that the results of



1996 the investigation and the appointing person's opinion is that
1997 the proposed appointee is a person of good moral character and
1998 reputation and is fit to engage in the bail bond business;

1999 (3) By authorizing the effectuation of an appointment for
2000 a licensee, the appointing insurer certifies to the department
2001 ~~Prior to any appointment of a bail bond agent, the appointing~~
2002 ~~insurer must certify to the department~~ that the insurer will be
2003 bound by the acts of the bail bond agent acting within the scope
2004 of his or her appointment, and, in the case of a temporary bail
2005 bond agent, the appointing insurer, managing general agent, or
2006 bail bond agent, as the case may be, must certify to the
2007 department that he or she will supervise the temporary bail bond
2008 agent's activities.

2009 (6) Failure to notify the department within the required
2010 time period shall result in the appointing entity being assessed
2011 a delinquent fee of \$250. Delinquent fees shall be paid by the
2012 appointing entity and shall not be charged to the appointee.

2013 Section 70. Section 648.383, Florida Statutes, is amended
2014 to read:

2015 648.383 Renewal, continuation, reinstatement, and
2016 termination of appointment; bail bond agents.--

2017 (1) The appointment of a bail bond agent shall continue in
2018 force unless suspended, revoked, or otherwise terminated,
2019 subject to a renewal request filed by the appointing entity in
2020 the appointee's birth month and every 24 months thereafter. A
2021 renewal request must be filed with the department or person
2022 designated by the department to administer appointments along



2023 with payment of the renewal appointment fee and taxes as
2024 prescribed in s. 624.501.

2025 (2) Each appointing person or person designated by the
2026 department to administer appointments must file ~~with the~~
2027 ~~department~~ the lists, statement, and information as to each bail
2028 bond agent whose appointment is being renewed, accompanied by
2029 payment of the applicable renewal fees and taxes as prescribed
2030 in s. 624.501, ~~by a date established by the department following~~
2031 ~~the month during which the appointment will expire.~~

2032 (3) An appointment may be renewed ~~by the department~~
2033 without penalty if the information required under subsection (2)
2034 is received ~~by the department on or~~ prior to the expiration of
2035 the appointment in the licensee's birth month date established
2036 ~~by the department for renewal~~, and such appointment shall be
2037 renewed, ~~is~~ effective on the first day of the month succeeding
2038 the month in which the appointment was scheduled to expire.

2039 (4) If the information required under subsection (2) is
2040 received ~~by the department~~ after the renewal date established by
2041 ~~the department for renewal~~, the appointment may be renewed ~~by~~
2042 ~~the department~~ if the an additional appointment, late filing,
2043 continuation, and reinstatement fees accompany ~~fee accompanies~~
2044 the application as required under s. 624.501.

2045 Section 71. Subsections (1) and (3) of section 648.50,
2046 Florida Statutes, are amended to read:

2047 648.50 Effect of suspension, revocation upon associated
2048 licenses and licensees.--

2049 (1) Upon the suspension, revocation, or refusal to renew
2050 or continue any license or appointment or the eligibility to



2051 hold a license or appointment of a bail bond agent or, temporary
2052 bail bond agent, ~~or runner~~, the department shall at the same
2053 time likewise suspend or revoke all other licenses or
2054 appointments and the eligibility to hold any other such licenses
2055 or appointments which may be held by the licensee under the
2056 Florida Insurance Code.

2057 (3) No person whose license as a bail bond agent or
2058 temporary bail bond agent, ~~or runner~~ has been revoked or
2059 suspended shall be employed by any bail bond agent, have any
2060 ownership interest in any business involving bail bonds, or have
2061 any financial interest of any type in any bail bond business
2062 during the period of revocation or suspension.

2063 Section 72. Sections 626.032 and 626.361, Florida
2064 Statutes, are repealed.

2065 Section 73. Paragraph (d) of subsection (6) of section
2066 627.351, Florida Statutes, is amended to read:

2067 627.351 Insurance risk apportionment plans.--

2068 (6) CITIZENS PROPERTY INSURANCE CORPORATION.--

2069 (d)1. It is the intent of the Legislature that the rates
2070 for coverage provided by the corporation be actuarially sound
2071 and not competitive with approved rates charged in the admitted
2072 voluntary market, so that the corporation functions as a
2073 residual market mechanism to provide insurance only when the
2074 insurance cannot be procured in the voluntary market. Rates
2075 shall include an appropriate catastrophe loading factor that
2076 reflects the actual catastrophic exposure of the corporation.

2077 2. For each county, the average rates of the corporation
2078 for each line of business for personal lines residential



2079 policies excluding rates for wind-only policies shall be no
2080 lower than the average rates charged by the insurer that had the
2081 highest average rate in that county among the 20 insurers with
2082 the greatest total direct written premium in the state for that
2083 line of business in the preceding year, except that with respect
2084 to mobile home coverages, the average rates of the corporation
2085 shall be no lower than the average rates charged by the insurer
2086 that had the highest average rate in that county among the 5
2087 insurers with the greatest total written premium for mobile home
2088 owner's policies in the state in the preceding year.

2089 3. Rates for personal lines residential wind-only policies
2090 must be actuarially sound and not competitive with approved
2091 rates charged by authorized insurers. However, for personal
2092 lines residential wind-only policies issued or renewed between
2093 July 1, 2002, and June 30, 2003, the maximum premium increase
2094 must be no greater than 10 percent of the Florida Windstorm
2095 Underwriting Association premium for that policy in effect on
2096 June 30, 2002, as adjusted for coverage changes and seasonal
2097 occupancy surcharges. For personal lines residential wind-only
2098 policies issued or renewed between July 1, 2003, and June 30,
2099 2004, the corporation shall use its existing filed and approved
2100 wind-only rating and classification plans, provided, however,
2101 that the maximum premium increase must be no greater than 20
2102 percent of the premium for that policy in effect on June 30,
2103 2003, as adjusted for coverage changes and seasonal occupancy
2104 surcharges. ~~The personal lines residential wind-only rates for~~
2105 ~~the corporation effective July 1, 2003, must be based on a rate~~
2106 ~~filing by the corporation which establishes rates which are~~



2107 ~~actuarially sound and not competitive with approved rates~~
2108 ~~charged by authorized insurers.~~ Corporation rate manuals shall
2109 include a rate surcharge for seasonal occupancy. To ensure that
2110 personal lines residential wind-only rates effective on or after
2111 July 1, 2004 ~~2003~~, are not competitive with approved rates
2112 charged by authorized insurers, the corporation, in conjunction
2113 with the office, shall develop a wind-only rate making
2114 methodology, which methodology shall be contained in a rate
2115 filing made by the corporation with the office by January 1,
2116 2004. If the office thereafter determines that the wind-only
2117 rates or rating factors filed by the corporation fail to comply
2118 with the wind-only rate making methodology provided for in this
2119 subsection, it shall so notify the corporation and require the
2120 corporation to amend its rates or rating factors to come into
2121 compliance within 90 days of notice from the office. The office
2122 shall report to the Speaker of the House of Representatives and
2123 the President of the Senate on the provisions of the wind-only
2124 rate making methodology by January 31, 2004 ~~the department, by~~
2125 ~~March 1 of each year, shall provide the corporation, for each~~
2126 ~~county in which there are geographical areas in which personal~~
2127 ~~lines residential wind-only policies may be issued, the average~~
2128 ~~rates charged by the insurer that had the highest average rate~~
2129 ~~in that county for wind coverage in that insurer's rating~~
2130 ~~territories which most closely approximate the geographical area~~
2131 ~~in that county in which personal lines residential wind-only~~
2132 ~~policies may be written by the corporation. The average rates~~
2133 ~~provided must be from an insurer among the 20 insurers with the~~
2134 ~~greatest total direct written premium in the state for personal~~



2135 ~~lines residential property insurance for the preceding year.~~
2136 ~~With respect to mobile homes, the five insurers with the~~
2137 ~~greatest total written premium for that line of business in the~~
2138 ~~preceding year shall be used. The corporation shall certify to~~
2139 ~~the department that its average personal lines residential wind-~~
2140 ~~only rates are no lower in each county than the average rates~~
2141 ~~provided by the department. The department is authorized to~~
2142 ~~adopt rules to establish reporting requirements to obtain the~~
2143 ~~necessary wind-only rate information from insurers to implement~~
2144 ~~this provision.~~

2145 4. Rates for commercial lines coverage shall not be
2146 subject to the requirements of subparagraph 2., but shall be
2147 subject to all other requirements of this paragraph and s.
2148 627.062.

2149 5. Nothing in this paragraph shall require or allow the
2150 corporation to adopt a rate that is inadequate under s. 627.062.

2151 6. The corporation shall certify to the office at least
2152 twice annually that its personal lines rates comply with the
2153 requirements of subparagraphs 1. and 2. If any adjustment in the
2154 rates or rating factors of the corporation is necessary to
2155 ensure such compliance, the corporation shall make and implement
2156 such adjustments and file its revised rates and rating factors
2157 with the office. If the office thereafter determines that the
2158 revised rates and rating factors fail to comply with the
2159 provisions of subparagraphs 1. and 2, it shall notify the
2160 corporation and require the corporation to amend its rates or
2161 rating factors in conjunction with its next rate filing. The
2162 office must notify the corporation by electronic means of any



2163 rate filing it approves for any insurer among the insurers
2164 referred to in subparagraph 2 ~~make a rate filing at least once a~~
2165 ~~year, but no more often than quarterly.~~

2166 7. In addition to the rates otherwise determined pursuant
2167 to this paragraph, the corporation shall impose and collect an
2168 amount equal to the premium tax provided for in s. 624.509 to
2169 augment the financial resources of the corporation.

2170 8.a To assist the corporation in developing additional
2171 ratemaking methods to assure compliance with subparagraphs 1.
2172 and 4., the corporation shall appoint a rate methodology panel
2173 consisting of one person recommended by the Florida Association
2174 of Insurance Agents, one person recommended by the Professional
2175 Insurance Agents of Florida, one person recommended by the
2176 Florida Association of Insurance and Financial Advisors, one
2177 person recommended by the insurer with the highest voluntary
2178 market share of residential property insurance business in the
2179 state, one person recommended by the insurer with the second-
2180 highest voluntary market share of residential property insurance
2181 business in the state, one person recommended by an insurer
2182 writing commercial residential property insurance in this state,
2183 one person recommended by the Office of Insurance Regulation,
2184 and one board member designated by the board chairman, who shall
2185 serve as chairman of the panel.

2186 b. By January 1, 2004, the rate methodology panel shall
2187 provide a report to the corporation of its findings and
2188 recommendations for the use of additional ratemaking methods and
2189 procedures, including the use of a rate-equalization surcharge
2190 in an amount sufficient to assure that the total cost of



2191 coverage for policyholders or applicants to the corporation is
2192 sufficient to comply with subparagraph 1.

2193 c. Within 30 days after such report, the corporation shall
2194 present to the President of the Senate, the Speaker of the House
2195 of Representatives, the minority party leaders of each house of
2196 the Legislature, and the chairs of the standing committees of
2197 each house of the Legislature having jurisdiction of insurance
2198 issues, a plan for implementing the additional ratemaking
2199 methods and an outline of any legislation needed to facilitate
2200 use of the new methods.

2201 d. The plan must include a provision that producer
2202 commissions paid by the corporation shall not be calculated in
2203 such a manner as to include any rate-equalization surcharge.
2204 However, without regard to the plan to be developed or its
2205 implementation, producer commissions paid by the corporation for
2206 each account, other than the quota share primary program, shall
2207 remain fixed as to percentage, effective rate, calculation, and
2208 payment method until January 1, 2004.

2209 9. By January 1, 2004, the corporation shall develop a
2210 notice to policyholders or applicants that the rates of Citizens
2211 Property Insurance Corporation are intended to be higher than
2212 the rates of any admitted carrier and providing other
2213 information the corporation deems necessary to assist consumers
2214 in finding other voluntary admitted insurers willing to insure
2215 their property.

2216 Section 74. Section 624.105, Florida Statutes, is created
2217 to read:



2218 624.105 Waiver of customer liability.--Any regulated
2219 company as defined in s. 350.111, any electric utility as
2220 defined in s. 366.02(2), any utility as defined in s.
2221 367.021(12) or s.367.022(2) and (7), and any provider of
2222 communications services as defined in s. 202.11(3) may charge
2223 for and include an optional waiver of liability provision in
2224 their customer contracts under which the entity agrees to waive
2225 all or a portion of the customer's liability for service from
2226 the entity for a defined period in the event of the customer's
2227 call to active military service, death, disability, involuntary
2228 unemployment, qualification for family leave, or similar
2229 qualifying event or condition. Such provisions may not be
2230 effective in the customer's contract with the entity unless
2231 affirmatively elected by the customer. No such provision shall
2232 constitute insurance so long as the provision is a contract
2233 between the entity and its customer.

2234 Section 75. Section 717.1071, Florida Statutes, is created
2235 to read:

2236 717.1071 Lost owners of unclaimed demutualization,
2237 rehabilitation, or related reorganization proceeds.--

2238 (1) Property distributable in the course of a
2239 demutualization, rehabilitation, or related reorganization of an
2240 insurance company is deemed abandoned 2 years after the date the
2241 property is first distributable if, at the time of the first
2242 distribution, the last known address of the owner on the books
2243 and records of the holder is known to be incorrect or the
2244 distribution or statements are returned by the post office as
2245 undeliverable; and the owner has not communicated in writing



2246 with the holder or its agent regarding the interest or otherwise
2247 communicated with the holder regarding the interest as evidenced
2248 by a memorandum or other record on file with the holder or its
2249 agent.

2250 (2) Property distributable in the course of
2251 demutualization, rehabilitation, or related reorganization of a
2252 mutual insurance company that is not subject to subsection (1)
2253 shall be reportable as otherwise provided by this chapter.

2254 (3) Property subject to this section shall be reported and
2255 delivered no later than May 1 as of the preceding December 31,
2256 however the initial report under this section shall be filed no
2257 later than November 1, 2003, as of December 31, 2002.

2258 Section 76. Subsection (8) of section 624.430, Florida
2259 Statutes, is renumbered as subsection (9), and new subsection
2260 (8) is added to said section, to read:

2261 624.430 Withdrawal of insurer or discontinuance of writing
2262 certain kinds or lines of insurance.--

2263 (8) Notwithstanding subsection (7), any insurer desiring
2264 to surrender its certificate of authority, withdraw from this
2265 state, or discontinue the writing of any one or multiple kinds
2266 or lines of insurance in this state is expected to have availed
2267 itself of all reasonably available reinsurance. Reasonably
2268 available reinsurance shall include unrealized reinsurance,
2269 which is defined as reinsurance recoverable on known losses
2270 incurred and due under valid reinsurance contracts that have not
2271 been identified in the normal course of business and have not
2272 been reported in financial statements filed with the Office of
2273 Insurer Regulation. Within 90 days after surrendering its



2274 certificate of authority, withdrawing from this state, or
2275 discontinuing the writing of any one or multiple kinds or lines
2276 of insurance in this state, the insurer shall certify to the
2277 Director of the Office of Insurer Regulation that the insurer
2278 has engaged an independent third party to search for unrealized
2279 reinsurance, and that the insurer has made all relevant books
2280 and records available to such third party. The compensation to
2281 such third party may be a percentage of unrealized reinsurance
2282 identified and collected.

2283 Section 77. Subsection (11) of section 626.7451, Florida
2284 Statutes, is amended to read:

2285 626.7451 Managing general agents; required contract
2286 provisions.--No person acting in the capacity of a managing
2287 general agent shall place business with an insurer unless there
2288 is in force a written contract between the parties which sets
2289 forth the responsibility for a particular function, specifies
2290 the division of responsibilities, and contains the following
2291 minimum provisions:

2292 (11) A licensed managing general agent, when placing
2293 business with an insurer under this code, may charge a per-
2294 policy fee not to exceed \$40 ~~\$25~~. In no instance shall the
2295 aggregate of per-policy fees for a placement of business
2296 authorized under this section, when combined with any other per-
2297 policy fee charged by the insurer, result in per-policy fees
2298 which exceed the aggregate amount of \$40 ~~\$25~~. The per-policy fee
2299 shall be a component of the insurer's rate filing and shall be
2300 fully earned. A managing general agent that collects a per-
2301 policy fee shall remit a minimum of \$5 per policy to the



2302 Division of Insurance Fraud of the Department of Financial
2303 Services, which shall be dedicated to the prevention and
2304 detection of motor vehicle insurance fraud, and an additional \$5
2305 per policy, 95 percent of which shall be remitted to the Justice
2306 Administration Commission, which shall distribute the collected
2307 fees to the state attorneys of the 20 judicial circuits for
2308 investigating and prosecuting cases of motor vehicle insurance
2309 fraud. The state attorneys must adopt an allocation formula that
2310 ensures equitable distribution among the 20 circuits which
2311 includes, but is not limited to, the population area served. The
2312 remaining 5 percent shall be remitted to the Office of Statewide
2313 Prosecution for investigating and prosecuting cases of motor
2314 vehicle insurance fraud. No later than July 1, 2005, the state
2315 attorneys and the Office of Statewide Prosecutor must provide a
2316 report to the President of the Senate and the Speaker of the
2317 House of Representatives evaluating the effectiveness of the
2318 investigation, detection, and prosecution of motor vehicle
2319 insurance fraud as it related to the moneys generated by the
2320 per-policy fee.

2321
2322 For the purposes of this section and ss. 626.7453 and 626.7454,
2323 the term "controlling person" or "controlling" has the meaning
2324 set forth in s. 625.012(5)(b)1., and the term "controlled
2325 person" or "controlled" has the meaning set forth in s.
2326 625.012(5)(b)2.

2327 Section 78. Section 624.4623, Florida Statutes, is created
2328 to read:



2329 624.4623 Independent Educational Institution Self-
2330 Insurance Funds--
2331 (1) Notwithstanding any other provision of law, any two or
2332 more independent nonprofit colleges or universities accredited
2333 by the Commission on Colleges of the Southern Association of
2334 Colleges and Schools or independent, nonprofit, accredited
2335 secondary educational institutions, located in and chartered by
2336 the state of Florida, may form a self-insurance fund for the
2337 purpose of pooling and spreading liabilities of its group
2338 members in any property or casualty risk or surety insurance or
2339 securing the payment of benefits under chapter 440, provided the
2340 independent educational institution self-insurance fund that is
2341 created must:
2342 (a) Have annual normal premiums in excess of \$5 million;
2343 (b) Maintain a continuing program of excess insurance
2344 coverage and reserve evaluation to protect the financial
2345 stability of the fund in an amount and manner determined by a
2346 qualified and independent actuary;
2347 (c) Submit annually an audited fiscal year-end financial
2348 statement by an independent certified public accountant within 6
2349 months after the end of the fiscal year to the office; and
2350 (d) Have a governing body which is comprised entirely of
2351 independent educational institution officials.
2352 (2) An independent educational institution self-insurance
2353 fund that meets the requirements of this section is not subject
2354 to s. 624.4621 and is not required to file any report with the
2355 department under s. 440.38(2)(b) which is uniquely required of
2356 group self-insurer funds qualified under s. 624.4621. If any of



2357 the requirements of this section are not met, the independent
2358 educational self-insurance fund is subject to the requirements
2359 of s. 624.4621.

2360 Section 79. Present subsections (6), (7), (8), (9), and
2361 (10) are renumbered (7), (8), (9), (10), and (11), respectively,
2362 and new subsection (6) is added to section 624.81, Florida
2363 Statutes, to read:

2364 624.81 Notice to comply with written requirements of
2365 department; noncompliance.--

2366 (6) Any insurer subject to administrative supervision is
2367 expected to avail itself of all reasonably available
2368 reinsurance. Reasonably available reinsurance shall include
2369 unrealized reinsurance, which is defined as reinsurance
2370 recoverable on known losses incurred and due under valid
2371 reinsurance contracts that have not been identified in the
2372 normal course of business and have not been reported in
2373 financial statements filed with the Office of Insurance
2374 Regulation. Within 90 days of being placed under administrative
2375 supervision, the insurer shall certify to the Director of the
2376 Office of Insurance Regulation that the insurer has engaged an
2377 independent third party to search for unrealized reinsurance,
2378 and that the insurer has made all relevant books and records
2379 available to the third party. The compensation to the third
2380 party may be a percentage of unrealized reinsurance identified
2381 and collected.

2382 (7)~~(6)~~ If the department and the insurer are unable to
2383 agree on the provisions of the plan, the department may require
2384 the insurer to take such corrective action as may be reasonably



2385 necessary to remove the causes and conditions giving rise to the
2386 need for administrative supervision.

2387 (8)~~(7)~~ The insurer shall have 60 days, or a longer period
2388 of time as designated by the department but not to exceed 120
2389 days, after the date of the written agreement or the receipt of
2390 the department's plan within which to comply with the
2391 requirements of the department. At the conclusion of the
2392 initial period of supervision, the department may extend the
2393 supervision in increments of 60 days or longer, not to exceed
2394 120 days, if conditions justifying supervision exist. Each
2395 extension of supervision shall provide the insurer with a point
2396 of entry pursuant to chapter 120.

2397 (9)~~(8)~~ The initiation or pendency of administrative
2398 proceedings arising from actions taken under this section shall
2399 not preclude the department from initiating judicial proceedings
2400 to place an insurer in conservation, rehabilitation, or
2401 liquidation or initiating other delinquency proceedings however
2402 designated under the laws of this state.

2403 (10)~~(9)~~ If it is determined that the conditions giving
2404 rise to administrative supervision have been remedied so that
2405 the continuance of its business is no longer hazardous to the
2406 public or to its insureds, the department shall release the
2407 insurer from supervision.

2408 (11)~~(10)~~ The department may adopt rules to define
2409 standards of hazardous financial condition and corrective action
2410 substantially similar to that indicated in the National
2411 Association of Insurance Commissioners' 1997 "Model Regulation
2412 to Define Standards and Commissioner's Authority for Companies



2413 Deemed to be in Hazardous Financial Condition," which are
2414 necessary to implement the provisions of this part.

2415 Section 80. Paragraph (x) of subsection (1) of section
2416 626.9541, Florida Statutes, is amended to read:

2417 626.9541 Unfair methods of competition and unfair or
2418 deceptive acts or practices defined.--

2419 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE
2420 ACTS.--The following are defined as unfair methods of
2421 competition and unfair or deceptive acts or practices:

2422 (x) Refusal to insure.--In addition to other provisions of
2423 this code, the refusal to insure, or continue to insure, any
2424 individual or risk solely because of:

2425 1. Race, color, creed, marital status, sex, or national
2426 origin;

2427 2. The residence, age, or lawful occupation of the
2428 individual or the location of the risk, unless there is a
2429 reasonable relationship between the residence, age, or lawful
2430 occupation of the individual or the location of the risk and the
2431 coverage issued or to be issued;

2432 3. The insured's or applicant's failure to agree to place
2433 collateral business with any insurer, unless the coverage
2434 applied for would provide liability coverage which is excess
2435 over that provided in policies maintained on property or motor
2436 vehicles;

2437 4. The insured's or applicant's failure to purchase
2438 noninsurance services or commodities, including automobile
2439 services as defined in s. 624.124; ~~or~~



2440 5. The fact that the insured or applicant is a public
2441 official; or

2442 ~~6.5.~~ The fact that the insured or applicant had been
2443 previously refused insurance coverage by any insurer, when such
2444 refusal to insure or continue to insure for this reason occurs
2445 with such frequency as to indicate a general business practice.

2446 Section 81. This act shall take effect upon becoming a
2447 law.