

CHAMBER ACTION

1 The Committee on Insurance recommends the following:

2
3 **Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to the Department of Financial Services;
7 transferring regulation of insurance adjusters from the
8 Office of Insurance Regulation to the Department of
9 Financial Services; amending s. 17.16, F.S.; providing for
10 the Chief Financial Officer to have an official seal for
11 certain purposes; amending s. 20.121, F.S.; providing for
12 the Chief Financial Officer to also be known as the
13 Treasurer; providing for the head of the Office of
14 Insurance Regulation to also be known as the Commissioner
15 of Insurance Regulation; providing for the head of the
16 Office of Financial Regulation to also be known as the
17 Commissioner of Financial Regulation; amending ss.

18 110.1227, 408.05, 501.212, 516.35, 624.313, 624.317,
19 624.501, 626.016, 626.112, 626.161, 626.171, 626.181,
20 626.191, 626.211, 626.221, 626.231, 626.241, 626.251,
21 626.261, 626.266, 626.271, 626.281, 626.2817, 626.291,
22 626.301, 626.371, 626.381, 626.431, 626.461, 626.471,
23 626.521, 626.541, 626.551, 626.611, 626.621, 626.631,

24 | 626.641, 626.661, 626.681, 626.691, 626.692, 626.8582,
 25 | 626.8584, 626.859, 626.863, 626.865, 626.866, 626.867,
 26 | 626.869, 626.8695, 626.8696, 626.8697, 626.8698, 626.870,
 27 | 626.871, 626.872, 626.873, 626.8732, 626.8734, 626.8736,
 28 | 626.8738, 626.874, 626.878, 627.7012, 626.9543, 626.989,
 29 | 627.0628, 627.285, and 627.6699, F.S.; reallocating duties
 30 | and responsibilities of the department, the office, and
 31 | the Financial Services Commission to conform; reallocating
 32 | duties and responsibilities of the director of the office
 33 | and the Chief Financial Officer to conform; specifying
 34 | that the transfer does not affect the regulation of
 35 | adjusters in administrative or judicial proceedings;
 36 | providing for substitution of appropriate parties in
 37 | interest in such proceedings; preserving certain licenses,
 38 | forms, and actions; specifying application of rules of the
 39 | office regulating adjusters as rules of the department;
 40 | amending s. 215.31, F.S.; requiring state agencies and
 41 | other affiliated entities to deposit any settlement
 42 | proceeds resulting from a claim brought on behalf of the
 43 | state into the State Treasury; providing exceptions;
 44 | amending s. 215.95, F.S.; adding the Commissioner of
 45 | Agriculture to the Financial Management Information Board;
 46 | amending s. 215.96, F.S.; adding the Commissioner of
 47 | Agriculture to the Coordinating Council of the Financial
 48 | Management Information Board; delaying the repeal date for
 49 | provisions relating to the Enterprise Resource Planning
 50 | Integration Task Force; providing an effective date.

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

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54 Section 1. Section 17.16, Florida Statutes, is amended to
55 read:

56 17.16 Seal.--The ~~seal of office of the~~ Chief Financial
57 Officer shall have an official ~~be the same as the seal by which~~
58 the proceedings of the office are authenticated ~~heretofore used~~
59 ~~for that purpose.~~

60 Section 2. Subsection (1) and paragraph (a) of subsection
61 (3) of section 20.121, Florida Statutes, are amended to read:

62 20.121 Department of Financial Services.--There is created
63 a Department of Financial Services.

64 (1) DEPARTMENT HEAD.--The head of the Department of
65 Financial Services is the Chief Financial Officer, who may also
66 be known as the Treasurer.

67 (3) FINANCIAL SERVICES COMMISSION.--Effective January 7,
68 2003, there is created within the Department of Financial
69 Services the Financial Services Commission, composed of the
70 Governor, the Attorney General, the Chief Financial Officer, and
71 the Commissioner of Agriculture, which shall for purposes of
72 this section be referred to as the commission. Commission
73 members shall serve as agency head of the Financial Services
74 Commission. The commission shall be a separate budget entity and
75 shall be exempt from the provisions of s. 20.052. Commission
76 action shall be by majority vote consisting of at least three
77 affirmative votes. The commission shall not be subject to
78 control, supervision, or direction by the Department of
79 Financial Services in any manner, including purchasing,

80 transactions involving real or personal property, personnel, or
81 budgetary matters.

82 (a) Structure.--The major structural unit of the
83 commission is the office. Each office shall be headed by a
84 director. The following offices are established:

85 1. The Office of Insurance Regulation, which shall be
86 responsible for all activities concerning insurers and other
87 risk bearing entities, including licensing, rates, policy forms,
88 market conduct, claims, ~~adjusters~~, issuance of certificates of
89 authority, solvency, viatical settlements, premium financing,
90 and administrative supervision, as provided under the insurance
91 code or chapter 636. The head of the Office of Insurance
92 Regulation is the Director of the Office of Insurance
93 Regulation, who may also be known as the Commissioner of
94 Insurance Regulation.

95 2. The Office of Financial Regulation, which shall be
96 responsible for all activities of the Financial Services
97 Commission relating to the regulation of banks, credit unions,
98 other financial institutions, finance companies, and the
99 securities industry. The head of the office is the Director of
100 the Office of Financial Regulation, who may also be known as the
101 Commissioner of Financial Regulation. The Office of Financial
102 Regulation shall include a Bureau of Financial Investigations,
103 which shall function as a criminal justice agency for purposes
104 of ss. 943.045-943.08 and shall have a separate budget. The
105 bureau may conduct investigations within or outside this state
106 as the bureau deems necessary to aid in the enforcement of this
107 section. If, during an investigation, the office has reason to

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108 | believe that any criminal law of this state has or may have been
 109 | violated, the office shall refer any records tending to show
 110 | such violation to state or federal law enforcement or
 111 | prosecutorial agencies and shall provide investigative
 112 | assistance to those agencies as required.

113 | Section 3. Paragraph (b) of subsection (6) of section
 114 | 110.1227, Florida Statutes, is amended to read:

115 | 110.1227 Florida Employee Long-Term-Care Plan Act.--

116 | (6) A Florida Employee Long-Term-Care Plan Board of
 117 | Directors is created, composed of nine members who shall serve
 118 | 2-year terms, to be appointed after May 1, 1999, as follows:

119 | (b) The Director of the Office of Insurance Regulation
 120 | ~~Chief Financial Officer~~ shall appoint an actuary.

121 | Section 4. Paragraph (a) of subsection (8) of section
 122 | 408.05, Florida Statutes, is amended to read:

123 | 408.05 State Center for Health Statistics.--

124 | (8) STATE COMPREHENSIVE HEALTH INFORMATION SYSTEM ADVISORY
 125 | COUNCIL.--

126 | (a) There is established in the agency the State
 127 | Comprehensive Health Information System Advisory Council to
 128 | assist the center in reviewing the comprehensive health
 129 | information system and to recommend improvements for such
 130 | system. The council shall consist of the following members:

131 | 1. An employee of the Executive Office of the Governor, to
 132 | be appointed by the Governor.

133 | 2. An employee of the Office of Insurance Regulation
 134 | ~~Department of Financial Services~~, to be appointed by the
 135 | director of the office ~~Chief Financial Officer~~.

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136 3. An employee of the Department of Education, to be
137 appointed by the Commissioner of Education.

138 4. Ten persons, to be appointed by the Secretary of Health
139 Care Administration, representing other state and local
140 agencies, state universities, the Florida Association of
141 Business/Health Coalitions, local health councils, professional
142 health-care-related associations, consumers, and purchasers.

143 Section 5. Subsection (4) of section 501.212, Florida
144 Statutes, is amended to read:

145 501.212 Application.--This part does not apply to:

146 (4) Any person or activity regulated under laws
147 administered by:

148 (a) The Department of Financial Services or the Office of
149 Insurance Regulation of the Financial Services Commission; or

150 (b) Banks and savings and loan associations regulated by
151 the Office of Financial Regulation of the Financial Services
152 Commission; or

153 (c) Banks or savings and loan associations regulated by
154 federal agencies; or

155 (d) Any person or activity regulated under the laws
156 administered by the former Department of Insurance that are now
157 administered by the Department of Financial Services.

158 Section 6. Subsection (1) of section 516.35, Florida
159 Statutes, is amended to read:

160 516.35 Credit insurance must comply with credit insurance
161 act.--

162 (1) Tangible property offered as security may be
163 reasonably insured against loss for a reasonable term,

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164 | considering the circumstances of the loan. If such insurance is
 165 | sold at standard rates through a person duly licensed by the
 166 | Department Office of Insurance Regulation of the Financial
 167 | Services ~~Commission~~ and if the policy is payable to the borrower
 168 | or any member of her or his family, it shall not be deemed to be
 169 | a collateral sale, purchase, or agreement even though a
 170 | customary mortgagee clause is attached or the licensee is a
 171 | coassured.

172 | Section 7. Subsection (2) of section 624.313, Florida
 173 | Statutes, is amended to read:

174 | 624.313 Publications.--

175 | (2)(a) The department may prepare and have printed and
 176 | published in pamphlet or book form the following, as needed:

177 | (a)1. ~~As needed,~~ Questions and answers for the use of
 178 | persons applying for an examination for licensing as agents for
 179 | property, casualty, surety, health, and miscellaneous insurers.

180 | (b)2. ~~As needed,~~ Questions and answers for the use of
 181 | persons applying for an examination for licensing as agents for
 182 | life and health insurers.

183 | (c)(b) ~~The office may prepare and have printed and~~
 184 | ~~published in pamphlet or book form, As needed,~~ Questions and
 185 | answers for the use of persons applying for an examination for
 186 | licensing as adjusters.

187 | Section 8. Section 624.317, Florida Statutes, is amended
 188 | to read:

189 | 624.317 Investigation of agents, adjusters,
 190 | administrators, service companies, and others.--If it has reason
 191 | to believe that any person has violated or is violating any

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192 provision of this code, or upon the written complaint signed by
193 any interested person indicating that any such violation may
194 exist:

195 (1) The department shall conduct such investigation as it
196 deems necessary of the accounts, records, documents, and
197 transactions pertaining to or affecting the insurance affairs of
198 any general agent, adjuster, surplus line agent, managing
199 general agent, insurance agent, customer representative, service
200 representative, or other person subject to its jurisdiction,
201 subject to the requirements of s. 626.601.

202 (2) The office shall conduct such investigation as it
203 deems necessary of the accounts, records, documents, and
204 transactions pertaining to or affecting the insurance affairs of
205 any:

206 (a) ~~Adjuster~~, Administrator, service company, or other
207 person subject to its jurisdiction.

208 (b) Person having a contract or power of attorney under
209 which she or he enjoys in fact the exclusive or dominant right
210 to manage or control an insurer.

211 (c) Person engaged in or proposing to be engaged in the
212 promotion or formation of:

- 213 1. A domestic insurer;
- 214 2. An insurance holding corporation; or
- 215 3. A corporation to finance a domestic insurer or in the
216 production of the domestic insurer's business.

217 Section 9. Subsection (12) of section 624.501, Florida
218 Statutes, is amended to read:

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219 624.501 Filing, license, appointment, and miscellaneous
220 fees.--The department, commission, or office, as appropriate,
221 shall collect in advance, and persons so served shall pay to it
222 in advance, fees, licenses, and miscellaneous charges as
223 follows:

224 (12) Adjusters:

225 (a) Adjuster's original appointment and biennial renewal
226 or continuation thereof, appointment fee.....\$60.00

227 (b) Nonresident adjuster's original appointment and
228 biennial renewal or continuation thereof, appointment
229 fee.....\$60.00

230 (c) Emergency adjuster's license, appointment fee...\$10.00

231 (d) Fee to cover actual cost of credit report, when such
232 report must be secured by department ~~office~~.

233 Section 10. Subsections (1) and (2) of section 626.016,
234 Florida Statutes, are amended to read:

235 626.016 Powers and duties of department, commission, and
236 office.--

237 (1) The powers and duties of the Chief Financial Officer
238 and the department specified in this part apply only with
239 respect to insurance agents, managing general agents, insurance
240 adjusters, reinsurance intermediaries, viatical settlement
241 brokers, customer representatives, service representatives, and
242 agencies.

243 (2) The powers and duties of the commission and office
244 specified in this part apply only with respect to ~~insurance~~
245 ~~adjusters~~, service companies, administrators, and viatical
246 settlement providers and contracts.

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247 Section 11. Paragraph (a) of subsection (1) of section
248 626.112, Florida Statutes, is amended to read:

249 626.112 License and appointment required; agents, customer
250 representatives, adjusters, insurance agencies, service
251 representatives, managing general agents.--

252 (1)(a) No person may be, act as, or advertise or hold
253 himself or herself out to be an insurance agent, insurance
254 adjuster, or customer representative unless he or she is
255 currently licensed by the department and appointed by an
256 appropriate appointing entity or person ~~one or more insurers. No~~
257 ~~person may be, act as, or advertise or hold himself or herself~~
258 ~~out to be an insurance adjuster unless he or she is currently~~
259 ~~licensed by the office and appointed by one or more insurers.~~

260
261 However, an employee leasing company licensed pursuant to
262 chapter 468 which is seeking to enter into a contract with an
263 employer that identifies products and services offered to
264 employees may deliver proposals for the purchase of employee
265 leasing services to prospective clients of the employee leasing
266 company setting forth the terms and conditions of doing
267 business; classify employees as permitted by s. 468.529; collect
268 information from prospective clients and other sources as
269 necessary to perform due diligence on the prospective client and
270 to prepare a proposal for services; provide and receive
271 enrollment forms, plans, and other documents; and discuss or
272 explain in general terms the conditions, limitations, options,
273 or exclusions of insurance benefit plans available to the client
274 or employees of the employee leasing company were the client to

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275 contract with the employee leasing company. Any advertising
 276 materials or other documents describing specific insurance
 277 coverages must identify and be from a licensed insurer or its
 278 licensed agent or a licensed and appointed agent employed by the
 279 employee leasing company. The employee leasing company may not
 280 advise or inform the prospective business client or individual
 281 employees of specific coverage provisions, exclusions, or
 282 limitations of particular plans. As to clients for which the
 283 employee leasing company is providing services pursuant to s.
 284 468.525(4), the employee leasing company may engage in
 285 activities permitted by ss. 626.7315, 626.7845, and 626.8305,
 286 subject to the restrictions specified in those sections. If a
 287 prospective client requests more specific information concerning
 288 the insurance provided by the employee leasing company, the
 289 employee leasing company must refer the prospective business
 290 client to the insurer or its licensed agent or to a licensed and
 291 appointed agent employed by the employee leasing company.

292 Section 12. Section 626.161, Florida Statutes, is amended
 293 to read:

294 626.161 Licensing forms.--The department shall prescribe
 295 and furnish all printed forms required in connection with the
 296 application for issuance of and termination of all licenses and
 297 appointments, ~~except that, with respect to adjusters, the~~
 298 ~~commission shall prescribe and the office shall furnish such~~
 299 ~~forms.~~

300 Section 13. Subsection (1), paragraph (f) of subsection
 301 (2), and subsection (5) of section 626.171, Florida Statutes,
 302 are amended to read:

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303 626.171 Application for license.--

304 (1) The department ~~or office~~ shall not issue a license as
 305 agent, customer representative, adjuster, insurance agency,
 306 service representative, managing general agent, or reinsurance
 307 intermediary to any person except upon written application
 308 therefor filed with it, qualification therefor, and payment in
 309 advance of all applicable fees. Any such application shall be
 310 made under the oath of the applicant and be signed by the
 311 applicant. Beginning November 1, 2002, the department shall
 312 accept the uniform application for nonresident agent licensing.
 313 The department may adopt revised versions of the uniform
 314 application by rule.

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

316 (f) Such other or additional information as the department
 317 ~~or office~~ may deem proper to enable it to determine the
 318 character, experience, ability, and other qualifications of the
 319 applicant to hold himself or herself out to the public as an
 320 insurance representative.

321 (5) An application for a license as an agent, customer
 322 representative, adjuster, insurance agency, service
 323 representative, managing general agent, or reinsurance
 324 intermediary must be accompanied by a set of the individual
 325 applicant's fingerprints, or, if the applicant is not an
 326 individual, by a set of the fingerprints of the sole proprietor,
 327 majority owner, partners, officers, and directors, on a form
 328 adopted by rule of the department ~~or commission~~ and accompanied
 329 by the fingerprint processing fee set forth in s. 624.501.
 330 Fingerprints shall be used to investigate the applicant's

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331 | qualifications pursuant to s. 626.201. The fingerprints shall be
332 | taken by a law enforcement agency or other department-approved
333 | entity.

334 | Section 14. Section 626.181, Florida Statutes, is amended
335 | to read:

336 | 626.181 Number of applications for licensure
337 | required.--After a license as agent, customer representative, or
338 | adjuster has been issued to an individual, the same individual
339 | shall not be required to take another examination for a similar
340 | license, regardless, in the case of an agent, of the number of
341 | insurers to be represented by him or her as agent, unless:

342 | (1) Specifically ordered by the department ~~or office~~ to
343 | complete a new application for license; or

344 | (2) During any period of 48 months since the filing of the
345 | original license application, such individual was not appointed
346 | as an agent, customer representative, or adjuster, unless the
347 | failure to be so appointed was due to military service, in which
348 | event the period within which a new application is not required
349 | may, in the discretion of the department ~~or office~~, be extended
350 | to 12 months following the date of discharge from military
351 | service if the military service does not exceed 3 years, but in
352 | no event to extend under this clause for a period of more than 6
353 | years from the date of filing of the original application for
354 | license.

355 | Section 15. Section 626.191, Florida Statutes, is amended
356 | to read:

357 | 626.191 Repeated applications.--The failure of an
358 | applicant to secure a license upon an application shall not

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359 preclude him or her from applying again as many times as
 360 desired, but the department ~~or office~~ shall not give
 361 consideration to or accept any further application by the same
 362 individual for a similar license dated or filed within 30 days
 363 subsequent to the date the department ~~or office~~ denied the last
 364 application, except as provided in s. 626.281.

365 Section 16. Section 626.211, Florida Statutes, is amended
 366 to read:

367 626.211 Approval, disapproval of application.--

368 (1) If upon the basis of a completed application for
 369 license and such further inquiry or investigation as the
 370 department ~~or office~~ may make concerning an applicant the
 371 department ~~or office~~ is satisfied that, subject to any
 372 examination required to be taken and passed by the applicant for
 373 a license, the applicant is qualified for the license applied
 374 for and that all pertinent fees have been paid, it shall approve
 375 the application. The department ~~or office~~ shall not deny, delay,
 376 or withhold approval of an application due to the fact that it
 377 has not received a criminal history report based on the
 378 applicant's fingerprints.

379 (2) Upon approval of an applicant for license as agent,
 380 customer representative, or adjuster who is subject to written
 381 examination, the department ~~or office~~ shall notify the applicant
 382 when and where he or she may take the required examination.

383 (3) Upon approval of an applicant for license who is not
 384 subject to examination, the department ~~or office~~ shall promptly
 385 issue the license.

386 (4) If upon the basis of the completed application and
 387 such further inquiry or investigation the department ~~or office~~
 388 deems the applicant to be lacking in any one or more of the
 389 required qualifications for the license applied for, the
 390 department ~~or office~~ shall disapprove the application and notify
 391 the applicant, stating the grounds of disapproval.

392 Section 17. Subsection (1) and paragraphs (a), (c), (d),
 393 (f), (g), and (l) of subsection (2) of section 626.221, Florida
 394 Statutes, are amended to read:

395 626.221 Examination requirement; exemptions.--

396 (1) The department ~~or office~~ shall not issue any license
 397 as agent, customer representative, or adjuster to any individual
 398 who has not qualified for, taken, and passed to the satisfaction
 399 of the department ~~or office~~ a written examination of the scope
 400 prescribed in s. 626.241.

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

403 (a) An applicant for renewal of appointment as an agent,
 404 customer representative, or adjuster, unless the department ~~or~~
 405 ~~office~~ determines that an examination is necessary to establish
 406 the competence or trustworthiness of such applicant.

407 (c) In the discretion of the department ~~or office~~, an
 408 applicant for reinstatement of license or appointment as an
 409 agent, customer representative, or adjuster whose license has
 410 been suspended within 2 years prior to the date of application
 411 or written request for reinstatement.

412 (d) An applicant who, within 2 years prior to application
 413 for license and appointment as an agent, customer

414 representative, or adjuster, was a full-time salaried employee
 415 of the department ~~or office~~ and had continuously been such an
 416 employee with responsible insurance duties for not less than 2
 417 years and who had been a licensee within 2 years prior to
 418 employment by the department ~~or office~~ with the same class of
 419 license as that being applied for.

420 (f) A person who has been licensed and appointed as a
 421 public adjuster or independent adjuster, or licensed and
 422 appointed either as an agent or company adjuster as to all
 423 property, casualty, and surety insurances, may be licensed and
 424 appointed as a company adjuster as to any of such insurances, or
 425 as an independent adjuster or public adjuster, without
 426 additional written examination if an application for appointment
 427 is filed with the department ~~office~~ within 48 months following
 428 the date of cancellation or expiration of the prior appointment.

429 (g) A person who has been licensed as an adjuster for
 430 motor vehicle, property and casualty, workers' compensation, and
 431 health insurance may be licensed as such an adjuster without
 432 additional written examination if his or her application for
 433 appointment is filed with the department ~~office~~ within 48 months
 434 after cancellation or expiration of the prior license.

435 (l) An applicant for license as an adjuster who has the
 436 designation of Accredited Claims Adjuster (ACA) from a
 437 regionally accredited postsecondary institution in this state,
 438 or the designation of Professional Claims Adjuster (PCA) from
 439 the Professional Career Institute, whose curriculum has been
 440 approved by the department ~~office~~ and whose curriculum includes
 441 comprehensive analysis of basic property and casualty lines of

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442 insurance and testing at least equal to that of standard
 443 department ~~office~~ testing for the all-lines adjuster license.
 444 The department ~~commission~~ shall adopt rules establishing
 445 standards for the approval of curriculum.

446 Section 18. Section 626.231, Florida Statutes, is amended
 447 to read:

448 626.231 Eligibility for examination.--No person shall be
 449 permitted to take an examination for license until his or her
 450 application for the license has been approved and the required
 451 fees have been received by the department ~~or office~~ or a person
 452 designated by the department ~~or office~~ to administer the
 453 examination.

454 Section 19. Subsection (1) of section 626.241, Florida
 455 Statutes, is amended to read:

456 626.241 Scope of examination.--

457 (1) Each examination for a license as agent, customer
 458 representative, or adjuster shall be of such scope as is deemed
 459 by the department ~~or office~~ to be reasonably necessary to test
 460 the applicant's ability and competence and knowledge of the
 461 kinds of insurance and transactions to be handled under the
 462 license applied for, of the duties and responsibilities of such
 463 a licensee, and of the pertinent provisions of the laws of this
 464 state.

465 Section 20. Section 626.251, Florida Statutes, is amended
 466 to read:

467 626.251 Time and place of examination; notice.--

468 (1) The department ~~or office~~ or a person designated by the
 469 department ~~or office~~ shall mail written notice of the time and

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470 | place of the examination to each applicant for license required
 471 | to take an examination who will be eligible to take the
 472 | examination as of the examination date. The notice shall be so
 473 | mailed, postage prepaid, and addressed to the applicant at his
 474 | or her address shown on the application for license or at such
 475 | other address as requested by the applicant in writing filed
 476 | with the department ~~or office~~ prior to the mailing of the
 477 | notice. Notice shall be deemed given when so mailed.

478 | (2) The examination shall be held in an adequate and
 479 | designated examination center in this state.

480 | (3) The department ~~or office~~ shall make an examination
 481 | available to the applicant, to be taken as soon as reasonably
 482 | possible after the applicant is eligible therefor. Any
 483 | examination required under this part shall be available in this
 484 | state at a designated examination center.

485 | Section 21. Section 626.261, Florida Statutes, is amended
 486 | to read:

487 | 626.261 Conduct of examination.--

488 | (1) The applicant for license shall appear in person and
 489 | personally take the examination for license at the time and
 490 | place specified by the department ~~or office~~ or by a person
 491 | designated by the department ~~or office~~.

492 | (2) The examination shall be conducted by an employee of
 493 | the department ~~or office~~ or a person designated by the
 494 | department ~~or office~~ for that purpose.

495 | (3) The questions propounded shall be as prepared by the
 496 | department ~~or office~~, or by a person designated by the

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497 department ~~or office~~ for that purpose, consistent with the
498 applicable provisions of this code.

499 (4) All examinations shall be given and graded in a fair
500 and impartial manner and without unfair discrimination in favor
501 of or against any particular applicant.

502 Section 22. Section 626.266, Florida Statutes, is amended
503 to read:

504 626.266 Printing of examinations or related materials to
505 preserve examination security.--A contract let for the
506 development, administration, or grading of examinations or
507 related materials by the department ~~or office~~ pursuant to the
508 various agent, customer representative, or adjuster licensing
509 and examination provisions of this code may include the printing
510 or furnishing of these examinations or related materials in
511 order to preserve security. Any such contract shall be let as a
512 contract for a contractual service pursuant to s. 287.057.

513 Section 23. Subsection (1) of section 626.271, Florida
514 Statutes, is amended to read:

515 626.271 Examination fee; determination, refund.--

516 (1) Prior to being permitted to take an examination, each
517 applicant who is subject to examination shall pay to the
518 department ~~or office~~ or a person designated by the department ~~or~~
519 ~~office~~ an examination fee. A separate and additional examination
520 fee shall be payable for each separate class of license applied
521 for, notwithstanding that all such examinations are taken on the
522 same date and at the same place.

523 Section 24. Section 626.281, Florida Statutes, is amended
524 to read:

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525 626.281 Reexamination.--

526 (1) Any applicant for license who has either:

527 (a) Taken an examination and failed to make a passing

528 grade, or

529 (b) Failed to appear for the examination or to take or

530 complete the examination at the time and place specified in the

531 notice of the department ~~or office~~,

532

533 may take additional examinations, after filing with the

534 department ~~or office~~ an application for reexamination together

535 with applicable fees. The failure of an applicant to pass an

536 examination or the failure to appear for the examination or to

537 take or complete the examination does not preclude the applicant

538 from taking subsequent examinations.

539 (2) The department ~~or office~~ may require any individual

540 whose license as an agent, customer representative, or adjuster

541 has expired or has been suspended to pass an examination prior

542 to reinstating or relicensing the individual as to any class of

543 license. The examination fee shall be paid as to each

544 examination.

545 Section 25. Section 626.2817, Florida Statutes, is amended

546 to read:

547 626.2817 Regulation of course providers, instructors,

548 school officials, and monitor groups involved in prelicensure

549 education for insurance agents and other licensees.--

550 (1) Any course provider, instructor, school official, or

551 monitor group must be approved by and registered with the

552 department ~~or office~~ before offering prelicensure education
553 courses for insurance agents and other licensees.

554 (2) The department ~~or commission~~ shall adopt rules
555 establishing standards for the approval, registration,
556 discipline, or removal from registration of course providers,
557 instructors, school officials, and monitor groups. The standards
558 must be designed to ensure that such persons have the knowledge,
559 competence, and integrity to fulfill the educational objectives
560 of the prelicensure requirements of this chapter and chapter 648
561 and to ensure ~~assure~~ that insurance agents and licensees are
562 competent to engage in the activities authorized under the
563 license.

564 (3) The department ~~or commission~~ shall adopt rules to
565 establish a process for determining compliance with the
566 prelicensure requirements of this chapter and chapter 648. The
567 department ~~or commission~~ shall adopt rules prescribing the forms
568 necessary to administer the prelicensure requirements.

569 Section 26. Section 626.291, Florida Statutes, is amended
570 to read:

571 626.291 Denial, issuance of license.--

572 (1) Within 30 days after the applicant has completed any
573 examination required under s. 626.221, the department ~~or office~~
574 or its designee shall provide a score report; and, if it finds
575 that the applicant has received a passing grade, the department
576 ~~or office~~ shall within such period notify the applicant and
577 issue and transmit the license to which such examination
578 related. If it finds that the applicant did not make a passing
579 grade on the examination for a particular license, the

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580 department ~~or office~~ or its designee shall within this period
581 provide notice to the applicant to that effect and of its denial
582 of the license.

583 (2) As to an applicant for a license for which no
584 examination is required, the department ~~or office~~ shall promptly
585 issue the license applied for as soon as it has approved the
586 application.

587 (3) The department ~~or office~~ shall not deny, delay, or
588 withhold issuance of a license due to the fact that it has not
589 received a criminal history report based on the applicant's
590 fingerprints.

591 Section 27. Section 626.301, Florida Statutes, is amended
592 to read:

593 626.301 Form and contents of licenses, in general.--Each
594 license issued by the department ~~or office~~ shall be in such form
595 as the department ~~or commission~~ may designate and contain the
596 licensee's name, lines of authority the licensee is authorized
597 to transact, the licensee's personal identification number, the
598 date of issuance, and any other information the department ~~or~~
599 ~~commission~~ deems necessary to fully identify the licensee and
600 the authority being granted. The department ~~or commission~~ may by
601 rule require photographs of applicants as a part of the
602 licensing process.

603 Section 28. Section 626.371, Florida Statutes, is amended
604 to read:

605 626.371 Payment of fees, taxes for appointment period
606 without appointment.--

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607 (1) All initial appointments shall be submitted to the
608 department on a monthly basis no later than 45 days after the
609 date of appointment and become effective on the date requested
610 on the appointment form.

611 (2) If, upon application and qualification for an initial
612 or renewal appointment and such investigation as the department
613 ~~or office~~ may make, it appears to the department ~~or office~~ that
614 an individual who was formerly licensed or is currently licensed
615 but not properly appointed to represent an insurer or employer
616 and who has been actively engaged or is currently actively
617 engaged as such an appointee, but without being appointed as
618 required, the department ~~or office~~ may, if it finds that such
619 failure to be appointed was an inadvertent error on the part of
620 the insurer or employer so represented, nevertheless issue or
621 authorize the issuance of the appointment as applied for but
622 subject to the condition that, before the appointment is issued,
623 all fees and taxes which would have been due had the applicant
624 been so appointed during such current and prior periods, with
625 applicable fees pursuant to s. 624.501 for such current and
626 prior periods of appointment, shall be paid to the department ~~or~~
627 ~~office~~.

628 (3)(a) Failure to notify the department within the
629 required time period shall result in the appointing entity being
630 assessed a delinquent fee of \$250 per appointee. Delinquent fees
631 shall be paid by the appointing entity and may not be charged to
632 the appointee.

633 (b) Failure to timely renew an appointment by an
634 appointing entity prior to the expiration date of the

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635 | appointment shall result in the appointing entity being assessed
 636 | late filing, continuation, and reinstatement fees as prescribed
 637 | in s. 624.501. Such fees must be paid by the appointing entity
 638 | and cannot be charged back to the appointee.

639 | Section 29. Subsections (2), (3), and (4) of section
 640 | 626.381, Florida Statutes, are amended to read:

641 | 626.381 Renewal, continuation, reinstatement, or
 642 | termination of appointment.--

643 | (2) Each appointing entity shall file with the department
 644 | ~~or office~~ the lists, statements, and information as to
 645 | appointees whose appointments are being renewed or terminated,
 646 | accompanied by payment of the applicable renewal fees and taxes
 647 | as prescribed in s. 624.501, by a date set forth by the
 648 | department ~~or office~~ following the month during which the
 649 | appointments will expire.

650 | (3) Renewal of an appointment which is received by the
 651 | department ~~or office~~ or person designated by the department to
 652 | administer the appointment process prior to the expiration of an
 653 | appointment in the licensee's birth month or license issue date,
 654 | whichever applies, may be renewed by the department ~~or office~~
 655 | without penalty and shall be effective as of the first day of
 656 | the month succeeding the month in which the appointment would
 657 | have expired.

658 | (4) Renewal of an appointment which is received by the
 659 | department ~~or office~~ or person designated by the department to
 660 | administer the appointment process after the renewal date may be
 661 | accepted and effectuated by the department ~~or office~~ in its
 662 | discretion if the appointment, late filing, continuation, and

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663 reinstatement fee accompanies the renewal request pursuant to s.
664 624.501. Late filing fees shall be paid by the appointing entity
665 and may not be charged to the appointee.

666 Section 30. Subsection (2) of section 626.431, Florida
667 Statutes, is amended to read:

668 626.431 Effect of expiration of license and appointment.--

669 (2) When a licensee's last appointment for a particular
670 class of insurance has been terminated or not renewed, the
671 department ~~or office~~ must notify the licensee that his or her
672 eligibility for appointment as such an appointee will expire
673 unless he or she is appointed prior to expiration of the 48-
674 month period referred to in subsection (3).

675 Section 31. Section 626.461, Florida Statutes, is amended
676 to read:

677 626.461 Continuation of appointment of agent or other
678 representative.--Subject to renewal or continuation by the
679 appointing entity, the appointment of the agent, adjuster,
680 service representative, customer representative, or managing
681 general agent shall continue in effect until the person's
682 license is revoked or otherwise terminated, unless written
683 notice of earlier termination of the appointment is filed with
684 the department ~~or office~~ or person designated by the department
685 to administer the appointment process by either the appointing
686 entity or the appointee.

687 Section 32. Subsections (2), (3), (4), and (5) of section
688 626.471, Florida Statutes, are amended to read:

689 626.471 Termination of appointment.--

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690 (2) As soon as possible and at all events within 30 days
691 after terminating the appointment of an appointee, other than as
692 to an appointment terminated by the appointing entity's failure
693 to continue or renew it, the appointing entity shall file
694 written notice thereof with the department ~~or office~~, together
695 with a statement that it has given the appointee notice thereof
696 as provided in subsection (1) and shall file with the department
697 ~~or office~~ the reasons and facts involved in such termination as
698 required under s. 626.511.

699 (3) Upon termination of the appointment of an appointee,
700 whether by failure to renew or continue the appointment, the
701 appointing entity shall:

702 (a) File with the department ~~or office~~ the information
703 required under s. 626.511.

704 (b) Subject to the exceptions provided under subsection
705 (1), continue the outstanding contracts transacted by an agent
706 until the expiration date or anniversary date when the policy is
707 a continuous policy with no expiration date. This paragraph
708 shall not be construed to prohibit the cancellation of such
709 contracts when not otherwise prohibited by law.

710 (4) An appointee may terminate the appointment at any time
711 by giving written or electronic notice thereof to the appointing
712 entity, department ~~or office~~, or person designated by the
713 department to administer the appointment process. The department
714 shall immediately terminate the appointment and notify the
715 appointing entity of such termination. Such termination shall be
716 subject to the appointee's contract rights, if any.

717 (5) Upon receiving notice of termination, the department
718 ~~or office~~ or person designated by the department to administer
719 the appointment process shall terminate the appointment.

720 Section 33. Subsections (2), (3), and (5) of section
721 626.521, Florida Statutes, are amended to read:

722 626.521 Character, credit reports.--

723 (2) If requested by the department ~~or office~~, the insurer,
724 manager, general agent, general lines agent, or employer, as the
725 case may be, shall furnish to the department ~~or office~~ on a form
726 adopted by the department ~~or commission~~ and furnished by the
727 department ~~or office~~, such information as it may reasonably
728 require relative to such individual and investigation.

729 (3) As to an applicant for an adjuster's or reinsurance
730 intermediary's license who is to be self-employed, the
731 department ~~or office~~ may secure, at the cost of the applicant, a
732 full detailed credit and character report made by an established
733 and reputable independent reporting service relative to the
734 applicant.

735 (5) Information contained in credit or character reports
736 furnished to or secured by the department ~~or office~~ under this
737 section is confidential and exempt from the provisions of s.
738 119.07(1).

739 Section 34. Subsections (1) and (2) of section 626.541,
740 Florida Statutes, are amended to read:

741 626.541 Firm, corporate, and business names; officers;
742 associates; notice of changes.--

743 (1) Any licensed agent or adjuster doing business under a
744 firm or corporate name or under any business name other than his

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745 | or her own individual name shall, within 30 days after the
 746 | initial transaction of insurance under such business name, file
 747 | with the department ~~or office~~, on forms adopted by the
 748 | department ~~or commission~~ and furnished by the department ~~or~~
 749 | ~~office~~, a written statement of the firm, corporate, or business
 750 | name being so used, the address of any office or offices or
 751 | places of business making use of such name, and the name and
 752 | social security number of each officer and director of the
 753 | corporation and of each individual associated in such firm or
 754 | corporation as to the insurance transactions thereof or in the
 755 | use of such business name.

756 | (2) In the event of any change of such name, or of any of
 757 | the officers and directors, or of any of such addresses, or in
 758 | the personnel so associated, written notice of such change must
 759 | be filed with the department ~~or office~~ within 30 days by or on
 760 | behalf of those licensees terminating any such firm, corporate,
 761 | or business name or continuing to operate thereunder.

762 | Section 35. Section 626.551, Florida Statutes, is amended
 763 | to read:

764 | 626.551 Notice of change of address, name.--Every licensee
 765 | shall notify the department ~~or office~~ in writing within 60 days
 766 | after a change of name, residence address, principal business
 767 | street address, or mailing address. Any licensed agent who has
 768 | moved his or her residence from this state shall have his or her
 769 | license and all appointments immediately terminated by the
 770 | department ~~or office~~. Failure to notify the department ~~or office~~
 771 | within the required time period shall result in a fine not to
 772 | exceed \$250 for the first offense and, for subsequent offenses,

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773 a fine of not less than \$500 or suspension or revocation of the
774 license pursuant to s. 626.611 or s. 626.621.

775 Section 36. Section 626.611, Florida Statutes, is amended
776 to read:

777 626.611 Grounds for compulsory refusal, suspension, or
778 revocation of agent's, title agency's, adjuster's, customer
779 representative's, service representative's, or managing general
780 agent's license or appointment.--The department ~~or office~~ shall
781 deny an application for, suspend, revoke, or refuse to renew or
782 continue the license or appointment of any applicant, agent,
783 title agency, adjuster, customer representative, service
784 representative, or managing general agent, and it shall suspend
785 or revoke the eligibility to hold a license or appointment of
786 any such person, if it finds that as to the applicant, licensee,
787 or appointee any one or more of the following applicable grounds
788 exist:

789 (1) Lack of one or more of the qualifications for the
790 license or appointment as specified in this code.

791 (2) Material misstatement, misrepresentation, or fraud in
792 obtaining the license or appointment or in attempting to obtain
793 the license or appointment.

794 (3) Failure to pass to the satisfaction of the department
795 ~~or office~~ any examination required under this code.

796 (4) If the license or appointment is willfully used, or to
797 be used, to circumvent any of the requirements or prohibitions
798 of this code.

799 (5) Willful misrepresentation of any insurance policy or
800 annuity contract or willful deception with regard to any such

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801 policy or contract, done either in person or by any form of
802 dissemination of information or advertising.

803 (6) If, as an adjuster, or agent licensed and appointed to
804 adjust claims under this code, he or she has materially
805 misrepresented to an insured or other interested party the terms
806 and coverage of an insurance contract with intent and for the
807 purpose of effecting settlement of claim for loss or damage or
808 benefit under such contract on less favorable terms than those
809 provided in and contemplated by the contract.

810 (7) Demonstrated lack of fitness or trustworthiness to
811 engage in the business of insurance.

812 (8) Demonstrated lack of reasonably adequate knowledge and
813 technical competence to engage in the transactions authorized by
814 the license or appointment.

815 (9) Fraudulent or dishonest practices in the conduct of
816 business under the license or appointment.

817 (10) Misappropriation, conversion, or unlawful withholding
818 of moneys belonging to insurers or insureds or beneficiaries or
819 to others and received in conduct of business under the license
820 or appointment.

821 (11) Unlawfully rebating, attempting to unlawfully rebate,
822 or unlawfully dividing or offering to divide his or her
823 commission with another.

824 (12) Having obtained or attempted to obtain, or having
825 used or using, a license or appointment as agent or customer
826 representative for the purpose of soliciting or handling
827 "controlled business" as defined in s. 626.730 with respect to

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828 | general lines agents, s. 626.784 with respect to life agents,
829 | and s. 626.830 with respect to health agents.

830 | (13) Willful failure to comply with, or willful violation
831 | of, any proper order or rule of the department, ~~commission, or~~
832 | ~~office~~ or willful violation of any provision of this code.

833 | (14) Having been found guilty of or having pleaded guilty
834 | or nolo contendere to a felony or a crime punishable by
835 | imprisonment of 1 year or more under the law of the United
836 | States of America or of any state thereof or under the law of
837 | any other country which involves moral turpitude, without regard
838 | to whether a judgment of conviction has been entered by the
839 | court having jurisdiction of such cases.

840 | (15) Fraudulent or dishonest practice in submitting or
841 | aiding or abetting any person in the submission of an
842 | application for workers' compensation coverage under chapter 440
843 | containing false or misleading information as to employee
844 | payroll or classification for the purpose of avoiding or
845 | reducing the amount of premium due for such coverage.

846 | (16) Sale of an unregistered security that was required to
847 | be registered, pursuant to chapter 517.

848 | Section 37. Section 626.621, Florida Statutes, is amended
849 | to read:

850 | 626.621 Grounds for discretionary refusal, suspension, or
851 | revocation of agent's, adjuster's, customer representative's,
852 | service representative's, or managing general agent's license or
853 | appointment.--The department ~~or office~~ may, in its discretion,
854 | deny an application for, suspend, revoke, or refuse to renew or
855 | continue the license or appointment of any applicant, agent,

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856 | adjuster, customer representative, service representative, or
 857 | managing general agent, and it may suspend or revoke the
 858 | eligibility to hold a license or appointment of any such person,
 859 | if it finds that as to the applicant, licensee, or appointee any
 860 | one or more of the following applicable grounds exist under
 861 | circumstances for which such denial, suspension, revocation, or
 862 | refusal is not mandatory under s. 626.611:

863 | (1) Any cause for which issuance of the license or
 864 | appointment could have been refused had it then existed and been
 865 | known to the department ~~or office~~.

866 | (2) Violation of any provision of this code or of any
 867 | other law applicable to the business of insurance in the course
 868 | of dealing under the license or appointment.

869 | (3) Violation of any lawful order or rule of the
 870 | department, commission, or office.

871 | (4) Failure or refusal, upon demand, to pay over to any
 872 | insurer he or she represents or has represented any money coming
 873 | into his or her hands belonging to the insurer.

874 | (5) Violation of the provision against twisting, as
 875 | defined in s. 626.9541(1)(1).

876 | (6) In the conduct of business under the license or
 877 | appointment, engaging in unfair methods of competition or in
 878 | unfair or deceptive acts or practices, as prohibited under part
 879 | IX of this chapter, or having otherwise shown himself or herself
 880 | to be a source of injury or loss to the public or detrimental to
 881 | the public interest.

882 | (7) Willful overinsurance of any property or health
 883 | insurance risk.

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884 (8) Having been found guilty of or having pleaded guilty
885 or nolo contendere to a felony or a crime punishable by
886 imprisonment of 1 year or more under the law of the United
887 States of America or of any state thereof or under the law of
888 any other country, without regard to whether a judgment of
889 conviction has been entered by the court having jurisdiction of
890 such cases.

891 (9) If a life agent, violation of the code of ethics.

892 (10) Cheating on an examination required for licensure or
893 violating test center or examination procedures published
894 orally, in writing, or electronically at the test site by
895 authorized representatives of the examination program
896 administrator. Communication of test center and examination
897 procedures must be clearly established and documented.

898 (11) Failure to inform the department ~~or office~~ in writing
899 within 30 days after pleading guilty or nolo contendere to, or
900 being convicted or found guilty of, any felony or a crime
901 punishable by imprisonment of 1 year or more under the law of
902 the United States or of any state thereof, or under the law of
903 any other country without regard to whether a judgment of
904 conviction has been entered by the court having jurisdiction of
905 the case.

906 (12) Knowingly aiding, assisting, procuring, advising, or
907 abetting any person in the violation of or to violate a
908 provision of the insurance code or any order or rule of the
909 department, commission, or office.

910 Section 38. Section 626.631, Florida Statutes, is amended
911 to read:

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912 626.631 Procedure for refusal, suspension, or revocation
913 of license.--

914 (1) If any licensee is convicted by a court of a violation
915 of this code or a felony, the licenses and appointments of such
916 person shall be immediately revoked by the department ~~or office~~.
917 The licensee may subsequently request a hearing pursuant to ss.
918 120.569 and 120.57, and the department ~~or office~~ shall expedite
919 any such requested hearing. The sole issue at such hearing shall
920 be whether the revocation should be rescinded because such
921 person was not in fact convicted of a violation of this code or
922 a felony.

923 (2) The papers, documents, reports, or evidence of the
924 department ~~or office~~ relative to a hearing for revocation or
925 suspension of a license or appointment pursuant to the
926 provisions of this chapter and chapter 120 are confidential and
927 exempt from the provisions of s. 119.07(1) until after the same
928 have been published at the hearing. However, such papers,
929 documents, reports, or items of evidence are subject to
930 discovery in a hearing for revocation or suspension of a license
931 or appointment.

932 Section 39. Subsections (1) and (2) of section 626.641,
933 Florida Statutes, are amended to read:

934 626.641 Duration of suspension or revocation.--

935 (1) The department ~~or office~~ shall, in its order
936 suspending a license or appointment or in its order suspending
937 the eligibility of a person to hold or apply for such license or
938 appointment, specify the period during which the suspension is
939 to be in effect; but such period shall not exceed 2 years. The

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940 license, appointment, or eligibility shall remain suspended
 941 during the period so specified, subject, however, to any
 942 rescission or modification of the order by the department ~~or~~
 943 ~~office~~, or modification or reversal thereof by the court, prior
 944 to expiration of the suspension period. A license, appointment,
 945 or eligibility which has been suspended shall not be reinstated
 946 except upon request for such reinstatement; but the department
 947 ~~or office~~ shall not grant such reinstatement if it finds that
 948 the circumstance or circumstances for which the license,
 949 appointment, or eligibility was suspended still exist or are
 950 likely to recur.

951 (2) No person or appointee under any license or
 952 appointment revoked by the department ~~or office~~, nor any person
 953 whose eligibility to hold same has been revoked by the
 954 department ~~or office~~, shall have the right to apply for another
 955 license or appointment under this code within 2 years from the
 956 effective date of such revocation or, if judicial review of such
 957 revocation is sought, within 2 years from the date of final
 958 court order or decree affirming the revocation. The department
 959 ~~or office~~ shall not, however, grant a new license or appointment
 960 or reinstate eligibility to hold such license or appointment if
 961 it finds that the circumstance or circumstances for which the
 962 eligibility was revoked or for which the previous license or
 963 appointment was revoked still exist or are likely to recur; if
 964 an individual's license as agent or customer representative or
 965 eligibility to hold same has been revoked upon the ground
 966 specified in s. 626.611(12), the department ~~or office~~ shall

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967 | refuse to grant or issue any new license or appointment so
968 | applied for.

969 | Section 40. Subsection (2) of section 626.661, Florida
970 | Statutes, is amended to read:

971 | 626.661 Surrender of license.--

972 | (2) This section shall not be deemed to require the
973 | surrender to the department ~~or office~~ of any license unless such
974 | surrender has been requested by the department ~~or office~~.

975 | Section 41. Subsections (1) and (3) of section 626.681,
976 | Florida Statutes, are amended to read:

977 | 626.681 Administrative fine in lieu of or in addition to
978 | suspension, revocation, or refusal of license, appointment, or
979 | disapproval.--

980 | (1) Except as to insurance agencies, if the department ~~or~~
981 | ~~office~~ finds that one or more grounds exist for the suspension,
982 | revocation, or refusal to issue, renew, or continue any license
983 | or appointment issued under this chapter, or disapproval of a
984 | continuing education course provider, instructor, school
985 | official, or monitor groups, the department ~~or office~~ may, in
986 | its discretion, in lieu of or in addition to such suspension or
987 | revocation, or in lieu of such refusal, or disapproval, and
988 | except on a second offense or when such suspension, revocation,
989 | or refusal is mandatory, impose upon the licensee, appointee,
990 | course provider, instructor, school official, or monitor group
991 | an administrative penalty in an amount up to \$500 or, if the
992 | department ~~or office~~ has found willful misconduct or willful
993 | violation on the part of the licensee, appointee, course
994 | provider, instructor, school official, or monitor group up to

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995 | \$3,500. The administrative penalty may, in the discretion of the
 996 | department ~~or office~~, be augmented by an amount equal to any
 997 | commissions received by or accruing to the credit of the
 998 | licensee or appointee in connection with any transaction as to
 999 | which the grounds for suspension, revocation, or refusal
 1000 | related.

1001 | (3) The department ~~or office~~ may allow the licensee,
 1002 | appointee, or continuing education course provider, instructor,
 1003 | school official, or monitor group a reasonable period, not to
 1004 | exceed 30 days, within which to pay to the department ~~or office~~
 1005 | the amount of the penalty so imposed. If the licensee,
 1006 | appointee, course provider, instructor, school official, or
 1007 | monitor group fails to pay the penalty in its entirety to the
 1008 | department ~~or office~~ within the period so allowed, the license,
 1009 | appointments, approval, or status of that person shall stand
 1010 | suspended or revoked or issuance, renewal, or continuation shall
 1011 | be refused, as the case may be, upon expiration of such period.

1012 | Section 42. Section 626.691, Florida Statutes, is amended
 1013 | to read:

1014 | 626.691 Probation.--

1015 | (1) If the department ~~or office~~ finds that one or more
 1016 | grounds exist for the suspension, revocation, or refusal to
 1017 | renew or continue any license or appointment issued under this
 1018 | part, the department ~~or office~~ may, in its discretion, except
 1019 | when an administrative fine is not permissible under s. 626.681
 1020 | or when such suspension, revocation, or refusal is mandatory, in
 1021 | lieu of or in addition to such suspension or revocation, or in
 1022 | lieu of such refusal, or in connection with any administrative

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1023 monetary penalty imposed under s. 626.681, place the offending
 1024 licensee or appointee on probation for a period, not to exceed 2
 1025 years, as specified by the department ~~or office~~ in its order.

1026 (2) As a condition to such probation or in connection
 1027 therewith, the department ~~or office~~ may specify in its order
 1028 reasonable terms and conditions to be fulfilled by the
 1029 probationer during the probation period. If during the probation
 1030 period the department ~~or office~~ has good cause to believe that
 1031 the probationer has violated a term or condition, it shall
 1032 suspend, revoke, or refuse to issue, renew, or continue the
 1033 license or appointment of the probationer, as upon the original
 1034 grounds referred to in subsection (1).

1035 Section 43. Section 626.692, Florida Statutes, is amended
 1036 to read:

1037 626.692 Restitution.--If any ground exists for the
 1038 suspension, revocation, or refusal of a license or appointment,
 1039 the department ~~or office~~ may, in addition to any other penalty
 1040 authorized under this chapter, order the licensee to pay
 1041 restitution to any person who has been deprived of money by the
 1042 licensee's misappropriation, conversion, or unlawful withholding
 1043 of moneys belonging to insurers, insureds, beneficiaries, or
 1044 others. In no instance shall the amount of restitution required
 1045 to be paid under this section exceed the amount of money
 1046 misappropriated, converted, or unlawfully withheld. Nothing in
 1047 this section limits or restricts a person's right to seek other
 1048 remedies as provided for by law.

1049 Section 44. Subsection (2) of section 626.8582, Florida
 1050 Statutes, is amended to read:

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1051 626.8582 "Nonresident public adjuster" defined.--A

1052 "nonresident public adjuster" is a person who:

1053 (2) Is a currently licensed public adjuster in his or her
1054 state of residence for the type or kinds of insurance for which
1055 the licensee intends to adjust claims in this state or, if a
1056 resident of a state that does not license public adjusters, has
1057 passed the department's ~~office's~~ adjuster examination as
1058 prescribed in s. 626.8732(1)(b); and

1059 Section 45. Subsection (2) of section 626.8584, Florida
1060 Statutes, is amended to read:

1061 626.8584 "Nonresident independent adjuster" defined.--A

1062 "nonresident independent adjuster" is a person who:

1063 (2) Is a currently licensed independent adjuster in his or
1064 her state of residence for the type or kinds of insurance for
1065 which the licensee intends to adjust claims in this state or, if
1066 a resident of a state that does not license independent
1067 adjusters, has passed the department's ~~office's~~ adjuster
1068 examination as prescribed in s. 626.8734(1)(b); and

1069 Section 46. Section 626.859, Florida Statutes, is amended
1070 to read:

1071 626.859 "Catastrophe" or "emergency" adjuster defined.--A

1072 "catastrophe" or "emergency" adjuster is a person who is not a
1073 licensed adjuster under this part, but who has been designated
1074 and certified to the department ~~office~~ by insurers as qualified
1075 to adjust claims, losses, or damages under policies or contracts
1076 of insurance issued by such insurer, and whom the department
1077 ~~office~~ may license, in the event of a catastrophe or emergency,
1078 for the purposes and under the conditions which the department

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1079 ~~office~~ shall fix and for the period of the emergency as the
1080 department ~~office~~ shall determine, to adjust claims, losses, or
1081 damages under the policies of insurance issued by the insurers.

1082 Section 47. Subsection (2) of section 626.863, Florida
1083 Statutes, is amended to read:

1084 626.863 Licensed independent adjusters required; insurers'
1085 responsibility.--

1086 (2) Before referring any claim or loss, the insurer shall
1087 ascertain from the department ~~office~~ whether the proposed
1088 independent adjuster is currently licensed and appointed as
1089 such. Having once ascertained that a particular person is so
1090 licensed and appointed, the insurer may assume that he or she
1091 will continue to be so licensed and appointed until the insurer
1092 has knowledge, or receives information from the department
1093 ~~office~~, to the contrary.

1094 Section 48. Section 626.865, Florida Statutes, is amended
1095 to read:

1096 626.865 Public adjuster's qualifications, bond.--

1097 (1) The department ~~office~~ shall issue a license to an
1098 applicant for a public adjuster's license upon determining that
1099 the applicant has paid the applicable fees specified in s.
1100 624.501 and possesses the following qualifications:

1101 (a) Is a natural person at least 18 years of age.

1102 (b) Is a United States citizen or legal alien who
1103 possesses work authorization from the United States Immigration
1104 and Naturalization Service and a bona fide resident of this
1105 state.

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1106 (c) Is trustworthy and has such business reputation as
 1107 would reasonably assure that the applicant will conduct his or
 1108 her business as insurance adjuster fairly and in good faith and
 1109 without detriment to the public.

1110 (d) Has had sufficient experience, training, or
 1111 instruction concerning the adjusting of damages or losses under
 1112 insurance contracts, other than life and annuity contracts, is
 1113 sufficiently informed as to the terms and effects of the
 1114 provisions of those types of insurance contracts, and possesses
 1115 adequate knowledge of the laws of this state relating to such
 1116 contracts as to enable and qualify him or her to engage in the
 1117 business of insurance adjuster fairly and without injury to the
 1118 public or any member thereof with whom the applicant may have
 1119 business as a public adjuster.

1120 (e) Has passed any required written examination.

1121 (2) At the time of application for license as a public
 1122 adjuster, the applicant shall file with the department ~~office~~ a
 1123 bond executed and issued by a surety insurer authorized to
 1124 transact such business in this state, in the amount of \$50,000,
 1125 conditioned for the faithful performance of his or her duties as
 1126 a public adjuster under the license applied for. The bond shall
 1127 be in favor of the department ~~office~~ and shall specifically
 1128 authorize recovery by the department ~~office~~ of the damages
 1129 sustained in case the licensee is guilty of fraud or unfair
 1130 practices in connection with his or her business as public
 1131 adjuster. The aggregate liability of the surety for all such
 1132 damages shall in no event exceed the amount of the bond. Such
 1133 bond shall not be terminated unless at least 30 days' written

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1134 notice is given to the licensee and filed with the department
1135 ~~office~~.

1136 Section 49. Section 626.866, Florida Statutes, is amended
1137 to read:

1138 626.866 Independent adjuster's qualifications.--The
1139 department ~~office~~ shall issue a license to an applicant for an
1140 independent adjuster's license upon determining that the
1141 applicable license fee specified in s. 624.501 has been paid and
1142 that the applicant possesses the following qualifications:

1143 (1) Is a natural person at least 18 years of age.

1144 (2) Is a United States citizen or legal alien who
1145 possesses work authorization from the United States Immigration
1146 and Naturalization Service and a bona fide resident of this
1147 state.

1148 (3) Is trustworthy and has such business reputation as
1149 would reasonably assure that the applicant will conduct his or
1150 her business as insurance adjuster fairly and in good faith and
1151 without detriment to the public.

1152 (4) Has had sufficient experience, training, or
1153 instruction concerning the adjusting of damage or loss under
1154 insurance contracts, other than life and annuity contracts, is
1155 sufficiently informed as to the terms and the effects of the
1156 provisions of such types of contracts, and possesses adequate
1157 knowledge of the insurance laws of this state relating to such
1158 contracts as to enable and qualify him or her to engage in the
1159 business of insurance adjuster fairly and without injury to the
1160 public or any member thereof with whom he or she may have
1161 relations as an insurance adjuster and to adjust all claims in

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1162 | accordance with the policy or contract and the insurance laws of
1163 | this state.

1164 | (5) Has passed any required written examination.

1165 | Section 50. Section 626.867, Florida Statutes, is amended
1166 | to read:

1167 | 626.867 Company employee adjuster's qualifications.--The
1168 | department ~~office~~ shall issue a license to an applicant for a
1169 | company employee adjuster's license upon determining that the
1170 | applicable license fee specified in s. 624.501 has been paid and
1171 | that the applicant possesses the following qualifications:

1172 | (1) Is a natural person at least 18 years of age.

1173 | (2) Is a United States citizen or legal alien who
1174 | possesses work authorization from the United States Immigration
1175 | and Naturalization Service and a bona fide resident of this
1176 | state.

1177 | (3) Is trustworthy and has such business reputation as
1178 | would reasonably assure that the applicant will conduct his or
1179 | her business as insurance adjuster fairly and in good faith and
1180 | without detriment to the public.

1181 | (4) Has had sufficient experience, training, or
1182 | instruction concerning the adjusting of damage or loss of risks
1183 | described in his or her application, is sufficiently informed as
1184 | to the terms and the effects of the provisions of insurance
1185 | contracts covering such risks, and possesses adequate knowledge
1186 | of the insurance laws of this state relating to such insurance
1187 | contracts as to enable and qualify him or her to engage in such
1188 | business as insurance adjuster fairly and without injury to the
1189 | public or any member thereof with whom he or she may have

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1190 relations as an insurance adjuster and to adjust all claims in
1191 accordance with the policy or contract and the insurance laws of
1192 this state.

1193 (5) Has passed any required written examination.

1194 Section 51. Paragraph (c) of subsection (4) of section
1195 626.869, Florida Statutes, is amended to read:

1196 626.869 License, adjusters.--

1197 (4)

1198 (c) The department ~~Financial Services Commission~~ shall
1199 adopt rules necessary to implement and administer the continuing
1200 education requirements of this subsection.

1201 Section 52. Subsections (1), (3), (5), (6), and (7) of
1202 section 626.8695, Florida Statutes, are amended to read:

1203 626.8695 Primary adjuster.--

1204 (1) Each person operating an adjusting firm and each
1205 location of a multiple location adjusting firm must designate a
1206 primary adjuster for each such firm or location and must file
1207 with the department ~~office~~ the name of such primary adjuster and
1208 the address of the firm or location where he or she is the
1209 primary adjuster, on a form approved by the department
1210 ~~commission~~. The designation of the primary adjuster may be
1211 changed at the option of the adjusting firm. Any such change is
1212 effective upon notification to the department ~~office~~. Notice of
1213 change must be sent to the department ~~office~~ within 30 days
1214 after such change.

1215 (3) The department ~~office~~ may suspend or revoke the
1216 license of the primary adjuster if the adjusting firm employs
1217 any person who has had a license denied or any person whose

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1218 | license is currently suspended or revoked. However, if a person
 1219 | has been denied a license for failure to pass a required
 1220 | examination, he or she may be employed to perform clerical or
 1221 | administrative functions for which licensure is not required.

1222 | (5) The department ~~office~~ may suspend or revoke the
 1223 | license of any adjuster who is employed by a person whose
 1224 | license is currently suspended or revoked.

1225 | (6) An adjusting firm location may not conduct the
 1226 | business of insurance unless a primary adjuster is designated.
 1227 | Failure of the person operating the adjusting firm to designate
 1228 | a primary adjuster for the firm, or for each location, as
 1229 | applicable, on a form prescribed by the department ~~commission~~
 1230 | within 30 days after inception of the firm or change of primary
 1231 | adjuster designation, constitutes grounds for requiring the
 1232 | adjusting firm to obtain an adjusting firm license pursuant to
 1233 | s. 626.8696.

1234 | (7) Any adjusting firm may request, on a form prescribed
 1235 | by the department ~~commission~~, verification from the department
 1236 | ~~office~~ of any person's current licensure status. If a request is
 1237 | mailed to the department ~~office~~ within 5 working days after the
 1238 | date an adjuster is hired, and the department ~~office~~
 1239 | subsequently notifies the adjusting firm that an employee's
 1240 | license is currently suspended, revoked, or has been denied, the
 1241 | license of the primary adjuster shall not be revoked or
 1242 | suspended if the unlicensed person is immediately dismissed from
 1243 | employment as an adjuster with the firm.

1244 | Section 53. Paragraph (e) of subsection (1) and subsection
 1245 | (5) of section 626.8696, Florida Statutes, are amended to read:

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1246 626.8696 Application for adjusting firm license.--
 1247 (1) The application for an adjusting firm license must
 1248 include:
 1249 (e) Any additional information which the department
 1250 ~~commission~~ may require.
 1251 (5) An adjusting firm required to be licensed pursuant to
 1252 s. 626.8695 must remain so licensed for a period of 3 years from
 1253 the date of licensure, unless the license is suspended or
 1254 revoked. The department ~~office~~ may suspend or revoke the
 1255 adjusting firm's authority to do business for activities
 1256 occurring during the time the firm is licensed, regardless of
 1257 whether the licensing period has terminated.
 1258 Section 54. Section 626.8697, Florida Statutes, is amended
 1259 to read:
 1260 626.8697 Grounds for refusal, suspension, or revocation of
 1261 adjusting firm license.--
 1262 (1) The department ~~office~~ shall deny, suspend, revoke, or
 1263 refuse to continue the license of any adjusting firm if it
 1264 finds, as to any adjusting firm or as to any majority owner,
 1265 partner, manager, director, officer, or other person who manages
 1266 or controls the firm, that any of the following grounds exist:
 1267 (a) Lack by the firm of one or more of the qualifications
 1268 for the license as specified in this code.
 1269 (b) Material misstatement, misrepresentation, or fraud in
 1270 obtaining the license or in attempting to obtain the license.
 1271 (2) The department ~~office~~ may, in its discretion, deny,
 1272 suspend, revoke, or refuse to continue the license of any
 1273 adjusting firm if it finds that any of the following applicable

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1274 grounds exist with respect to the firm or any owner, partner,
1275 manager, director, officer, or other person who is otherwise
1276 involved in the operation of the firm:

1277 (a) Any cause for which issuance of the license could have
1278 been refused had it then existed and been known to the
1279 department ~~office~~.

1280 (b) Violation of any provision of this code or of any
1281 other law applicable to the business of insurance.

1282 (c) Violation of any order or rule of the department,
1283 office, or commission.

1284 (d) An owner, partner, manager, director, officer, or
1285 other person who manages or controls the firm having been found
1286 guilty of or having pleaded guilty or nolo contendere to a
1287 felony or a crime punishable by imprisonment of 1 year or more
1288 under the laws of the United States or of any state or under the
1289 laws of any other country, without regard to whether
1290 adjudication was made or withheld by the court.

1291 (e) Failure to inform the department ~~office~~ in writing
1292 within 30 days after a pleading by an owner, partner, manager,
1293 director, officer, or other person managing or controlling the
1294 firm of guilty or nolo contendere to, or being convicted or
1295 found guilty of, any felony or a crime punishable by
1296 imprisonment of 1 year or more under the laws of the United
1297 States or of any state, or under the laws of any other country,
1298 without regard to whether adjudication was made or withheld by
1299 the court.

1300 (f) Knowingly aiding, assisting, procuring, advising, or
1301 abetting any person in the violation of or to violate a

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1302 provision of the insurance code or any order or rule of the
1303 department, office, or commission.

1304 (g) Knowingly employing any individual in a managerial
1305 capacity or in a capacity dealing with the public who is under
1306 an order of revocation or suspension issued by the department
1307 ~~office~~.

1308 (h) Committing any of the following acts with such a
1309 frequency as to have made the operation of the adjusting firm
1310 hazardous to the insurance-buying public or other persons:

1311 1. Misappropriation, conversion, or unlawful or
1312 unreasonable withholding of moneys belonging to insurers or
1313 insureds or beneficiaries or claimants or to others and received
1314 in the conduct of business under the license.

1315 2. Misrepresentation or deception with regard to the
1316 business of insurance, dissemination of information, or
1317 advertising.

1318 3. Demonstrated lack of fitness or trustworthiness to
1319 engage in the business of insurance adjusting arising out of
1320 activities related to insurance adjusting or the adjusting firm.

1321 (i) Failure to appoint a primary adjuster.

1322 (3) In lieu of discretionary refusal, suspension, or
1323 revocation of an adjusting firm's license, the department ~~office~~
1324 may impose an administrative penalty of up to \$1,000 for each
1325 violation or ground provided under this section, not to exceed
1326 an aggregate amount of \$10,000 for all violations or grounds.

1327 (4) If any adjusting firm, having been licensed,
1328 thereafter has such license revoked or suspended, the firm shall

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1329 terminate all adjusting activities while the license is revoked
1330 or suspended.

1331 Section 55. Section 626.8698, Florida Statutes, is amended
1332 to read:

1333 626.8698 Disciplinary guidelines for public
1334 adjusters.--The department ~~office~~ may deny, suspend, or revoke
1335 the license of a public adjuster, and administer a fine not to
1336 exceed \$5,000 per act, for any of the following:

1337 (1) Violating any provision of this chapter or a rule or
1338 order of the office or commission;

1339 (2) Receiving payment or anything of value as a result of
1340 an unfair or deceptive practice;

1341 (3) Receiving or accepting any fee, kickback, or other
1342 thing of value pursuant to any agreement or understanding, oral
1343 or otherwise; entering into a split-fee arrangement with another
1344 person who is not a public adjuster; or being otherwise paid or
1345 accepting payment for services that have not been performed;

1346 (4) Violating s. 316.066 or s. 817.234;

1347 (5) Soliciting or otherwise taking advantage of a person
1348 who is vulnerable, emotional, or otherwise upset as the result
1349 of a trauma, accident, or other similar occurrence; or

1350 (6) Violating any ethical rule of the department
1351 ~~commission~~.

1352 Section 56. Section 626.870, Florida Statutes, is amended
1353 to read:

1354 626.870 Application for license.--

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1355 (1) Application for a license under this part shall be
1356 made as provided in s. 626.171 and related sections of this
1357 code.

1358 (2) The department ~~commission~~ shall so prepare the form of
1359 the application as to elicit and require from the applicant the
1360 information necessary to enable the department ~~office~~ to
1361 determine whether the applicant possesses the qualifications
1362 prerequisite to issuance of the license to the applicant.

1363 (3) The department ~~commission~~ may, in its discretion,
1364 require that the application be supplemented by the certificate
1365 or affidavit of such person or persons as it deems necessary for
1366 its determination of the applicant's residence, business
1367 reputation, and reputation for trustworthiness. The department
1368 ~~commission~~ shall prescribe and the department ~~office~~ may furnish
1369 the forms for such certificates and affidavits.

1370 Section 57. Section 626.871, Florida Statutes, is amended
1371 to read:

1372 626.871 Reappointment after military service.--The
1373 department ~~office~~ may, without requiring a further written
1374 examination, issue an appointment as an adjuster to a formerly
1375 licensed and appointed adjuster of this state who held a current
1376 adjuster's appointment at the time of entering service in the
1377 Armed Forces of the United States, subject to the following
1378 conditions:

1379 (1) The period of military service must not have been in
1380 excess of 3 years;

1381 (2) The application for the appointment must be filed with
1382 the department ~~office~~ and the applicable fee paid, within 12

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1383 months following the date of honorable discharge of the
1384 applicant from the military service; and

1385 (3) The new appointment will be of the same type and class
1386 as that currently effective at the time the applicant entered
1387 military service; but, if such type and class of appointment is
1388 not being currently issued under this code, the new appointment
1389 shall be of that type and class or classes most closely
1390 resembling those of the former appointment.

1391 Section 58. Subsections (1) and (5) of section 626.872,
1392 Florida Statutes, are amended to read:

1393 626.872 Temporary license.--

1394 (1) The department ~~office~~ may, in its discretion, issue a
1395 temporary license as an independent adjuster or as a company
1396 employee adjuster, subject to the following conditions:

1397 (a) The applicant must be an employee of an adjuster
1398 currently licensed by the department ~~office~~, an employee of an
1399 authorized insurer, or an employee of an established adjusting
1400 firm or corporation which is supervised by a currently licensed
1401 independent adjuster.

1402 (b) The application must be accompanied by a certificate
1403 of employment and a report as to the applicant's integrity and
1404 moral character on a form prescribed by the department
1405 ~~commission~~ and executed by the employer.

1406 (c) The applicant must be a natural person of at least 18
1407 years of age, must be a bona fide resident of this state, must
1408 be trustworthy, and must have such business reputation as would
1409 reasonably assure that the applicant will conduct his or her

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1410 business as an adjuster fairly and in good faith and without
1411 detriment to the public.

1412 (d) The applicant's employer is responsible for the
1413 adjustment acts of any licensee under this section.

1414 (e) The applicable license fee specified must be paid
1415 before issuance of the temporary license.

1416 (f) The temporary license shall be effective for a period
1417 of 1 year, but subject to earlier termination at the request of
1418 the employer, or if the licensee fails to take an examination as
1419 an independent adjuster or company employee adjuster within 6
1420 months after issuance of the temporary license, or if suspended
1421 or revoked by the department ~~office~~.

1422 (5) The department ~~office~~ shall not issue a temporary
1423 license as an independent adjuster or as a company employee
1424 adjuster to any individual who has ever held such a license in
1425 this state.

1426 Section 59. Subsection (1) of section 626.873, Florida
1427 Statutes, is amended to read:

1428 626.873 Nonresident company employee adjusters.--

1429 (1) The department ~~office~~ shall, upon application
1430 therefor, issue a license to an applicant for a nonresident
1431 adjuster's license upon determining that the applicant has paid
1432 the applicable license fees required under s. 624.501 and:

1433 (a) Is a currently licensed insurance adjuster in his or
1434 her home state, if such state requires a license.

1435 (b) Is an employee of an insurer, or a wholly owned
1436 subsidiary of an insurer, admitted to do business in this state.

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1437 (c) Has filed a certificate or letter of authorization
 1438 from the insurance department of his or her home state, if such
 1439 state requires an adjuster to be licensed, stating that he or
 1440 she holds a current license or authorization to adjust insurance
 1441 losses. Such certificate or authorization must be signed by the
 1442 insurance commissioner, or his or her deputy, of the adjuster's
 1443 home state and must reflect whether or not the adjuster has ever
 1444 had his or her license or authorization in the adjuster's home
 1445 state suspended or revoked and, if such is the case, the reason
 1446 for such action.

1447 Section 60. Section 626.8732, Florida Statutes, is amended
 1448 to read:

1449 626.8732 Nonresident public adjuster's qualifications,
 1450 bond.--

1451 (1) The department ~~office~~ shall, upon application
 1452 therefor, issue a license to an applicant for a nonresident
 1453 public adjuster's license upon determining that the applicant
 1454 has paid the applicable license fees required under s. 624.501
 1455 and:

1456 (a) Is a natural person at least 18 years of age.

1457 (b) Has passed to the satisfaction of the department
 1458 ~~office~~ a written Florida public adjuster's examination of the
 1459 scope prescribed in s. 626.241(6); however, the requirement for
 1460 such an examination does not apply to any of the following:

1461 1. An applicant who is licensed as a resident public
 1462 adjuster in his or her state of residence, when that state
 1463 requires the passing of a written examination in order to obtain
 1464 the license and a reciprocal agreement with the appropriate

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1465 official of that state has been entered into by the department
1466 ~~office~~; or

1467 2. An applicant who is licensed as a nonresident public
1468 adjuster in a state other than his or her state of residence
1469 when the state of licensure requires the passing of a written
1470 examination in order to obtain the license and a reciprocal
1471 agreement with the appropriate official of the state of
1472 licensure has been entered into by the department ~~office~~.

1473 (c) Is self-employed as a public adjuster or associated
1474 with or employed by a public adjusting firm or other public
1475 adjuster. Applicants licensed as nonresident public adjusters
1476 under this section must be appointed as such in accordance with
1477 the provisions of ss. 626.112 and 626.451. Appointment fees in
1478 the amount specified in s. 624.501 must be paid to the
1479 department ~~office~~ in advance. The appointment of a nonresident
1480 public adjuster shall continue in force until suspended,
1481 revoked, or otherwise terminated, but subject to biennial
1482 renewal or continuation by the licensee in accordance with
1483 procedures prescribed in s. 626.381 for licensees in general.

1484 (d) Is trustworthy and has such business reputation as
1485 would reasonably assure that he or she will conduct his or her
1486 business as a nonresident public adjuster fairly and in good
1487 faith and without detriment to the public.

1488 (e) Has had sufficient experience, training, or
1489 instruction concerning the adjusting of damages or losses under
1490 insurance contracts, other than life and annuity contracts; is
1491 sufficiently informed as to the terms and effects of the
1492 provisions of those types of insurance contracts; and possesses

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1493 adequate knowledge of the laws of this state relating to such
1494 contracts as to enable and qualify him or her to engage in the
1495 business of insurance adjuster fairly and without injury to the
1496 public or any member thereof with whom he or she may have
1497 business as a public adjuster.

1498 (2) The applicant shall furnish the following with his or
1499 her application:

1500 (a) A complete set of his or her fingerprints. The
1501 applicant's fingerprints must be certified by an authorized law
1502 enforcement officer. The department ~~office~~ may not authorize an
1503 applicant to take the required examination or issue a
1504 nonresident public adjuster's license to the applicant until the
1505 department ~~office~~ has received a report from the Florida
1506 Department of Law Enforcement and the Federal Bureau of
1507 Investigation relative to the existence or nonexistence of a
1508 criminal history report based on the applicant's fingerprints.

1509 (b) If currently licensed as a resident public adjuster in
1510 the applicant's state of residence, a certificate or letter of
1511 authorization from the licensing authority of the applicant's
1512 state of residence, stating that the applicant holds a current
1513 or comparable license to act as a public adjuster. The
1514 certificate or letter of authorization must be signed by the
1515 insurance commissioner or his or her deputy or the appropriate
1516 licensing official and must disclose whether the adjuster has
1517 ever had any license or eligibility to hold any license
1518 declined, denied, suspended, revoked, or placed on probation or
1519 whether an administrative fine or penalty has been levied
1520 against the adjuster and, if so, the reason for the action.

1521 (c) If the applicant's state of residence does not require
 1522 licensure as a public adjuster and the applicant has been
 1523 licensed as a resident insurance adjuster, agent, broker, or
 1524 other insurance representative in his or her state of residence
 1525 or any other state within the past 3 years, a certificate or
 1526 letter of authorization from the licensing authority stating
 1527 that the applicant holds or has held a license to act as such an
 1528 insurance adjuster, agent, or other insurance representative.
 1529 The certificate or letter of authorization must be signed by the
 1530 insurance commissioner or his or her deputy or the appropriate
 1531 licensing official and must disclose whether or not the
 1532 adjuster, agent, or other insurance representative has ever had
 1533 any license or eligibility to hold any license declined, denied,
 1534 suspended, revoked, or placed on probation or whether an
 1535 administrative fine or penalty has been levied against the
 1536 adjuster and, if so, the reason for the action.

1537 (3) At the time of application for license as a
 1538 nonresident public adjuster, the applicant shall file with the
 1539 department ~~office~~ a bond executed and issued by a surety insurer
 1540 authorized to transact surety business in this state, in the
 1541 amount of \$50,000, conditioned for the faithful performance of
 1542 his or her duties as a nonresident public adjuster under the
 1543 license applied for. The bond must be in favor of the department
 1544 ~~office~~ and must specifically authorize recovery by the
 1545 department ~~office~~ of the damages sustained if the licensee
 1546 commits fraud or unfair practices in connection with his or her
 1547 business as nonresident public adjuster. The aggregate liability
 1548 of the surety for all the damages may not exceed the amount of

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1549 the bond. The bond may not be terminated unless at least 30
1550 days' written notice is given to the licensee and filed with the
1551 department ~~office~~.

1552 (4) The usual and customary records pertaining to
1553 transactions under the license of a nonresident public adjuster
1554 must be retained for at least 3 years after completion of the
1555 adjustment and must be made available in this state to the
1556 department ~~office~~ upon request. The failure of a nonresident
1557 public adjuster to properly maintain records and make them
1558 available to the department ~~office~~ upon request constitutes
1559 grounds for the immediate suspension of the license issued under
1560 this section.

1561 (5) After licensure as a nonresident public adjuster, as a
1562 condition of doing business in this state, the licensee must
1563 annually on or before January 1, on a form prescribed by the
1564 department ~~commission~~, submit an affidavit certifying that the
1565 licensee is familiar with and understands the insurance code and
1566 rules adopted thereunder and the provisions of the contracts
1567 negotiated or to be negotiated. Compliance with this filing
1568 requirement is a condition precedent to the issuance,
1569 continuation, reinstatement, or renewal of a nonresident public
1570 adjuster's appointment.

1571 Section 61. Subsections (1), (3), and (4) of section
1572 626.8734, Florida Statutes, are amended to read:

1573 626.8734 Nonresident independent adjuster's
1574 qualifications.--

1575 (1) The department ~~office~~ shall, upon application
1576 therefor, issue a license to an applicant for a nonresident

1577 independent adjuster's license upon determining that the
 1578 applicant has paid the applicable license fees required under s.
 1579 624.501 and:

1580 (a) Is a natural person at least 18 years of age.

1581 (b) Has passed to the satisfaction of the department
 1582 ~~office~~ a written Florida independent adjuster's examination of
 1583 the scope prescribed in s. 626.241(6); however, the requirement
 1584 for the examination does not apply to any of the following:

1585 1. An applicant who is licensed as a resident independent
 1586 adjuster in his or her state of residence when that state
 1587 requires the passing of a written examination in order to obtain
 1588 the license and a reciprocal agreement with the appropriate
 1589 official of that state has been entered into by the department
 1590 ~~office~~; or

1591 2. An applicant who is licensed as a nonresident
 1592 independent adjuster in a state other than his or her state of
 1593 residence when the state of licensure requires the passing of a
 1594 written examination in order to obtain the license and a
 1595 reciprocal agreement with the appropriate official of the state
 1596 of licensure has been entered into by the department ~~office~~.

1597 (c) Is self-employed or associated with or employed by an
 1598 independent adjusting firm or other independent adjuster.

1599 Applicants licensed as nonresident independent adjusters under
 1600 this section must be appointed as such in accordance with the
 1601 provisions of ss. 626.112 and 626.451. Appointment fees in the
 1602 amount specified in s. 624.501 must be paid to the department
 1603 ~~office~~ in advance. The appointment of a nonresident independent
 1604 adjuster shall continue in force until suspended, revoked, or

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1605 otherwise terminated, but subject to biennial renewal or
 1606 continuation by the licensee in accordance with procedures
 1607 prescribed in s. 626.381 for licensees in general.

1608 (d) Is trustworthy and has such business reputation as
 1609 would reasonably assure that he or she will conduct his or her
 1610 business as a nonresident independent adjuster fairly and in
 1611 good faith and without detriment to the public.

1612 (e) Has had sufficient experience, training, or
 1613 instruction concerning the adjusting of damages or losses under
 1614 insurance contracts, other than life and annuity contracts; is
 1615 sufficiently informed as to the terms and effects of the
 1616 provisions of those types of insurance contracts; and possesses
 1617 adequate knowledge of the laws of this state relating to such
 1618 contracts as to enable and qualify him or her to engage in the
 1619 business of insurance adjuster fairly and without injury to the
 1620 public or any member thereof with whom he or she may have
 1621 business as an independent adjuster.

1622 (3) The usual and customary records pertaining to
 1623 transactions under the license of a nonresident independent
 1624 adjuster must be retained for at least 3 years after completion
 1625 of the adjustment and must be made available in this state to
 1626 the department ~~office~~ upon request. The failure of a nonresident
 1627 independent adjuster to properly maintain records and make them
 1628 available to the department ~~office~~ upon request constitutes
 1629 grounds for the immediate suspension of the license issued under
 1630 this section.

1631 (4) After licensure as a nonresident independent adjuster,
 1632 as a condition of doing business in this state, the licensee

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1633 | must annually on or before January 1, on a form prescribed by
 1634 | the department ~~commission~~, submit an affidavit certifying that
 1635 | the licensee is familiar with and understands the insurance laws
 1636 | and administrative rules of this state and the provisions of the
 1637 | contracts negotiated or to be negotiated. Compliance with this
 1638 | filing requirement is a condition precedent to the issuance,
 1639 | continuation, reinstatement, or renewal of a nonresident
 1640 | independent adjuster's appointment.

1641 | Section 62. Subsection (4) of section 626.8736, Florida
 1642 | Statutes, is amended to read:

1643 | 626.8736 Nonresident independent or public adjusters;
 1644 | service of process.--

1645 | (4) Upon receiving the service, the Chief Financial
 1646 | Officer shall forthwith send one of the copies of the process,
 1647 | by registered mail with return receipt requested, to the
 1648 | defendant nonresident independent or public adjuster at his or
 1649 | her last address of record with the department ~~office~~.

1650 | Section 63. Section 626.8738, Florida Statutes, is amended
 1651 | to read:

1652 | 626.8738 Penalty for violation.--In addition to any other
 1653 | remedy imposed pursuant to this code, any person who acts as a
 1654 | resident or nonresident public adjuster or holds himself or
 1655 | herself out to be a public adjuster to adjust claims in this
 1656 | state, without being licensed by the department ~~office~~ as a
 1657 | public adjuster and appointed as a public adjuster, commits a
 1658 | felony of the third degree, punishable as provided in s.
 1659 | 775.082, s. 775.083, or s. 775.084. Each act in violation of
 1660 | this section constitutes a separate offense.

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1661 Section 64. Section 626.874, Florida Statutes, is amended
1662 to read:

1663 626.874 Catastrophe or emergency adjusters.--

1664 (1) In the event of a catastrophe or emergency, the
1665 department ~~office~~ may issue a license, for the purposes and
1666 under the conditions which it shall fix and for the period of
1667 emergency as it shall determine, to persons who are residents or
1668 nonresidents of this state, who are at least 18 years of age,
1669 who are United States citizens or legal aliens who possess work
1670 authorization from the United States Immigration and
1671 Naturalization Service, and who are not licensed adjusters under
1672 this part but who have been designated and certified to it as
1673 qualified to act as adjusters by independent resident adjusters
1674 or by an authorized insurer or by a licensed general lines agent
1675 to adjust claims, losses, or damages under policies or contracts
1676 of insurance issued by such insurers. The fee for the license
1677 shall be as provided in s. 624.501(12)(c).

1678 (2) If any person not a licensed adjuster who has been
1679 permitted to adjust such losses, claims, or damages under the
1680 conditions and circumstances set forth in subsection (1),
1681 engages in any of the misconduct described in or contemplated by
1682 ss. 626.611 and 626.621, the department ~~office~~, without notice
1683 and hearing, shall be authorized to issue its order denying such
1684 person the privileges granted under this section; and thereafter
1685 it shall be unlawful for any such person to adjust any such
1686 losses, claims, or damages in this state.

1687 Section 65. Section 626.878, Florida Statutes, is amended
1688 to read:

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1689 626.878 Rules; code of ethics.--An adjuster shall
 1690 subscribe to the code of ethics specified in the rules of the
 1691 department ~~commission~~. The rules shall implement the provisions
 1692 of this part and specify the terms and conditions of contracts,
 1693 including a right to cancel, and require practices necessary to
 1694 ensure fair dealing, prohibit conflicts of interest, and ensure
 1695 preservation of the rights of the claimant to participate in the
 1696 adjustment of claims.

1697 Section 66. Section 627.7012, Florida Statutes, is
 1698 transferred and renumbered as section 626.879, Florida Statutes,
 1699 and amended to read:

1700 626.879 ~~627.7012~~ Pools of insurance adjusters.--The
 1701 department ~~commission~~ may, by rule, establish a pool of
 1702 qualified insurance adjusters. The rules must provide that, if a
 1703 hurricane occurs or an emergency is declared, the department
 1704 ~~office~~ may assign members of the pool to the affected area and
 1705 that an insurer may request that a member of the pool adjust
 1706 claims in the assigned area. The rules may not require that an
 1707 insurer use those adjusters assigned by the department ~~office~~.

1708 Section 67. Subsection (3) of section 626.9543, Florida
 1709 Statutes, is amended to read:

1710 626.9543 Holocaust victims.--

1711 (3) DEFINITIONS.--For the purpose of this section:

1712 ~~(a) "Department" means the Department of Insurance.~~

1713 (a)~~(b)~~ "Holocaust victim" means any person who lost his or
 1714 her life or property as a result of discriminatory laws,
 1715 policies, or actions targeted against discrete groups of persons

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1716 | between 1920 and 1945, inclusive, in Nazi Germany, areas
1717 | occupied by Nazi Germany, or countries allied with Nazi Germany.

1718 | (b)~~(e)~~ "Insurance policy" means, but is not limited to,
1719 | life insurance, property insurance, or education policies.

1720 | (c)~~(d)~~ "Legal relationship" means any parent, subsidiary,
1721 | or affiliated company with an insurer doing business in this
1722 | state.

1723 | (d)~~(e)~~ "Proceeds" means the face or other payout value of
1724 | policies and annuities plus reasonable interest to date of
1725 | payments without diminution for wartime or immediate postwar
1726 | currency devaluation.

1727 | Section 68. Subsection (9) of section 626.989, Florida
1728 | Statutes, is amended to read:

1729 | 626.989 Investigation by department or Division of
1730 | Insurance Fraud; compliance; immunity; confidential information;
1731 | reports to division; division investigator's power of arrest.--

1732 | (9) In recognition of the complementary roles of
1733 | investigating instances of workers' compensation fraud and
1734 | enforcing compliance with the workers' compensation coverage
1735 | requirements under chapter 440, the Department of Financial
1736 | Services shall prepare and submit a joint performance report to
1737 | the President of the Senate and the Speaker of the House of
1738 | Representatives by November 1, 2003, and then by January 1 of
1739 | each year. The annual report must include, but need not be
1740 | limited to:

1741 | (a) The total number of initial referrals received, cases
1742 | opened, cases presented for prosecution, cases closed, and
1743 | convictions resulting from cases presented for prosecution by

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1744 the Bureau of Workers' Compensation Insurance Fraud by type of
1745 workers' compensation fraud and circuit.

1746 (b) The number of referrals received from insurers and the
1747 Division of Workers' Compensation and the outcome of those
1748 referrals.

1749 (c) The number of investigations undertaken by the bureau
1750 ~~office~~ which were not the result of a referral from an insurer
1751 or the Division of Workers' Compensation.

1752 (d) The number of investigations that resulted in a
1753 referral to a regulatory agency and the disposition of those
1754 referrals.

1755 (e) The number and reasons provided by local prosecutors
1756 or the statewide prosecutor for declining prosecution of a case
1757 presented by the bureau ~~office~~ by circuit.

1758 (f) The total number of employees assigned to the bureau
1759 ~~office~~ and the Division of Workers' Compliance unit delineated
1760 by location of staff assigned and the number and location of
1761 employees assigned to the bureau ~~office~~ who were assigned to
1762 work other types of fraud cases.

1763 (g) The average caseload and turnaround time by type of
1764 case for each investigator and division compliance employee.

1765 (h) The training provided during the year to workers'
1766 compensation fraud investigators and the division's compliance
1767 employees.

1768 Section 69. Paragraphs (b) and (c) of subsection (2) of
1769 section 627.0628, Florida Statutes, are amended to read:

1770 627.0628 Florida Commission on Hurricane Loss Projection
1771 Methodology.--

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- 1772 (2) COMMISSION CREATED.--
- 1773 (b) The commission shall consist of the following 11
- 1774 members:
- 1775 1. The insurance consumer advocate.
- 1776 2. The senior employee of the State Board of
- 1777 Administration responsible for operations of the Florida
- 1778 Hurricane Catastrophe Fund.
- 1779 3. The Executive Director of the Citizens Property
- 1780 Insurance Corporation.
- 1781 4. The Director of the Division of Emergency Management of
- 1782 the Department of Community Affairs.
- 1783 5. The actuary member of the Florida Hurricane Catastrophe
- 1784 Fund Advisory Council.
- 1785 6. An employee of the office who is an actuary responsible
- 1786 for property insurance rate filings and who is appointed by the
- 1787 Director of the Office of Insurance Regulation.
- 1788 ~~7.6.~~ Five ~~Six~~ members appointed by the Chief Financial
- 1789 Officer, as follows:
- 1790 ~~a. An employee of the office who is an actuary responsible~~
- 1791 ~~for property insurance rate filings.~~
- 1792 ~~a.b.~~ An actuary who is employed full time by a property
- 1793 and casualty insurer which was responsible for at least 1
- 1794 percent of the aggregate statewide direct written premium for
- 1795 homeowner's insurance in the calendar year preceding the
- 1796 member's appointment to the commission.
- 1797 ~~b.e.~~ An expert in insurance finance who is a full time
- 1798 member of the faculty of the State University System and who has
- 1799 a background in actuarial science.

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1800 ~~c.d.~~ An expert in statistics who is a full time member of
1801 the faculty of the State University System and who has a
1802 background in insurance.

1803 ~~d.e.~~ An expert in computer system design who is a full
1804 time member of the faculty of the State University System.

1805 ~~e.f.~~ An expert in meteorology who is a full time member of
1806 the faculty of the State University System and who specializes
1807 in hurricanes.

1808 (c) Members designated under subparagraphs (b)1.-5. shall
1809 serve on the commission as long as they maintain the respective
1810 offices designated in subparagraphs (b)1.-5. Members appointed
1811 by the Chief Financial Officer under subparagraph (b)~~7.6.~~ shall
1812 serve on the commission until the end of the term of office of
1813 the Chief Financial Officer who appointed them, unless earlier
1814 removed by the Chief Financial Officer for cause. Vacancies on
1815 the commission shall be filled in the same manner as the
1816 original appointment.

1817 Section 70. Section 627.285, Florida Statutes, is amended
1818 to read:

1819 627.285 Independent actuarial peer review of workers'
1820 compensation rating organization.--The office ~~Financial Services~~
1821 ~~Commission~~ shall at least once every other year contract for an
1822 independent actuarial peer review and analysis of the ratemaking
1823 processes of any licensed rating organization that makes rate
1824 filings for workers' compensation insurance, and the rating
1825 organization shall fully cooperate in the peer review. The
1826 contract shall require submission of a final report to the
1827 commission, the President of the Senate, and the Speaker of the

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1828 House of Representatives by February 1. The first report shall
 1829 be submitted by February 1, 2004. The costs of the independent
 1830 actuarial peer review shall be paid from the Workers'
 1831 Compensation Administration Trust Fund.

1832 Section 71. Paragraph (b) of subsection (11) of section
 1833 627.6699, Florida Statutes, is amended to read:

1834 627.6699 Employee Health Care Access Act.--

1835 (11) SMALL EMPLOYER HEALTH REINSURANCE PROGRAM.--

1836 (b)1. The program shall operate subject to the supervision
 1837 and control of the board.

1838 2. Effective upon this act becoming a law, the board shall
 1839 consist of the Director of the Office of Insurance Regulation
 1840 ~~Chief Financial Officer~~ or his or her designee, who shall serve
 1841 as the chairperson, and 13 additional members who are
 1842 representatives of carriers and insurance agents and are
 1843 appointed by the Director of the Office of Insurance Regulation
 1844 ~~Chief Financial Officer~~ and serve as follows:

1845 a. The Director of the Office of Insurance Regulation
 1846 ~~Chief Financial Officer~~ shall include representatives of small
 1847 employer carriers subject to assessment under this subsection.
 1848 If two or more carriers elect to be risk-assuming carriers, the
 1849 membership must include at least two representatives of risk-
 1850 assuming carriers; if one carrier is risk-assuming, one member
 1851 must be a representative of such carrier. At least one member
 1852 must be a carrier who is subject to the assessments, but is not
 1853 a small employer carrier. Subject to such restrictions, at least
 1854 five members shall be selected from individuals recommended by
 1855 small employer carriers pursuant to procedures provided by rule

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1856 of the commission. Three members shall be selected from a list
 1857 of health insurance carriers that issue individual health
 1858 insurance policies. At least two of the three members selected
 1859 must be reinsuring carriers. Two members shall be selected from
 1860 a list of insurance agents who are actively engaged in the sale
 1861 of health insurance.

1862 b. A member appointed under this subparagraph shall serve
 1863 a term of 4 years and shall continue in office until the
 1864 member's successor takes office, except that, in order to
 1865 provide for staggered terms, the Director of the Office of
 1866 Insurance Regulation ~~Chief Financial Officer~~ shall designate two
 1867 of the initial appointees under this subparagraph to serve terms
 1868 of 2 years and shall designate three of the initial appointees
 1869 under this subparagraph to serve terms of 3 years.

1870 3. The Director of the Office of Insurance Regulation
 1871 ~~Chief Financial Officer~~ may remove a member for cause.

1872 4. Vacancies on the board shall be filled in the same
 1873 manner as the original appointment for the unexpired portion of
 1874 the term.

1875 5. The Director of the Office of Insurance Regulation
 1876 ~~Chief Financial Officer~~ may require an entity that recommends
 1877 persons for appointment to submit additional lists of
 1878 recommended appointees.

1879 Section 72. The transfer of the regulation of adjusters
 1880 from the Office of Insurance Regulation to the Department of
 1881 Financial Services by this act shall not affect the regulation
 1882 of adjusters in any administrative or judicial action of the
 1883 Office of Insurance Regulation arising out of or involving the

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1884 Office of Insurance Regulation prior to or pending on the
 1885 effective date of this act, and the Department of Financial
 1886 Services shall be substituted as a party in interest on any such
 1887 pending action.

1888 Section 73. Any license, form, or action that was approved
 1889 or authorized by the Financial Services Commission or the Office
 1890 of Insurance Regulation that was otherwise lawfully in use prior
 1891 to the effective date of this act may continue to be used, or be
 1892 effective as originally authorized or permitted, until the
 1893 Department of Financial Services otherwise prescribes.

1894 Section 74. Upon the effective date of this act, the rules
 1895 or portions thereof of the Financial Services Commission that
 1896 govern the regulation of insurance adjusters shall become rules
 1897 or portions thereof of the Department of Financial Services as
 1898 is appropriate to the corresponding regulatory or constitutional
 1899 function and shall remain in effect until specifically amended
 1900 or repealed in the manner provided by law.

1901 Section 75. Section 215.31, Florida Statutes, is amended
 1902 to read:

1903 215.31 State funds; deposit in State Treasury.--

1904 (1) Revenue, including licenses, fees, imposts, or
 1905 exactions collected or received under the authority of the laws
 1906 of the state by each and every state official, office, employee,
 1907 bureau, division, board, commission, institution, agency, or
 1908 undertaking of the state or the judicial branch shall be
 1909 promptly deposited in the State Treasury, and immediately
 1910 credited to the appropriate fund as herein provided, properly
 1911 accounted for by the Department of Financial Services as to

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1912 source and no money shall be paid from the State Treasury except
 1913 as appropriated and provided by the annual General
 1914 Appropriations Act, or as otherwise provided by law.

1915 (2) Every state official, office, employee, bureau,
 1916 division, board, commission, institution, agency, or undertaking
 1917 of the state or the judicial branch that enters into a
 1918 settlement of a claim brought on behalf of the state against any
 1919 person shall ensure that all funds received pursuant to the
 1920 settlement are promptly deposited into the State Treasury;
 1921 however, funds designated in the settlement for purposes of
 1922 restitution to affected individuals shall be promptly
 1923 transmitted to the intended beneficiaries thereof. No funds due
 1924 and owing to the state under a settlement may be maintained
 1925 outside the State Treasury unless otherwise specifically
 1926 authorized by law.

1927 Section 76. Subsection (1) of section 215.95, Florida
 1928 Statutes, is amended to read:

1929 215.95 Financial Management Information Board.--

1930 (1) There is created, as part of the Administration
 1931 Commission, the Financial Management Information Board. The
 1932 board shall be composed of the Governor, the Chief Financial
 1933 Officer, the Commissioner of Agriculture, and the Attorney
 1934 General. The Governor shall be chair of the board. The Governor
 1935 or the Chief Financial Officer may call a meeting of the board
 1936 at any time the need arises.

1937 Section 77. Subsections (2) and (4) of section 215.96,
 1938 Florida Statutes, are amended to read:

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1939 215.96 Coordinating council and design and coordination
1940 staff.--

1941 (2) The coordinating council shall consist of the Chief
1942 Financial Officer; the Commissioner of Agriculture; the
1943 secretary of the Department of Management Services; the Attorney
1944 General; and the Director of Planning and Budgeting, Executive
1945 Office of the Governor, or their designees. The Chief Financial
1946 Officer, or his or her designee, shall be chair of the
1947 coordinating council, and the design and coordination staff
1948 shall provide administrative and clerical support to the council
1949 and the board. The design and coordination staff shall maintain
1950 the minutes of each meeting and shall make such minutes
1951 available to any interested person. The Auditor General, the
1952 State Courts Administrator, an executive officer of the Florida
1953 Association of State Agency Administrative Services Directors,
1954 and an executive officer of the Florida Association of State
1955 Budget Officers, or their designees, shall serve without voting
1956 rights as ex officio members on the coordinating council. The
1957 chair may call meetings of the coordinating council as often as
1958 necessary to transact business; however, the coordinating
1959 council shall meet at least once a year. Action of the
1960 coordinating council shall be by motion, duly made, seconded and
1961 passed by a majority of the coordinating council voting in the
1962 affirmative for approval of items that are to be recommended for
1963 approval to the Financial Management Information Board.

1964 (4) The Financial Management Information Board, through
1965 the coordinating council, shall provide the necessary planning,
1966 implementation, and integration policies, coordination

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1967 | procedures, and reporting processes to facilitate the successful
 1968 | and efficient integration of the central administrative and
 1969 | financial management information systems, including the Florida
 1970 | Accounting Information Resource system (FLAIR), Cash Management
 1971 | System (CMS), and FLAIR/CMS replacement project, the payroll
 1972 | system in the Department of Financial Services, the Legislative
 1973 | Appropriations System/Planning and Budgeting Subsystem
 1974 | (LAS/PBS), the State Purchasing System (SPURS) and MyFlorida
 1975 | Marketplace project, the Cooperative Personnel Employment
 1976 | Subsystem (COPES) and the PeopleFirst Outsourcing project, and
 1977 | the State Unified Tax system (SUNTAX).

1978 | (a) To fulfill this role, the coordinating council shall
 1979 | establish an Enterprise Resource Planning Integration Task
 1980 | Force, which shall consist of the coordinating council members
 1981 | plus the Chief Information Officer in the State Technology
 1982 | Office and the Executive Director or designee in the Department
 1983 | of Revenue, who shall serve with voting rights on the task
 1984 | force. The nonvoting ex officio members of the coordinating
 1985 | council shall be nonvoting members of the task force.

1986 | (b) The task force shall be established by August 1, 2003,
 1987 | and shall remain in existence until the integration goals have
 1988 | been achieved among the FLAIR/CMS Replacement project, SPURS and
 1989 | MyFlorida Marketplace project, COPES and PeopleFirst project,
 1990 | payroll system, LAS/PBS, and SUNTAX system, or until June 30,
 1991 | 2005, whichever is later. The task force shall hold its initial
 1992 | meeting no later than September 1, 2003, and shall meet at the
 1993 | call of the chair or at least once every 60 days. In its initial
 1994 | meeting, task force members shall:

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1995 | 1. Adopt a task force charter that identifies major
1996 | objectives, activities, milestones and deliverables, significant
1997 | assumptions, and constraints on the task force functions and
1998 | major stakeholder groups interested in the outcome of the task
1999 | force.

2000 | 2. Consider and adopt processes by which information will
2001 | be collected and business process and technical integration
2002 | issues will be raised for analysis and recommendation by the
2003 | task force.

2004 | 3. Elect a member to serve as vice chair. Any vacancy in
2005 | the vice chair position shall be filled by similar election
2006 | within 30 days after the date the vacancy is effective.

2007 | (c) The coordinating council shall provide administrative
2008 | and technical support to the task force as is reasonably
2009 | necessary for the task force to effectively and timely carry out
2010 | its duties and responsibilities. The cost of providing such
2011 | support may be paid from funds appropriated for the operation of
2012 | the council or the FLAIR/CMS Replacement project. The task force
2013 | also may contract for services to obtain specific expertise to
2014 | analyze, facilitate, and formulate recommendations to address
2015 | process and technical integration problems that need to be
2016 | resolved.

2017 | (d) Using information and input from project teams and
2018 | stakeholders responsible for the FLAIR/CMS Replacement project,
2019 | SPURS and MyFlorida Marketplace project, COPES and PeopleFirst
2020 | project, payroll system, LAS/PBS, and SUNTAX system, the
2021 | responsibilities of the task force shall include, but not be
2022 | limited to:

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2023 1. Identifying and documenting central administrative and
2024 financial management policies, procedures, and processes that
2025 need to be integrated and recommending steps for implementation.

2026 2. Collecting information from the subsystem owners and
2027 project teams and developing and publishing a consolidated list
2028 of enterprise resource planning functional and technical
2029 integration requirements.

2030 3. Publishing integration plans and timelines based on
2031 information collected from task force members.

2032 4. Forming committees, workgroups, and teams as provided
2033 in subsection (3).

2034 5. Developing recommendations for the Financial Management
2035 Information Board which clearly describe any business or
2036 technical problems that need to be addressed, the options for
2037 resolving the problem, and the recommended actions.

2038 6. Developing and implementing plans for reporting status
2039 of integration efforts.

2040 (e) The task force shall provide recommendations to the
2041 Financial Management Information Board for review and approval
2042 regarding the technical, procedural, policy, and process
2043 requirements and changes that are needed to successfully
2044 integrate, implement, and realize the benefits of the enterprise
2045 resource planning initiatives associated with the FLAIR/CMS
2046 Replacement project, SPURS and MyFlorida Marketplace project,
2047 COPES and PeopleFirst project, payroll system, LAS/PBS, and
2048 SUNTAX system. The first of these reports should be provided no
2049 later than October 3, 2003.

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2050 (f) The task force shall monitor, review, and evaluate the
 2051 progress of the FLAIR/CMS Replacement project, SPURS and
 2052 MyFlorida Marketplace project, COPES and PeopleFirst project,
 2053 payroll system, LAS/PBS, and SUNTAX system, in implementing the
 2054 process and technical integration requirements and changes
 2055 approved by the Financial Management Information Board and in
 2056 achieving the necessary integration among the central
 2057 administrative and financial management information systems
 2058 represented on the task force. The task force shall prepare and
 2059 submit quarterly reports to the Executive Office of the
 2060 Governor, the chairs of the Senate Appropriations Committee and
 2061 the House Appropriations Committee, and the Financial Management
 2062 Information Board. Each quarterly report shall identify and
 2063 describe the technical, procedural, policy, and process
 2064 requirements and changes proposed and adopted by the board and
 2065 shall describe the status of the implementation of these
 2066 integration efforts, identify any problems, issues, or risks
 2067 that require executive-level action, and report actual costs
 2068 related to the Enterprise Resource Planning Integration Task
 2069 Force.

2070 (g) By January 15, 2004, and annually thereafter, until it
 2071 is disbanded, the Enterprise Resource Planning Integration Task
 2072 Force shall report to the Financial Management Information
 2073 Board, the Speaker of the House of Representatives, and the
 2074 President of the Senate the results of the task force's
 2075 monitoring, review, and evaluation of enterprise resource
 2076 planning integration activities and requirements, and any

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2077 | recommendations for statutory changes to be considered by the
2078 | Legislature.

2079 | (h) This subsection expires July 1, 2008 ~~2004~~.

2080 | Section 78. This act shall take effect upon becoming a
2081 | law.