



1 626.371, 626.381, 626.431, 626.461, 626.471,  
2 626.521, 626.541, 626.551, 626.611, 626.621,  
3 626.631, 626.641, 626.661, 626.681, 626.691,  
4 626.692, 626.8582, 626.8584, 626.859, 626.863,  
5 626.865, 626.866, 626.867, 626.869, 626.8695,  
6 626.8696, 626.8697, 626.8698, 626.870, 626.871,  
7 626.872, 626.873, 626.8732, 626.8734, 626.8736,  
8 626.8738, 626.874, 626.878, F.S.; transferring  
9 and renumbering s. 627.7012, F.S., as s.  
10 626.879, F.S., and amending such section;  
11 making conforming changes to authorize the  
12 Department of Financial Services, rather than  
13 the Office of Insurance Regulation, to regulate  
14 insurance adjusters; amending s. 626.9543,  
15 F.S.; specifying that the Department of  
16 Financial Services, rather than the former  
17 Department of Insurance, administers the  
18 Holocaust Victims Insurance Act; amending s.  
19 626.989, F.S.; correcting references to the  
20 Bureau of Workers' Compensation Insurance Fraud  
21 with regard to the required annual report of  
22 the Department of Financial Services related to  
23 workers' compensation fraud; amending s.  
24 627.0628, F.S.; providing that the Director of  
25 the Office of Insurance, rather than the Chief  
26 Financial Officer, shall appoint an employee of  
27 the office who is an actuary to the Florida  
28 Commission on Hurricane Loss Projection  
29 Methodology; amending s. 627.6699, F.S.;  
30 providing that the Director of the Office of  
31 Insurance Regulation, rather than the Chief

1 Financial Officer, shall be a member of the  
2 board of the Small Employer Health Reinsurance  
3 Program; providing that the transfer of the  
4 regulation of adjusters from the Office of  
5 Insurance Regulation to the Department of  
6 Financial Services does not affect any  
7 administrative or judicial action prior to or  
8 pending on the effective date of the act;  
9 providing that any action approved or  
10 authorized by the Financial Services Commission  
11 or the Office of Insurance Regulation continues  
12 to be effective until the Department of  
13 Financial Services otherwise prescribes;  
14 providing that the rules of the Financial  
15 Services Commission related to adjusters shall  
16 become rules of the Department of Financial  
17 Services; providing an effective date.

18  
19 Be It Enacted by the Legislature of the State of Florida:

20  
21 Section 1. Section 17.16, Florida Statutes, is amended  
22 to read:

23 17.16 Seal.--The ~~seal of~~ office of the Chief Financial  
24 Officer shall have an official seal by which its proceedings  
25 are authenticated ~~be the same as the seal heretofore used for~~  
26 ~~that purpose.~~

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

30 20.121 Department of Financial Services.--There is  
31 created a Department of Financial Services.

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

4           (3) FINANCIAL SERVICES COMMISSION.--Effective January  
5 7, 2003, there is created within the Department of Financial  
6 Services the Financial Services Commission, composed of the  
7 Governor, the Attorney General, the Chief Financial Officer,  
8 and the Commissioner of Agriculture, which shall for purposes  
9 of this section be referred to as the commission. Commission  
10 members shall serve as agency head of the Financial Services  
11 Commission. The commission shall be a separate budget entity  
12 and shall be exempt from the provisions of s. 20.052.

13 Commission action shall be by majority vote consisting of at  
14 least three affirmative votes. The commission shall not be  
15 subject to control, supervision, or direction by the  
16 Department of Financial Services in any manner, including  
17 purchasing, transactions involving real or personal property,  
18 personnel, or budgetary matters.

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

22           1. The Office of Insurance Regulation, which shall be  
23 responsible for all activities concerning insurers and other  
24 risk bearing entities, including licensing, rates, policy  
25 forms, market conduct, claims, ~~adjusters,~~ issuance of  
26 certificates of authority, solvency, viatical settlements,  
27 premium financing, and administrative supervision, as provided  
28 under the insurance code or chapter 636. The head of the  
29 Office of Insurance Regulation is the Director of the Office  
30 of Insurance Regulation.

31

1           2. The Office of Financial Regulation, which shall be  
2 responsible for all activities of the Financial Services  
3 Commission relating to the regulation of banks, credit unions,  
4 other financial institutions, finance companies, and the  
5 securities industry. The head of the office is the Director  
6 of the Office of Financial Regulation. The Office of Financial  
7 Regulation shall include a Bureau of Financial Investigations,  
8 which shall function as a criminal justice agency for purposes  
9 of ss. 943.045-943.08 and shall have a separate budget. The  
10 bureau may conduct investigations within or outside this state  
11 as the bureau deems necessary to aid in the enforcement of  
12 this section. If, during an investigation, the office has  
13 reason to believe that any criminal law of this state has or  
14 may have been violated, the office shall refer any records  
15 tending to show such violation to state or federal law  
16 enforcement or prosecutorial agencies and shall provide  
17 investigative assistance to those agencies as required.

18           Section 3. Subsection (6) of section 110.1227, Florida  
19 Statutes, is amended to read:

20           110.1227 Florida Employee Long-Term-Care Plan Act.--

21           (6) A Florida Employee Long-Term-Care Plan Board of  
22 Directors is created, composed of nine members who shall serve  
23 2-year terms, to be appointed after May 1, 1999, as follows:

24           (a) The secretary of the Department of Elderly Affairs  
25 shall appoint a member who is a plan participant.

26           (b) The Director of the Office of Insurance Regulation  
27 ~~Chief Financial Officer~~ shall appoint an actuary.

28           (c) The Attorney General shall appoint an attorney  
29 licensed to practice law in this state.

30           (d) The Governor shall appoint three members from a  
31 broad cross-section of the residents of this state.

1 (e) The Department of Management Services shall  
2 appoint a member.

3 (f) The President of the Senate shall appoint a member  
4 of the Senate.

5 (g) The Speaker of the House of Representatives shall  
6 appoint a member of the House of Representatives.

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

9 408.05 State Center for Health Statistics.--

10 (8) STATE COMPREHENSIVE HEALTH INFORMATION SYSTEM  
11 ADVISORY COUNCIL.--

12 (a) There is established in the agency the State  
13 Comprehensive Health Information System Advisory Council to  
14 assist the center in reviewing the comprehensive health  
15 information system and to recommend improvements for such  
16 system. The council shall consist of the following members:

17 1. An employee of the Executive Office of the  
18 Governor, to be appointed by the Governor.

19 2. An employee of the Office of Insurance Regulation  
20 ~~Department of Financial Services~~, to be appointed by the  
21 director of the office ~~Chief Financial Officer~~.

22 3. An employee of the Department of Education, to be  
23 appointed by the Commissioner of Education.

24 4. Ten persons, to be appointed by the Secretary of  
25 Health Care Administration, representing other state and local  
26 agencies, state universities, the Florida Association of  
27 Business/Health Coalitions, local health councils,  
28 professional health-care-related associations, consumers, and  
29 purchasers.

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

1           501.212 Application.--This part does not apply to:

2           (4) Any person or activity regulated under laws  
3 administered by:

4           (a) The Department of Financial Services or the Office  
5 of Insurance Regulation of the Financial Services Commission;  
6 ~~or~~

7           (b) Banks and savings and loan associations regulated  
8 by the Office of Financial Regulation of the Financial  
9 Services Commission; ~~or~~

10          (c) Banks or savings and loan associations regulated  
11 by federal agencies; ~~or-~~

12          (d) Any person or activity regulated under the laws  
13 administered by the former Department of Insurance which are  
14 now administered by the Department of Financial Services.

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

17           516.35 Credit insurance must comply with credit  
18 insurance act.--

19           (1) Tangible property offered as security may be  
20 reasonably insured against loss for a reasonable term,  
21 considering the circumstances of the loan. If such insurance  
22 is sold at standard rates through a person duly licensed by  
23 the Department of Financial Services ~~Office of Insurance~~  
24 ~~Regulation of the Financial Services Commission~~ and if the  
25 policy is payable to the borrower or any member of her or his  
26 family, it shall not be deemed to be a collateral sale,  
27 purchase, or agreement even though a customary mortgagee  
28 clause is attached or the licensee is a coassured.

29          Section 7. Subsection (2) of section 624.313, Florida  
30 Statutes, is amended to read:

31           624.313 Publications.--

1           (2)~~(a)~~ The department may prepare and have printed and  
2 published in pamphlet or book form the following:

3           ~~(a)1-~~ As needed, questions and answers for the use of  
4 persons applying for an examination for licensing as agents  
5 for property, casualty, surety, health, and miscellaneous  
6 insurers.

7           ~~(b)2-~~ As needed, questions and answers for the use of  
8 persons applying for an examination for licensing as agents  
9 for life and health insurers.

10           ~~(c)(b) The office may prepare and have printed and~~  
11 ~~published in pamphlet or book form,~~ As needed, questions and  
12 answers for the use of persons applying for an examination for  
13 licensing as adjusters.

14           Section 8. Subsection (1) and paragraph (a) of  
15 subsection (2) of section 624.317, Florida Statutes, are  
16 amended to read:

17           624.317 Investigation of agents, adjusters,  
18 administrators, service companies, and others.--If it has  
19 reason to believe that any person has violated or is violating  
20 any provision of this code, or upon the written complaint  
21 signed by any interested person indicating that any such  
22 violation may exist:

23           (1) The department shall conduct such investigation as  
24 it deems necessary of the accounts, records, documents, and  
25 transactions pertaining to or affecting the insurance affairs  
26 of any general agent, surplus line agent, adjuster, managing  
27 general agent, insurance agent, customer representative,  
28 service representative, or other person subject to its  
29 jurisdiction, subject to the requirements of s. 626.601.

30           (2) The office shall conduct such investigation as it  
31 deems necessary of the accounts, records, documents, and



1 transactions pertaining to or affecting the insurance affairs  
2 of any:

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

5 Section 9. Paragraph (d) of subsection (12) of section  
6 624.501, Florida Statutes, is amended to read:

7 624.501 Filing, license, appointment, and  
8 miscellaneous fees.--The department, commission, or office, as  
9 appropriate, shall collect in advance, and persons so served  
10 shall pay to it in advance, fees, licenses, and miscellaneous  
11 charges as follows:

12 (12) Adjusters:

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

15 Section 10. Subsections (1) and (2) of section  
16 626.016, Florida Statutes, are amended to read:

17 626.016 Powers and duties of department, commission,  
18 and office.--

19 (1) The powers and duties of the Chief Financial  
20 Officer and the department specified in this part apply only  
21 with respect to insurance agents, managing general agents,  
22 insurance adjusters, reinsurance intermediaries, viatical  
23 settlement brokers, customer representatives, service  
24 representatives, and agencies.

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

29 Section 11. Paragraph (a) of subsection (1) of section  
30 626.112, Florida Statutes, is amended to read:

31

1           626.112 License and appointment required; agents,  
2 customer representatives, adjusters, insurance agencies,  
3 service representatives, managing general agents.--

4           (1)(a) No person may be, act as, or advertise or hold  
5 himself or herself out to be an insurance agent, insurance  
6 adjuster, or customer representative unless he or she is  
7 currently licensed by the department and appointed by an  
8 appropriate appointing entity or person ~~one or more insurers.~~

9 ~~No person may be, act as, or advertise or hold himself or~~  
10 ~~herself out to be an insurance adjuster unless he or she is~~  
11 ~~currently licensed by the office and appointed by one or more~~  
12 ~~insurers.~~

13           Section 12. Section 626.161, Florida Statutes, is  
14 amended to read:

15           626.161 Licensing forms.--The department shall  
16 prescribe and furnish all printed forms required in connection  
17 with the application for issuance of and termination of all  
18 licenses and appointments, ~~except that, with respect to~~  
19 ~~adjusters, the commission shall prescribe and the office shall~~  
20 ~~furnish such forms.~~

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

24           626.171 Application for license.--

25           (1) The department ~~or office~~ shall not issue a license  
26 as agent, customer representative, adjuster, insurance agency,  
27 service representative, managing general agent, or reinsurance  
28 intermediary to any person except upon written application  
29 therefor filed with it, qualification therefor, and payment in  
30 advance of all applicable fees. Any such application shall be  
31 made under the oath of the applicant and be signed by the

1 applicant. Beginning November 1, 2002, the department shall  
2 accept the uniform application for nonresident agent  
3 licensing. The department may adopt revised versions of the  
4 uniform application by rule.

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

6 (f) Such other or additional information as the  
7 department ~~or office~~ may deem proper to enable it to determine  
8 the character, experience, ability, and other qualifications  
9 of the applicant to hold himself or herself out to the public  
10 as an insurance representative.

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

24 Section 14. Section 626.181, Florida Statutes, is  
25 amended to read:

26 626.181 Number of applications for licensure  
27 required.--After a license as agent, customer representative,  
28 or adjuster has been issued to an individual, the same  
29 individual shall not be required to take another examination  
30 for a similar license, regardless, in the case of an agent, of  
31

1 the number of insurers to be represented by him or her as  
2 agent, unless:

3 (1) Specifically ordered by the department ~~or office~~  
4 to complete a new application for license; or

5 (2) During any period of 48 months since the filing of  
6 the original license application, such individual was not  
7 appointed as an agent, customer representative, or adjuster,  
8 unless the failure to be so appointed was due to military  
9 service, in which event the period within which a new  
10 application is not required may, in the discretion of the  
11 department ~~or office~~, be extended to 12 months following the  
12 date of discharge from military service if the military  
13 service does not exceed 3 years, but in no event to extend  
14 under this clause for a period of more than 6 years from the  
15 date of filing of the original application for license.

16 Section 15. Section 626.191, Florida Statutes, is  
17 amended to read:

18 626.191 Repeated applications.--The failure of an  
19 applicant to secure a license upon an application shall not  
20 preclude him or her from applying again as many times as  
21 desired, but the department ~~or office~~ shall not give  
22 consideration to or accept any further application by the same  
23 individual for a similar license dated or filed within 30 days  
24 subsequent to the date the department ~~or office~~ denied the  
25 last application, except as provided in s. 626.281.

26 Section 16. Section 626.211, Florida Statutes, is  
27 amended to read:

28 626.211 Approval, disapproval of application.--

29 (1) If upon the basis of a completed application for  
30 license and such further inquiry or investigation as the  
31 department ~~or office~~ may make concerning an applicant the

1 department ~~or office~~ is satisfied that, subject to any  
2 examination required to be taken and passed by the applicant  
3 for a license, the applicant is qualified for the license  
4 applied for and that all pertinent fees have been paid, it  
5 shall approve the application. The department ~~or office~~ shall  
6 not deny, delay, or withhold approval of an application due to  
7 the fact that it has not received a criminal history report  
8 based on the applicant's fingerprints.

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

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

17 (4) If upon the basis of the completed application and  
18 such further inquiry or investigation the department ~~or office~~  
19 deems the applicant to be lacking in any one or more of the  
20 required qualifications for the license applied for, the  
21 department ~~or office~~ shall disapprove the application and  
22 notify the applicant, stating the grounds of disapproval.

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

26 626.221 Examination requirement; exemptions.--

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

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

3           (a) An applicant for renewal of appointment as an  
4 agent, customer representative, or adjuster, unless the  
5 department ~~or office~~ determines that an examination is  
6 necessary to establish the competence or trustworthiness of  
7 such applicant.

8           (c) In the discretion of the department ~~or office~~, an  
9 applicant for reinstatement of license or appointment as an  
10 agent, customer representative, or adjuster whose license has  
11 been suspended within 2 years prior to the date of application  
12 or written request for reinstatement.

13           (d) An applicant who, within 2 years prior to  
14 application for license and appointment as an agent, customer  
15 representative, or adjuster, was a full-time salaried employee  
16 of the department ~~or office~~ and had continuously been such an  
17 employee with responsible insurance duties for not less than 2  
18 years and who had been a licensee within 2 years prior to  
19 employment by the department ~~or office~~ with the same class of  
20 license as that being applied for.

21           (f) A person who has been licensed and appointed as a  
22 public adjuster or independent adjuster, or licensed and  
23 appointed either as an agent or company adjuster as to all  
24 property, casualty, and surety insurances, may be licensed and  
25 appointed as a company adjuster as to any of such insurances,  
26 or as an independent adjuster or public adjuster, without  
27 additional written examination if an application for  
28 appointment is filed with the department ~~office~~ within 48  
29 months following the date of cancellation or expiration of the  
30 prior appointment.  
31

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

8 (1) An applicant for license as an adjuster who has  
9 the designation of Accredited Claims Adjuster (ACA) from a  
10 regionally accredited postsecondary institution in this state,  
11 or the designation of Professional Claims Adjuster (PCA) from  
12 the Professional Career Institute, whose curriculum has been  
13 approved by the department ~~office~~ and whose curriculum  
14 includes comprehensive analysis of basic property and casualty  
15 lines of insurance and testing at least equal to that of  
16 standard department ~~office~~ testing for the all-lines adjuster  
17 license. The department ~~commission~~ shall adopt rules  
18 establishing standards for the approval of curriculum.

19 Section 18. Section 626.231, Florida Statutes, is  
20 amended to read:

21 626.231 Eligibility for examination.--No person shall  
22 be permitted to take an examination for license until his or  
23 her application for the license has been approved and the  
24 required fees have been received by the department ~~or office~~  
25 or a person designated by the department ~~or office~~ to  
26 administer the examination.

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

29 626.241 Scope of examination.--

30 (1) Each examination for a license as agent, customer  
31 representative, or adjuster shall be of such scope as is

1 deemed by the department ~~or office~~ to be reasonably necessary  
2 to test the applicant's ability and competence and knowledge  
3 of the kinds of insurance and transactions to be handled under  
4 the license applied for, of the duties and responsibilities of  
5 such a licensee, and of the pertinent provisions of the laws  
6 of this state.

7 Section 20. Subsections (1) and (3) of section  
8 626.251, Florida Statutes, are amended to read:

9 626.251 Time and place of examination; notice.--

10 (1) The department ~~or office~~ or a person designated by  
11 the department ~~or office~~ shall mail written notice of the time  
12 and place of the examination to each applicant for license  
13 required to take an examination who will be eligible to take  
14 the examination as of the examination date. The notice shall  
15 be so mailed, postage prepaid, and addressed to the applicant  
16 at his or her address shown on the application for license or  
17 at such other address as requested by the applicant in writing  
18 filed with the department ~~or office~~ prior to the mailing of  
19 the notice. Notice shall be deemed given when so mailed.

20 (3) The department ~~or office~~ shall make an examination  
21 available to the applicant, to be taken as soon as reasonably  
22 possible after the applicant is eligible therefor. Any  
23 examination required under this part shall be available in  
24 this state at a designated examination center.

25 Section 21. Subsections (1), (2), and (3) of section  
26 626.261, Florida Statutes, are amended to read:

27 626.261 Conduct of examination.--

28 (1) The applicant for license shall appear in person  
29 and personally take the examination for license at the time  
30 and place specified by the department ~~or office~~ or by a person  
31 designated by the department ~~or office~~.



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

4           (3) The questions propounded shall be as prepared by  
5 the department ~~or office~~, or by a person designated by the  
6 department ~~or office~~ for that purpose, consistent with the  
7 applicable provisions of this code.

8           Section 22. Section 626.266, Florida Statutes, is  
9 amended to read:

10           626.266 Printing of examinations or related materials  
11 to preserve examination security.--A contract let for the  
12 development, administration, or grading of examinations or  
13 related materials by the department ~~or office~~ pursuant to the  
14 various agent, customer representative, or adjuster licensing  
15 and examination provisions of this code may include the  
16 printing or furnishing of these examinations or related  
17 materials in order to preserve security. Any such contract  
18 shall be let as a contract for a contractual service pursuant  
19 to s. 287.057.

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

22           626.271 Examination fee; determination, refund.--

23           (1) Prior to being permitted to take an examination,  
24 each applicant who is subject to examination shall pay to the  
25 department ~~or office~~ or a person designated by the department  
26 ~~or office~~ an examination fee. A separate and additional  
27 examination fee shall be payable for each separate class of  
28 license applied for, notwithstanding that all such  
29 examinations are taken on the same date and at the same place.

30           Section 24. Section 626.281, Florida Statutes, is  
31 amended to read:

1           626.281 Reexamination.--  
2           (1) Any applicant for license who has either:  
3           (a) Taken an examination and failed to make a passing  
4 grade, or  
5           (b) Failed to appear for the examination or to take or  
6 complete the examination at the time and place specified in  
7 the notice of the department ~~or office~~,  
8  
9 may take additional examinations, after filing with the  
10 department ~~or office~~ an application for reexamination together  
11 with applicable fees. The failure of an applicant to pass an  
12 examination or the failure to appear for the examination or to  
13 take or complete the examination does not preclude the  
14 applicant from taking subsequent examinations.  
15           (2) The department ~~or office~~ may require any  
16 individual whose license as an agent, customer representative,  
17 or adjuster has expired or has been suspended to pass an  
18 examination prior to reinstating or relicensing the individual  
19 as to any class of license. The examination fee shall be paid  
20 as to each examination.  
21           Section 25. Section 626.2817, Florida Statutes, is  
22 amended to read:  
23           626.2817 Regulation of course providers, instructors,  
24 school officials, and monitor groups involved in prelicensure  
25 education for insurance agents and other licensees.--  
26           (1) Any course provider, instructor, school official,  
27 or monitor group must be approved by and registered with the  
28 department ~~or office~~ before offering prelicensure education  
29 courses for insurance agents and other licensees.  
30           (2) The department ~~or commission~~ shall adopt rules  
31 establishing standards for the approval, registration,

1 | discipline, or removal from registration of course providers,  
2 | instructors, school officials, and monitor groups. The  
3 | standards must be designed to ensure that such persons have  
4 | the knowledge, competence, and integrity to fulfill the  
5 | educational objectives of the prelicensure requirements of  
6 | this chapter and chapter 648 and to assure that insurance  
7 | agents and licensees are competent to engage in the activities  
8 | authorized under the license.

9 |         (3) The department ~~or commission~~ shall adopt rules to  
10 | establish a process for determining compliance with the  
11 | prelicensure requirements of this chapter and chapter 648. The  
12 | department ~~or commission~~ shall adopt rules prescribing the  
13 | forms necessary to administer the prelicensure requirements.

14 |         Section 26. Section 626.291, Florida Statutes, is  
15 | amended to read:

16 |             626.291 Denial, issuance of license.--

17 |         (1) Within 30 days after the applicant has completed  
18 | any examination required under s. 626.221, the department ~~or~~  
19 | ~~office~~ or its designee shall provide a score report; and, if  
20 | it finds that the applicant has received a passing grade, the  
21 | department ~~or office~~ shall within such period notify the  
22 | applicant and issue and transmit the license to which such  
23 | examination related. If it finds that the applicant did not  
24 | make a passing grade on the examination for a particular  
25 | license, the department ~~or office~~ or its designee shall within  
26 | this period provide notice to the applicant to that effect and  
27 | of its denial of the license.

28 |         (2) As to an applicant for a license for which no  
29 | examination is required, the department ~~or office~~ shall  
30 | promptly issue the license applied for as soon as it has  
31 | approved the application.

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

5           Section 27. Section 626.301, Florida Statutes, is  
6 amended to read:

7           626.301 Form and contents of licenses, in  
8 general.--Each license issued by the department ~~or office~~  
9 shall be in such form as the department ~~or commission~~ may  
10 designate and contain the licensee's name, lines of authority  
11 the licensee is authorized to transact, the licensee's  
12 personal identification number, the date of issuance, and any  
13 other information the department ~~or commission~~ deems necessary  
14 to fully identify the licensee and the authority being  
15 granted. The department ~~or commission~~ may by rule require  
16 photographs of applicants as a part of the licensing process.

17           Section 28. Subsection (2) of section 626.371, Florida  
18 Statutes, is amended to read:

19           626.371 Payment of fees, taxes for appointment period  
20 without appointment.--

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

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

7 |         Section 29. Subsections (2), (3), and (4) of section  
8 | 626.381, Florida Statutes, are amended to read:

9 |         626.381 Renewal, continuation, reinstatement, or  
10 | termination of appointment.--

11 |         (2) Each appointing entity shall file with the  
12 | department ~~or office~~ the lists, statements, and information as  
13 | to appointees whose appointments are being renewed or  
14 | terminated, accompanied by payment of the applicable renewal  
15 | fees and taxes as prescribed in s. 624.501, by a date set  
16 | forth by the department ~~or office~~ following the month during  
17 | which the appointments will expire.

18 |         (3) Renewal of an appointment which is received by the  
19 | department ~~or office~~ or person designated by the department to  
20 | administer the appointment process prior to the expiration of  
21 | an appointment in the licensee's birth month or license issue  
22 | date, whichever applies, may be renewed by the department ~~or~~  
23 | ~~office~~ without penalty and shall be effective as of the first  
24 | day of the month succeeding the month in which the appointment  
25 | would have expired.

26 |         (4) Renewal of an appointment which is received by the  
27 | department ~~or office~~ or person designated by the department to  
28 | administer the appointment process after the renewal date may  
29 | be accepted and effectuated by the department ~~or office~~ in its  
30 | discretion if the appointment, late filing, continuation, and  
31 | reinstatement fee accompanies the renewal request pursuant to

1 s. 624.501. Late filing fees shall be paid by the appointing  
2 entity and may not be charged to the appointee.

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

5 626.431 Effect of expiration of license and  
6 appointment.--

7 (2) When a licensee's last appointment for a  
8 particular class of insurance has been terminated or not  
9 renewed, the department ~~or office~~ must notify the licensee  
10 that his or her eligibility for appointment as such an  
11 appointee will expire unless he or she is appointed prior to  
12 expiration of the 48-month period referred to in subsection  
13 (3).

14 Section 31. Section 626.461, Florida Statutes, is  
15 amended to read:

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

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

28 626.471 Termination of appointment.--

29 (2) As soon as possible and at all events within 30  
30 days after terminating the appointment of an appointee, other  
31 than as to an appointment terminated by the appointing

1 | entity's failure to continue or renew it, the appointing  
2 | entity shall file written notice thereof with the department  
3 | ~~or office~~, together with a statement that it has given the  
4 | appointee notice thereof as provided in subsection (1) and  
5 | shall file with the department ~~or office~~ the reasons and facts  
6 | involved in such termination as required under s. 626.511.

7 |         (3) Upon termination of the appointment of an  
8 | appointee, whether by failure to renew or continue the  
9 | appointment, the appointing entity shall:

10 |           (a) File with the department ~~or office~~ the information  
11 | required under s. 626.511.

12 |           (b) Subject to the exceptions provided under  
13 | subsection (1), continue the outstanding contracts transacted  
14 | by an agent until the expiration date or anniversary date when  
15 | the policy is a continuous policy with no expiration date.  
16 | This paragraph shall not be construed to prohibit the  
17 | cancellation of such contracts when not otherwise prohibited  
18 | by law.

19 |         (4) An appointee may terminate the appointment at any  
20 | time by giving written or electronic notice thereof to the  
21 | appointing entity, department ~~or office~~, or person designated  
22 | by the department to administer the appointment process. The  
23 | department shall immediately terminate the appointment and  
24 | notify the appointing entity of such termination. Such  
25 | termination shall be subject to the appointee's contract  
26 | rights, if any.

27 |         (5) Upon receiving notice of termination, the  
28 | department ~~or office~~ or person designated by the department to  
29 | administer the appointment process shall terminate the  
30 | appointment.  
31 |

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

3           626.521 Character, credit reports.--

4           (2) If requested by the department ~~or office~~, the  
5 insurer, manager, general agent, general lines agent, or  
6 employer, as the case may be, shall furnish to the department  
7 ~~or office~~ on a form adopted and furnished by the department ~~or~~  
8 ~~commission and furnished by the department or office~~, such  
9 information as it ~~may~~ reasonably requires ~~require~~ relative to  
10 such individual and investigation.

11           (3) As to an applicant for an adjuster's or  
12 reinsurance intermediary's license who is to be self-employed,  
13 the department ~~or office~~ may secure, at the cost of the  
14 applicant, a full detailed credit and character report made by  
15 an established and reputable independent reporting service  
16 relative to the applicant.

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

21           Section 34. Subsections (1) and (2) of section  
22 626.541, Florida Statutes, are amended to read:

23           626.541 Firm, corporate, and business names; officers;  
24 associates; notice of changes.--

25           (1) Any licensed agent or adjuster doing business  
26 under a firm or corporate name or under any business name  
27 other than his or her own individual name shall, within 30  
28 days after the initial transaction of insurance under such  
29 business name, file with the department ~~or office~~, on forms  
30 adopted and furnished by the department ~~or commission and~~  
31 ~~furnished by the department or office~~, a written statement of



1 | the firm, corporate, or business name being so used, the  
2 | address of any office or offices or places of business making  
3 | use of such name, and the name and social security number of  
4 | each officer and director of the corporation and of each  
5 | individual associated in such firm or corporation as to the  
6 | insurance transactions thereof or in the use of such business  
7 | name.

8 |         (2) In the event of any change of such name, or of any  
9 | of the officers and directors, or of any of such addresses, or  
10 | in the personnel so associated, written notice of such change  
11 | must be filed with the department ~~or office~~ within 30 days by  
12 | or on behalf of those licensees terminating any such firm,  
13 | corporate, or business name or continuing to operate  
14 | thereunder.

15 |         Section 35. Section 626.551, Florida Statutes, is  
16 | amended to read:

17 |         626.551 Notice of change of address, name.--Every  
18 | licensee shall notify the department ~~or office~~ in writing  
19 | within 60 days after a change of name, residence address,  
20 | principal business street address, or mailing address. Any  
21 | licensed agent who has moved his or her residence from this  
22 | state shall have his or her license and all appointments  
23 | immediately terminated by the department ~~or office~~. Failure to  
24 | notify the department ~~or office~~ within the required time  
25 | period shall result in a fine not to exceed \$250 for the first  
26 | offense and, for subsequent offenses, a fine of not less than  
27 | \$500 or suspension or revocation of the license pursuant to s.  
28 | 626.611 or s. 626.621.

29 |         Section 36. Section 626.611, Florida Statutes, is  
30 | amended to read:

31 |

1           626.611 Grounds for compulsory refusal, suspension, or  
2 revocation of agent's, title agency's, adjuster's, customer  
3 representative's, service representative's, or managing  
4 general agent's license or appointment.--The department ~~or~~  
5 ~~office~~ shall deny an application for, suspend, revoke, or  
6 refuse to renew or continue the license or appointment of any  
7 applicant, agent, title agency, adjuster, customer  
8 representative, service representative, or managing general  
9 agent, and it shall suspend or revoke the eligibility to hold  
10 a license or appointment of any such person, if it finds that  
11 as to the applicant, licensee, or appointee any one or more of  
12 the following applicable grounds exist:

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

15           (2) Material misstatement, misrepresentation, or fraud  
16 in obtaining the license or appointment or in attempting to  
17 obtain the license or appointment.

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

20           (4) If the license or appointment is willfully used,  
21 or to be used, to circumvent any of the requirements or  
22 prohibitions of this code.

23           (5) Willful misrepresentation of any insurance policy  
24 or annuity contract or willful deception with regard to any  
25 such policy or contract, done either in person or by any form  
26 of dissemination of information or advertising.

27           (6) If, as an adjuster, or agent licensed and  
28 appointed to adjust claims under this code, he or she has  
29 materially misrepresented to an insured or other interested  
30 party the terms and coverage of an insurance contract with  
31 intent and for the purpose of effecting settlement of claim

1 | for loss or damage or benefit under such contract on less  
2 | favorable terms than those provided in and contemplated by the  
3 | contract.

4 |         (7) Demonstrated lack of fitness or trustworthiness to  
5 | engage in the business of insurance.

6 |         (8) Demonstrated lack of reasonably adequate knowledge  
7 | and technical competence to engage in the transactions  
8 | authorized by the license or appointment.

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

11 |         (10) Misappropriation, conversion, or unlawful  
12 | withholding of moneys belonging to insurers or insureds or  
13 | beneficiaries or to others and received in conduct of business  
14 | under the license or appointment.

15 |         (11) Unlawfully rebating, attempting to unlawfully  
16 | rebate, or unlawfully dividing or offering to divide his or  
17 | her commission with another.

18 |         (12) Having obtained or attempted to obtain, or having  
19 | used or using, a license or appointment as agent or customer  
20 | representative for the purpose of soliciting or handling  
21 | "controlled business" as defined in s. 626.730 with respect to  
22 | general lines agents, s. 626.784 with respect to life agents,  
23 | and s. 626.830 with respect to health agents.

24 |         (13) Willful failure to comply with, or willful  
25 | violation of, any proper order or rule of the department,  
26 | ~~commission, or office~~ or willful violation of any provision of  
27 | this code.

28 |         (14) Having been found guilty of or having pleaded  
29 | guilty or nolo contendere to a felony or a crime punishable by  
30 | imprisonment of 1 year or more under the law of the United  
31 | States of America or of any state thereof or under the law of

1 any other country which involves moral turpitude, without  
2 regard to whether a judgment of conviction has been entered by  
3 the court having jurisdiction of such cases.

4 (15) Fraudulent or dishonest practice in submitting or  
5 aiding or abetting any person in the submission of an  
6 application for workers' compensation coverage under chapter  
7 440 containing false or misleading information as to employee  
8 payroll or classification for the purpose of avoiding or  
9 reducing the amount of premium due for such coverage.

10 (16) Sale of an unregistered security that was  
11 required to be registered, pursuant to chapter 517.

12 Section 37. Section 626.621, Florida Statutes, is  
13 amended to read:

14 626.621 Grounds for discretionary refusal, suspension,  
15 or revocation of agent's, adjuster's, customer  
16 representative's, service representative's, or managing  
17 general agent's license or appointment.--The department ~~or~~  
18 ~~office~~ may, in its discretion, deny an application for,  
19 suspend, revoke, or refuse to renew or continue the license or  
20 appointment of any applicant, agent, adjuster, customer  
21 representative, service representative, or managing general  
22 agent, and it may suspend or revoke the eligibility to hold a  
23 license or appointment of any such person, if it finds that as  
24 to the applicant, licensee, or appointee any one or more of  
25 the following applicable grounds exist under circumstances for  
26 which such denial, suspension, revocation, or refusal is not  
27 mandatory under s. 626.611:

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

31

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

4           (3) Violation of any lawful order or rule of the  
5 department, commission, or office.

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

9           (5) Violation of the provision against twisting, as  
10 defined in s. 626.9541(1)(1).

11           (6) In the conduct of business under the license or  
12 appointment, engaging in unfair methods of competition or in  
13 unfair or deceptive acts or practices, as prohibited under  
14 part IX of this chapter, or having otherwise shown himself or  
15 herself to be a source of injury or loss to the public or  
16 detrimental to the public interest.

17           (7) Willful overinsurance of any property or health  
18 insurance risk.

19           (8) Having been found guilty of or having pleaded  
20 guilty or nolo contendere to a felony or a crime punishable by  
21 imprisonment of 1 year or more under the law of the United  
22 States of America or of any state thereof or under the law of  
23 any other country, without regard to whether a judgment of  
24 conviction has been entered by the court having jurisdiction  
25 of such cases.

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

27           (10) Cheating on an examination required for licensure  
28 or violating test center or examination procedures published  
29 orally, in writing, or electronically at the test site by  
30 authorized representatives of the examination program  
31

1 administrator. Communication of test center and examination  
2 procedures must be clearly established and documented.

3 (11) Failure to inform the department ~~or office~~ in  
4 writing within 30 days after pleading guilty or nolo  
5 contendere to, or being convicted or found guilty of, any  
6 felony or a crime punishable by imprisonment of 1 year or more  
7 under the law of the United States or of any state thereof, or  
8 under the law of any other country without regard to whether a  
9 judgment of conviction has been entered by the court having  
10 jurisdiction of the case.

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

15 Section 38. Section 626.631, Florida Statutes, is  
16 amended to read:

17 626.631 Procedure for refusal, suspension, or  
18 revocation of license.--

19 (1) If any licensee is convicted by a court of a  
20 violation of this code or a felony, the licenses and  
21 appointments of such person shall be immediately revoked by  
22 the department ~~or office~~. The licensee may subsequently  
23 request a hearing pursuant to ss. 120.569 and 120.57, and the  
24 department ~~or office~~ shall expedite any such requested  
25 hearing. The sole issue at such hearing shall be whether the  
26 revocation should be rescinded because such person was not in  
27 fact convicted of a violation of this code or a felony.

28 (2) The papers, documents, reports, or evidence of the  
29 department ~~or office~~ relative to a hearing for revocation or  
30 suspension of a license or appointment pursuant to the  
31 provisions of this chapter and chapter 120 are confidential

1 and exempt from the provisions of s. 119.07(1) until after the  
2 same have been published at the hearing. However, such papers,  
3 documents, reports, or items of evidence are subject to  
4 discovery in a hearing for revocation or suspension of a  
5 license or appointment.

6 Section 39. Subsections (1) and (2) of section  
7 626.641, Florida Statutes, are amended to read:

8 626.641 Duration of suspension or revocation.--

9 (1) The department ~~or office~~ shall, in its order  
10 suspending a license or appointment or in its order suspending  
11 the eligibility of a person to hold or apply for such license  
12 or appointment, specify the period during which the suspension  
13 is to be in effect; but such period shall not exceed 2 years.  
14 The license, appointment, or eligibility shall remain  
15 suspended during the period so specified, subject, however, to  
16 any rescission or modification of the order by the department  
17 ~~or office~~, or modification or reversal thereof by the court,  
18 prior to expiration of the suspension period. A license,  
19 appointment, or eligibility which has been suspended shall not  
20 be reinstated except upon request for such reinstatement; but  
21 the department ~~or office~~ shall not grant such reinstatement if  
22 it finds that the circumstance or circumstances for which the  
23 license, appointment, or eligibility was suspended still exist  
24 or are likely to recur.

25 (2) No person or appointee under any license or  
26 appointment revoked by the department ~~or office~~, nor any  
27 person whose eligibility to hold same has been revoked by the  
28 department ~~or office~~, shall have the right to apply for  
29 another license or appointment under this code within 2 years  
30 from the effective date of such revocation or, if judicial  
31 review of such revocation is sought, within 2 years from the

1 | date of final court order or decree affirming the revocation.  
2 | The department ~~or office~~ shall not, however, grant a new  
3 | license or appointment or reinstate eligibility to hold such  
4 | license or appointment if it finds that the circumstance or  
5 | circumstances for which the eligibility was revoked or for  
6 | which the previous license or appointment was revoked still  
7 | exist or are likely to recur; if an individual's license as  
8 | agent or customer representative or eligibility to hold same  
9 | has been revoked upon the ground specified in s. 626.611(12),  
10 | the department ~~or office~~ shall refuse to grant or issue any  
11 | new license or appointment so applied for.

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

14 |           626.661 Surrender of license.--

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

18 |       Section 41. Subsections (1) and (3) of section  
19 | 626.681, Florida Statutes, are amended to read:

20 |           626.681 Administrative fine in lieu of or in addition  
21 | to suspension, revocation, or refusal of license, appointment,  
22 | or disapproval.--

23 |           (1) Except as to insurance agencies, if the department  
24 | ~~or office~~ finds that one or more grounds exist for the  
25 | suspension, revocation, or refusal to issue, renew, or  
26 | continue any license or appointment issued under this chapter,  
27 | or disapproval of a continuing education course provider,  
28 | instructor, school official, or monitor groups, the department  
29 | ~~or office~~ may, in its discretion, in lieu of or in addition to  
30 | such suspension or revocation, or in lieu of such refusal, or  
31 | disapproval, and except on a second offense or when such



1 suspension, revocation, or refusal is mandatory, impose upon  
2 the licensee, appointee, course provider, instructor, school  
3 official, or monitor group an administrative penalty in an  
4 amount up to \$500 or, if the department ~~or office~~ has found  
5 willful misconduct or willful violation on the part of the  
6 licensee, appointee, course provider, instructor, school  
7 official, or monitor group up to \$3,500. The administrative  
8 penalty may, in the discretion of the department ~~or office~~, be  
9 augmented by an amount equal to any commissions received by or  
10 accruing to the credit of the licensee or appointee in  
11 connection with any transaction as to which the grounds for  
12 suspension, revocation, or refusal related.

13 (3) The department ~~or office~~ may allow the licensee,  
14 appointee, or continuing education course provider,  
15 instructor, school official, or monitor group a reasonable  
16 period, not to exceed 30 days, within which to pay to the  
17 department ~~or office~~ the amount of the penalty so imposed. If  
18 the licensee, appointee, course provider, instructor, school  
19 official, or monitor group fails to pay the penalty in its  
20 entirety to the department ~~or office~~ within the period so  
21 allowed, the license, appointments, approval, or status of  
22 that person shall stand suspended or revoked or issuance,  
23 renewal, or continuation shall be refused, as the case may be,  
24 upon expiration of such period.

25 Section 42. Section 626.691, Florida Statutes, is  
26 amended to read:

27 626.691 Probation.--

28 (1) If the department ~~or office~~ finds that one or more  
29 grounds exist for the suspension, revocation, or refusal to  
30 renew or continue any license or appointment issued under this  
31 part, the department ~~or office~~ may, in its discretion, except

1 | when an administrative fine is not permissible under s.  
2 | 626.681 or when such suspension, revocation, or refusal is  
3 | mandatory, in lieu of or in addition to such suspension or  
4 | revocation, or in lieu of such refusal, or in connection with  
5 | any administrative monetary penalty imposed under s. 626.681,  
6 | place the offending licensee or appointee on probation for a  
7 | period, not to exceed 2 years, as specified by the department  
8 | ~~or office~~ in its order.

9 |         (2) As a condition to such probation or in connection  
10 | therewith, the department ~~or office~~ may specify in its order  
11 | reasonable terms and conditions to be fulfilled by the  
12 | probationer during the probation period. If during the  
13 | probation period the department ~~or office~~ has good cause to  
14 | believe that the probationer has violated a term or condition,  
15 | it shall suspend, revoke, or refuse to issue, renew, or  
16 | continue the license or appointment of the probationer, as  
17 | upon the original grounds referred to in subsection (1).

18 |         Section 43. Section 626.692, Florida Statutes, is  
19 | amended to read:

20 |         626.692 Restitution.--If any ground exists for the  
21 | suspension, revocation, or refusal of a license or  
22 | appointment, the department ~~or office~~ may, in addition to any  
23 | other penalty authorized under this chapter, order the  
24 | licensee to pay restitution to any person who has been  
25 | deprived of money by the licensee's misappropriation,  
26 | conversion, or unlawful withholding of moneys belonging to  
27 | insurers, insureds, beneficiaries, or others. In no instance  
28 | shall the amount of restitution required to be paid under this  
29 | section exceed the amount of money misappropriated, converted,  
30 | or unlawfully withheld. Nothing in this section limits or  
31 |

1 restricts a person's right to seek other remedies as provided  
2 for by law.

3 Section 44. Section 626.8582, Florida Statutes, is  
4 amended to read:

5 626.8582 "Nonresident public adjuster" defined.--A  
6 "nonresident public adjuster" is a person who:

- 7 (1) Is not a resident of this state;  
8 (2) Is a currently licensed public adjuster in his or  
9 her state of residence for the type or kinds of insurance for  
10 which the licensee intends to adjust claims in this state or,  
11 if a resident of a state that does not license public  
12 adjusters, has passed the department's ~~office's~~ adjuster  
13 examination as prescribed in s. 626.8732(1)(b); and

14 (3) Is a self-employed public adjuster or associated  
15 with or employed by a public adjusting firm or other public  
16 adjuster.

17 Section 45. Section 626.8584, Florida Statutes, is  
18 amended to read:

19 626.8584 "Nonresident independent adjuster"  
20 defined.--A "nonresident independent adjuster" is a person  
21 who:

- 22 (1) Is not a resident of this state;  
23 (2) Is a currently licensed independent adjuster in  
24 his or her state of residence for the type or kinds of  
25 insurance for which the licensee intends to adjust claims in  
26 this state or, if a resident of a state that does not license  
27 independent adjusters, has passed the department's ~~office's~~  
28 adjuster examination as prescribed in s. 626.8734(1)(b); and  
29 (3) Is a self-employed independent adjuster or  
30 associated with or employed by an independent adjusting firm  
31 or other independent adjuster.

1           Section 46. Section 626.859, Florida Statutes, is  
2 amended to read:

3           626.859 "Catastrophe" or "emergency" adjuster  
4 defined.--A "catastrophe" or "emergency" adjuster is a person  
5 who is not a licensed adjuster under this part, but who has  
6 been designated and certified to the department ~~office~~ by  
7 insurers as qualified to adjust claims, losses, or damages  
8 under policies or contracts of insurance issued by such  
9 insurer, and whom the department ~~office~~ may license, in the  
10 event of a catastrophe or emergency, for the purposes and  
11 under the conditions which the department ~~office~~ shall fix and  
12 for the period of the emergency as the department ~~office~~ shall  
13 determine, to adjust claims, losses, or damages under the  
14 policies of insurance issued by the insurers.

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

17           626.863 Licensed independent adjusters required;  
18 insurers' responsibility.--

19           (2) Before referring any claim or loss, the insurer  
20 shall ascertain from the department ~~office~~ whether the  
21 proposed independent adjuster is currently licensed and  
22 appointed as such. Having once ascertained that a particular  
23 person is so licensed and appointed, the insurer may assume  
24 that he or she will continue to be so licensed and appointed  
25 until the insurer has knowledge, or receives information from  
26 the department ~~office~~, to the contrary.

27           Section 48. Section 626.865, Florida Statutes, is  
28 amended to read:

29           626.865 Public adjuster's qualifications, bond.--

30           (1) The department ~~office~~ shall issue a license to an  
31 applicant for a public adjuster's license upon determining

1 that the applicant has paid the applicable fees specified in  
2 s. 624.501 and possesses the following qualifications:

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

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

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

12 (d) Has had sufficient experience, training, or  
13 instruction concerning the adjusting of damages or losses  
14 under insurance contracts, other than life and annuity  
15 contracts, is sufficiently informed as to the terms and  
16 effects of the provisions of those types of insurance  
17 contracts, and possesses adequate knowledge of the laws of  
18 this state relating to such contracts as to enable and qualify  
19 him or her to engage in the business of insurance adjuster  
20 fairly and without injury to the public or any member thereof  
21 with whom the applicant may have business as a public  
22 adjuster.

23 (e) Has passed any required written examination.

24 (2) At the time of application for license as a public  
25 adjuster, the applicant shall file with the department ~~office~~  
26 a bond executed and issued by a surety insurer authorized to  
27 transact such business in this state, in the amount of  
28 \$50,000, conditioned for the faithful performance of his or  
29 her duties as a public adjuster under the license applied for.  
30 The bond shall be in favor of the department ~~office~~ and shall  
31 specifically authorize recovery by the department ~~office~~ of

1 | the damages sustained in case the licensee is guilty of fraud  
2 | or unfair practices in connection with his or her business as  
3 | public adjuster. The aggregate liability of the surety for all  
4 | such damages shall in no event exceed the amount of the bond.  
5 | Such bond shall not be terminated unless at least 30 days'  
6 | written notice is given to the licensee and filed with the  
7 | department ~~office~~.

8 |           Section 49. Section 626.866, Florida Statutes, is  
9 | amended to read:

10 |           626.866 Independent adjuster's qualifications.--The  
11 | department ~~office~~ shall issue a license to an applicant for an  
12 | independent adjuster's license upon determining that the  
13 | applicable license fee specified in s. 624.501 has been paid  
14 | and that the applicant possesses the following qualifications:

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

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

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

24 |           (4) Has had sufficient experience, training, or  
25 | instruction concerning the adjusting of damage or loss under  
26 | insurance contracts, other than life and annuity contracts, is  
27 | sufficiently informed as to the terms and the effects of the  
28 | provisions of such types of contracts, and possesses adequate  
29 | knowledge of the insurance laws of this state relating to such  
30 | contracts as to enable and qualify him or her to engage in the  
31 | business of insurance adjuster fairly and without injury to

1 | the public or any member thereof with whom he or she may have  
2 | relations as an insurance adjuster and to adjust all claims in  
3 | accordance with the policy or contract and the insurance laws  
4 | of this state.

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

6 |         Section 50. Section 626.867, Florida Statutes, is  
7 | amended to read:

8 |         626.867 Company employee adjuster's  
9 | qualifications.--The department ~~office~~ shall issue a license  
10 | to an applicant for a company employee adjuster's license upon  
11 | determining that the applicable license fee specified in s.  
12 | 624.501 has been paid and that the applicant possesses the  
13 | following qualifications:

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

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

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

23 |             (4) Has had sufficient experience, training, or  
24 | instruction concerning the adjusting of damage or loss of  
25 | risks described in his or her application, is sufficiently  
26 | informed as to the terms and the effects of the provisions of  
27 | insurance contracts covering such risks, and possesses  
28 | adequate knowledge of the insurance laws of this state  
29 | relating to such insurance contracts as to enable and qualify  
30 | him or her to engage in such business as insurance adjuster  
31 | fairly and without injury to the public or any member thereof

1 with whom he or she may have relations as an insurance  
2 adjuster and to adjust all claims in accordance with the  
3 policy or contract and the insurance laws of this state.

4 (5) Has passed any required written examination.

5 Section 51. Paragraph (c) of subsection (4) of section  
6 626.869, Florida Statutes, is amended to read:

7 626.869 License, adjusters.--

8 (4)

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

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

14 626.8695 Primary adjuster.--

15 (1) Each person operating an adjusting firm and each  
16 location of a multiple location adjusting firm must designate  
17 a primary adjuster for each such firm or location and must  
18 file with the department ~~office~~ the name of such primary  
19 adjuster and the address of the firm or location where he or  
20 she is the primary adjuster, on a form approved by the  
21 department ~~commission~~. The designation of the primary adjuster  
22 may be changed at the option of the adjusting firm. Any such  
23 change is effective upon notification to the department  
24 ~~office~~. Notice of change must be sent to the department ~~office~~  
25 within 30 days after such change.

26 (3) The department ~~office~~ may suspend or revoke the  
27 license of the primary adjuster if the adjusting firm employs  
28 any person who has had a license denied or any person whose  
29 license is currently suspended or revoked. However, if a  
30 person has been denied a license for failure to pass a  
31 required examination, he or she may be employed to perform



1 | clerical or administrative functions for which licensure is  
2 | not required.

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

6 |         (6) An adjusting firm location may not conduct the  
7 | business of insurance unless a primary adjuster is designated.  
8 | Failure of the person operating the adjusting firm to  
9 | designate a primary adjuster for the firm, or for each  
10 | location, as applicable, on a form prescribed by the  
11 | department ~~commission~~ within 30 days after inception of the  
12 | firm or change of primary adjuster designation, constitutes  
13 | grounds for requiring the adjusting firm to obtain an  
14 | adjusting firm license pursuant to s. 626.8696.

15 |         (7) Any adjusting firm may request, on a form  
16 | prescribed by the department ~~commission~~, verification from the  
17 | department ~~office~~ of any person's current licensure status.  
18 | If a request is mailed to the office within 5 working days  
19 | after the date an adjuster is hired, and the department ~~office~~  
20 | subsequently notifies the adjusting firm that an employee's  
21 | license is currently suspended, revoked, or has been denied,  
22 | the license of the primary adjuster shall not be revoked or  
23 | suspended if the unlicensed person is immediately dismissed  
24 | from employment as an adjuster with the firm.

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

28 |         626.8696 Application for adjusting firm license.--

29 |         (1) The application for an adjusting firm license must  
30 | include:

31 |

1           (e) Any additional information that ~~which~~ the  
2 department requires ~~commission may require~~.

3           (5) An adjusting firm required to be licensed pursuant  
4 to s. 626.8695 must remain so licensed for a period of 3 years  
5 from the date of licensure, unless the license is suspended or  
6 revoked. The department ~~office~~ may suspend or revoke the  
7 adjusting firm's authority to do business for activities  
8 occurring during the time the firm is licensed, regardless of  
9 whether the licensing period has terminated.

10           Section 54. Subsections (1), (2), and (3) of section  
11 626.8697, Florida Statutes, are amended to read:

12           626.8697 Grounds for refusal, suspension, or  
13 revocation of adjusting firm license.--

14           (1) The department ~~office~~ shall deny, suspend, revoke,  
15 or refuse to continue the license of any adjusting firm if it  
16 finds, as to any adjusting firm or as to any majority owner,  
17 partner, manager, director, officer, or other person who  
18 manages or controls the firm, that any of the following  
19 grounds exist:

20           (a) Lack by the firm of one or more of the  
21 qualifications for the license as specified in this code.

22           (b) Material misstatement, misrepresentation, or fraud  
23 in obtaining the license or in attempting to obtain the  
24 license.

25           (2) The department ~~office~~ may, in its discretion,  
26 deny, suspend, revoke, or refuse to continue the license of  
27 any adjusting firm if it finds that any of the following  
28 applicable grounds exist with respect to the firm or any  
29 owner, partner, manager, director, officer, or other person  
30 who is otherwise involved in the operation of the firm:  
31

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

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

6           (c) Violation of any order or rule of the office or  
7 commission.

8           (d) An owner, partner, manager, director, officer, or  
9 other person who manages or controls the firm having been  
10 found guilty of or having pleaded guilty or nolo contendere to  
11 a felony or a crime punishable by imprisonment of 1 year or  
12 more under the laws of the United States or of any state or  
13 under the laws of any other country, without regard to whether  
14 adjudication was made or withheld by the court.

15           (e) Failure to inform the department ~~office~~ in writing  
16 within 30 days after a pleading by an owner, partner, manager,  
17 director, officer, or other person managing or controlling the  
18 firm of guilty or nolo contendere to, or being convicted or  
19 found guilty of, any felony or a crime punishable by  
20 imprisonment of 1 year or more under the laws of the United  
21 States or of any state, or under the laws of any other  
22 country, without regard to whether adjudication was made or  
23 withheld by the court.

24           (f) Knowingly aiding, assisting, procuring, advising,  
25 or abetting any person in the violation of or to violate a  
26 provision of the insurance code or any order or rule of the  
27 department, office, or commission.

28           (g) Knowingly employing any individual in a managerial  
29 capacity or in a capacity dealing with the public who is under  
30 an order of revocation or suspension issued by the department  
31 ~~office~~.

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

4 1. Misappropriation, conversion, or unlawful or  
5 unreasonable withholding of moneys belonging to insurers or  
6 insureds or beneficiaries or claimants or to others and  
7 received in the conduct of business under the license.

8 2. Misrepresentation or deception with regard to the  
9 business of insurance, dissemination of information, or  
10 advertising.

11 3. Demonstrated lack of fitness or trustworthiness to  
12 engage in the business of insurance adjusting arising out of  
13 activities related to insurance adjusting or the adjusting  
14 firm.

15 (i) Failure to appoint a primary adjuster.

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

22 Section 55. Section 626.8698, Florida Statutes, is  
23 amended to read:

24 626.8698 Disciplinary guidelines for public  
25 adjusters.--The department ~~office~~ may deny, suspend, or revoke  
26 the license of a public adjuster, and administer a fine not to  
27 exceed \$5,000 per act, for any of the following:

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

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

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

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

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

11           (6) Violating any ethical rule of the department  
12 ~~commission~~.

13           Section 56. Subsections (2) and (3) of section  
14 626.870, Florida Statutes, are amended to read:

15           626.870 Application for license.--

16           (2) The department ~~commission~~ shall so prepare the  
17 form of the application as to elicit and require from the  
18 applicant the information necessary to enable the department  
19 ~~office~~ to determine whether the applicant possesses the  
20 qualifications prerequisite to issuance of the license to the  
21 applicant.

22           (3) The department ~~commission~~ may, in its discretion,  
23 require that the application be supplemented by the  
24 certificate or affidavit of such person or persons as it deems  
25 necessary for its determination of the applicant's residence,  
26 business reputation, and reputation for trustworthiness. The  
27 department ~~commission~~ shall prescribe and ~~the office~~ may  
28 furnish the forms for such certificates and affidavits.

29           Section 57. Section 626.871, Florida Statutes, is  
30 amended to read:

31

1           626.871 Reappointment after military service.--The  
2 department ~~office~~ may, without requiring a further written  
3 examination, issue an appointment as an adjuster to a formerly  
4 licensed and appointed adjuster of this state who held a  
5 current adjuster's appointment at the time of entering service  
6 in the Armed Forces of the United States, subject to the  
7 following conditions:

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

10           (2) The application for the appointment must be filed  
11 with the department ~~office~~ and the applicable fee paid, within  
12 12 months following the date of honorable discharge of the  
13 applicant from the military service; and

14           (3) The new appointment will be of the same type and  
15 class as that currently effective at the time the applicant  
16 entered military service; but, if such type and class of  
17 appointment is not being currently issued under this code, the  
18 new appointment shall be of that type and class or classes  
19 most closely resembling those of the former appointment.

20           Section 58. Subsections (1) and (5) of section  
21 626.872, Florida Statutes, are amended to read:

22           626.872 Temporary license.--

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

27           (a) The applicant must be an employee of an adjuster  
28 currently licensed by the department ~~office~~, an employee of an  
29 authorized insurer, or an employee of an established adjusting  
30 firm or corporation which is supervised by a currently  
31 licensed independent adjuster.

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

5 (c) The applicant must be a natural person of at least  
6 18 years of age, must be a bona fide resident of this state,  
7 must be trustworthy, and must have such business reputation as  
8 would reasonably assure that the applicant will conduct his or  
9 her business as an adjuster fairly and in good faith and  
10 without detriment to the public.

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

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

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

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

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

27 626.873 Nonresident company employee adjusters.--

28 (1) The department ~~office~~ shall, upon application  
29 therefor, issue a license to an applicant for a nonresident  
30 adjuster's license upon determining that the applicant has  
31

1 | paid the applicable license fees required under s. 624.501  
2 | and:

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

5 |         (b) Is an employee of an insurer, or a wholly owned  
6 | subsidiary of an insurer, admitted to do business in this  
7 | state.

8 |         (c) Has filed a certificate or letter of authorization  
9 | from the insurance department of his or her home state, if  
10 | such state requires an adjuster to be licensed, stating that  
11 | he or she holds a current license or authorization to adjust  
12 | insurance losses. Such certificate or authorization must be  
13 | signed by the insurance commissioner, or his or her deputy, of  
14 | the adjuster's home state and must reflect whether or not the  
15 | adjuster has ever had his or her license or authorization in  
16 | the adjuster's home state suspended or revoked and, if such is  
17 | the case, the reason for such action.

18 |         Section 60. Section 626.8732, Florida Statutes, is  
19 | amended to read:

20 |             626.8732 Nonresident public adjuster's qualifications,  
21 | bond.--

22 |         (1) The department ~~office~~ shall, upon application  
23 | therefor, issue a license to an applicant for a nonresident  
24 | public adjuster's license upon determining that the applicant  
25 | has paid the applicable license fees required under s. 624.501  
26 | and:

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

28 |         (b) Has passed to the satisfaction of the department  
29 | ~~office~~ a written Florida public adjuster's examination of the  
30 | scope prescribed in s. 626.241(6); however, the requirement  
31 |



1 for such an examination does not apply to any of the  
2 following:

3 1. An applicant who is licensed as a resident public  
4 adjuster in his or her state of residence, when that state  
5 requires the passing of a written examination in order to  
6 obtain the license and a reciprocal agreement with the  
7 appropriate official of that state has been entered into by  
8 the department ~~office~~; or

9 2. An applicant who is licensed as a nonresident  
10 public adjuster in a state other than his or her state of  
11 residence when the state of licensure requires the passing of  
12 a written examination in order to obtain the license and a  
13 reciprocal agreement with the appropriate official of the  
14 state of licensure has been entered into by the department  
15 ~~office~~.

16 (c) Is self-employed as a public adjuster or  
17 associated with or employed by a public adjusting firm or  
18 other public adjuster. Applicants licensed as nonresident  
19 public adjusters under this section must be appointed as such  
20 in accordance with the provisions of ss. 626.112 and 626.451.  
21 Appointment fees in the amount specified in s. 624.501 must be  
22 paid to the department ~~office~~ in advance. The appointment of a  
23 nonresident public adjuster shall continue in force until  
24 suspended, revoked, or otherwise terminated, but subject to  
25 biennial renewal or continuation by the licensee in accordance  
26 with procedures prescribed in s. 626.381 for licensees in  
27 general.

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

1           (e) Has had sufficient experience, training, or  
2 instruction concerning the adjusting of damages or losses  
3 under insurance contracts, other than life and annuity  
4 contracts; is sufficiently informed as to the terms and  
5 effects of the provisions of those types of insurance  
6 contracts; and possesses adequate knowledge of the laws of  
7 this state relating to such contracts as to enable and qualify  
8 him or her to engage in the business of insurance adjuster  
9 fairly and without injury to the public or any member thereof  
10 with whom he or she may have business as a public adjuster.

11           (2) The applicant shall furnish the following with his  
12 or her application:

13           (a) A complete set of his or her fingerprints. The  
14 applicant's fingerprints must be certified by an authorized  
15 law enforcement officer. The department ~~office~~ may not  
16 authorize an applicant to take the required examination or  
17 issue a nonresident public adjuster's license to the applicant  
18 until the department ~~office~~ has received a report from the  
19 Florida Department of Law Enforcement and the Federal Bureau  
20 of Investigation relative to the existence or nonexistence of  
21 a criminal history report based on the applicant's  
22 fingerprints.

23           (b) If currently licensed as a resident public  
24 adjuster in the applicant's state of residence, a certificate  
25 or letter of authorization from the licensing authority of the  
26 applicant's state of residence, stating that the applicant  
27 holds a current or comparable license to act as a public  
28 adjuster. The certificate or letter of authorization must be  
29 signed by the insurance commissioner or his or her deputy or  
30 the appropriate licensing official and must disclose whether  
31 the adjuster has ever had any license or eligibility to hold

1 any license declined, denied, suspended, revoked, or placed on  
2 probation or whether an administrative fine or penalty has  
3 been levied against the adjuster and, if so, the reason for  
4 the action.

5 (c) If the applicant's state of residence does not  
6 require licensure as a public adjuster and the applicant has  
7 been licensed as a resident insurance adjuster, agent, broker,  
8 or other insurance representative in his or her state of  
9 residence or any other state within the past 3 years, a  
10 certificate or letter of authorization from the licensing  
11 authority stating that the applicant holds or has held a  
12 license to act as such an insurance adjuster, agent, or other  
13 insurance representative. The certificate or letter of  
14 authorization must be signed by the insurance commissioner or  
15 his or her deputy or the appropriate licensing official and  
16 must disclose whether or not the adjuster, agent, or other  
17 insurance representative has ever had any license or  
18 eligibility to hold any license declined, denied, suspended,  
19 revoked, or placed on probation or whether an administrative  
20 fine or penalty has been levied against the adjuster and, if  
21 so, the reason for the action.

22 (3) At the time of application for license as a  
23 nonresident public adjuster, the applicant shall file with the  
24 department ~~office~~ a bond executed and issued by a surety  
25 insurer authorized to transact surety business in this state,  
26 in the amount of \$50,000, conditioned for the faithful  
27 performance of his or her duties as a nonresident public  
28 adjuster under the license applied for. The bond must be in  
29 favor of the department ~~office~~ and must specifically authorize  
30 recovery by the department ~~office~~ of the damages sustained if  
31 the licensee commits fraud or unfair practices in connection

1 | with his or her business as nonresident public adjuster. The  
2 | aggregate liability of the surety for all the damages may not  
3 | exceed the amount of the bond. The bond may not be terminated  
4 | unless at least 30 days' written notice is given to the  
5 | licensee and filed with the department ~~office~~.

6 |         (4) The usual and customary records pertaining to  
7 | transactions under the license of a nonresident public  
8 | adjuster must be retained for at least 3 years after  
9 | completion of the adjustment and must be made available in  
10 | this state to the department ~~office~~ upon request. The failure  
11 | of a nonresident public adjuster to properly maintain records  
12 | and make them available to the department ~~office~~ upon request  
13 | constitutes grounds for the immediate suspension of the  
14 | license issued under this section.

15 |         (5) After licensure as a nonresident public adjuster,  
16 | as a condition of doing business in this state, the licensee  
17 | must annually on or before January 1, on a form prescribed by  
18 | the department ~~commission~~, submit an affidavit certifying that  
19 | the licensee is familiar with and understands the insurance  
20 | code and rules adopted thereunder and the provisions of the  
21 | contracts negotiated or to be negotiated. Compliance with this  
22 | filing requirement is a condition precedent to the issuance,  
23 | continuation, reinstatement, or renewal of a nonresident  
24 | public adjuster's appointment.

25 |         Section 61. Subsections (1), (3), and (4) of section  
26 | 626.8734, Florida Statutes, are amended to read:

27 |         626.8734 Nonresident independent adjuster's  
28 | qualifications.--

29 |         (1) The department ~~office~~ shall, upon application  
30 | therefor, issue a license to an applicant for a nonresident  
31 | independent adjuster's license upon determining that the

1 applicant has paid the applicable license fees required under  
2 s. 624.501 and:

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

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

9 1. An applicant who is licensed as a resident  
10 independent adjuster in his or her state of residence when  
11 that state requires the passing of a written examination in  
12 order to obtain the license and a reciprocal agreement with  
13 the appropriate official of that state has been entered into  
14 by the department office; or

15 2. An applicant who is licensed as a nonresident  
16 independent adjuster in a state other than his or her state of  
17 residence when the state of licensure requires the passing of  
18 a written examination in order to obtain the license and a  
19 reciprocal agreement with the appropriate official of the  
20 state of licensure has been entered into by the department  
21 ~~office~~.

22 (c) Is self-employed or associated with or employed by  
23 an independent adjusting firm or other independent adjuster.  
24 Applicants licensed as nonresident independent adjusters under  
25 this section must be appointed as such in accordance with the  
26 provisions of ss. 626.112 and 626.451. Appointment fees in the  
27 amount specified in s. 624.501 must be paid to the department  
28 ~~office~~ in advance. The appointment of a nonresident  
29 independent adjuster shall continue in force until suspended,  
30 revoked, or otherwise terminated, but subject to biennial  
31

1 renewal or continuation by the licensee in accordance with  
2 procedures prescribed in s. 626.381 for licensees in general.

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

7 (e) Has had sufficient experience, training, or  
8 instruction concerning the adjusting of damages or losses  
9 under insurance contracts, other than life and annuity  
10 contracts; is sufficiently informed as to the terms and  
11 effects of the provisions of those types of insurance  
12 contracts; and possesses adequate knowledge of the laws of  
13 this state relating to such contracts as to enable and qualify  
14 him or her to engage in the business of insurance adjuster  
15 fairly and without injury to the public or any member thereof  
16 with whom he or she may have business as an independent  
17 adjuster.

18 (3) The usual and customary records pertaining to  
19 transactions under the license of a nonresident independent  
20 adjuster must be retained for at least 3 years after  
21 completion of the adjustment and must be made available in  
22 this state to the department ~~office~~ upon request. The failure  
23 of a nonresident independent adjuster to properly maintain  
24 records and make them available to the department ~~office~~ upon  
25 request constitutes grounds for the immediate suspension of  
26 the license issued under this section.

27 (4) After licensure as a nonresident independent  
28 adjuster, as a condition of doing business in this state, the  
29 licensee must annually on or before January 1, on a form  
30 prescribed by the department ~~commission~~, submit an affidavit  
31 certifying that the licensee is familiar with and understands

1 | the insurance laws and administrative rules of this state and  
2 | the provisions of the contracts negotiated or to be  
3 | negotiated. Compliance with this filing requirement is a  
4 | condition precedent to the issuance, continuation,  
5 | reinstatement, or renewal of a nonresident independent  
6 | adjuster's appointment.

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

9 |             626.8736 Nonresident independent or public adjusters;  
10 | service of process.--

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

16 |         Section 63. Section 626.8738, is amended to read:

17 |             626.8738 Penalty for violation.--In addition to any  
18 | other remedy imposed pursuant to this code, any person who  
19 | acts as a resident or nonresident public adjuster or holds  
20 | himself or herself out to be a public adjuster to adjust  
21 | claims in this state, without being licensed by the department  
22 | ~~office~~ as a public adjuster and appointed as a public  
23 | adjuster, commits a felony of the third degree, punishable as  
24 | provided in s. 775.082, s. 775.083, or s. 775.084. Each act in  
25 | violation of this section constitutes a separate offense.

26 |         Section 64. Section 626.874, Florida Statutes, is  
27 | amended to read:

28 |             626.874 Catastrophe or emergency adjusters.--

29 |             (1) In the event of a catastrophe or emergency, the  
30 | department ~~office~~ may issue a license, for the purposes and  
31 | under the conditions which it shall fix and for the period of

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

13 (2) If any person not a licensed adjuster who has been  
14 permitted to adjust such losses, claims, or damages under the  
15 conditions and circumstances set forth in subsection (1),  
16 engages in any of the misconduct described in or contemplated  
17 by ss. 626.611 and 626.621, the department ~~office~~, without  
18 notice and hearing, shall be authorized to issue its order  
19 denying such person the privileges granted under this section;  
20 and thereafter it shall be unlawful for any such person to  
21 adjust any such losses, claims, or damages in this state.

22 Section 65. Section 626.878, Florida Statutes, is  
23 amended to read:

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



1           Section 66. Section 627.7012, Florida Statutes, is  
2 transferred, renumbered as section 626.879, Florida Statutes,  
3 and amended to read:

4           626.879~~627.7012~~ Pools of insurance adjusters.--The  
5 department ~~commission~~ may, by rule, establish a pool of  
6 qualified insurance adjusters. The rules must provide that, if  
7 a hurricane occurs or an emergency is declared, the department  
8 ~~office~~ may assign members of the pool to the affected area and  
9 that an insurer may request that a member of the pool adjust  
10 claims in the assigned area. The rules may not require that an  
11 insurer use those adjusters assigned by the department ~~office~~.

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

14           626.9543 Holocaust victims.--

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

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

17           (a)(b) "Holocaust victim" means any person who lost  
18 his or her life or property as a result of discriminatory  
19 laws, policies, or actions targeted against discrete groups of  
20 persons between 1920 and 1945, inclusive, in Nazi Germany,  
21 areas occupied by Nazi Germany, or countries allied with Nazi  
22 Germany.

23           (b)(c) "Insurance policy" means, but is not limited  
24 to, life insurance, property insurance, or education policies.

25           (c)(d) "Legal relationship" means any parent,  
26 subsidiary, or affiliated company with an insurer doing  
27 business in this state.

28           (d)(e) "Proceeds" means the face or other payout value  
29 of policies and annuities plus reasonable interest to date of  
30 payments without diminution for wartime or immediate postwar  
31 currency devaluation.

1           Section 68. Paragraphs (c), (e), and (f) of subsection  
2 (9) of section 626.989, Florida Statutes, are amended to read:

3           626.989 Investigation by department or Division of  
4 Insurance Fraud; compliance; immunity; confidential  
5 information; reports to division; division investigator's  
6 power of arrest.--

7           (9) In recognition of the complementary roles of  
8 investigating instances of workers' compensation fraud and  
9 enforcing compliance with the workers' compensation coverage  
10 requirements under chapter 440, the Department of Financial  
11 Services shall prepare and submit a joint performance report  
12 to the President of the Senate and the Speaker of the House of  
13 Representatives by November 1, 2003, and then by January 1 of  
14 each year. The annual report must include, but need not be  
15 limited to:

16           (c) The number of investigations undertaken by the  
17 Bureau of Workers' Compensation Insurance Fraud ~~office~~ which  
18 were not the result of a referral from an insurer or the  
19 Division of Workers' Compensation.

20           (e) The number and reasons provided by local  
21 prosecutors or the statewide prosecutor for declining  
22 prosecution of a case presented by the Bureau of Workers'  
23 Compensation Insurance Fraud ~~office~~ by circuit.

24           (f) The total number of employees assigned to the  
25 Bureau of Workers' Compensation Insurance Fraud ~~office~~ and the  
26 Division of Workers' Compensation Bureau of Compliance ~~unit~~  
27 delineated by location of staff assigned; and the number and  
28 location of employees assigned to the Bureau of Workers'  
29 Compensation Insurance Fraud ~~office~~ who were assigned to work  
30 other types of fraud cases.  
31

1 Section 69. Subsection (2) of section 627.0628,  
2 Florida Statutes, is amended to read:

3 627.0628 Florida Commission on Hurricane Loss  
4 Projection Methodology.--

5 (2) COMMISSION CREATED.--

6 (a) There is created the Florida Commission on  
7 Hurricane Loss Projection Methodology, which is assigned to  
8 the State Board of Administration. For the purposes of this  
9 section, the term "commission" means the Florida Commission on  
10 Hurricane Loss Projection Methodology. The commission shall be  
11 administratively housed within the State Board of  
12 Administration, but it shall independently exercise the powers  
13 and duties specified in this section.

14 (b) The commission shall consist of the following 11  
15 members:

16 1. The insurance consumer advocate.

17 2. The senior employee of the State Board of  
18 Administration responsible for operations of the Florida  
19 Hurricane Catastrophe Fund.

20 3. The Executive Director of the Citizens Property  
21 Insurance Corporation.

22 4. The Director of the Division of Emergency  
23 Management of the Department of Community Affairs.

24 5. The actuary member of the Florida Hurricane  
25 Catastrophe Fund Advisory Council.

26 6. An employee of the office who is an actuary  
27 responsible for property insurance rate filings and who is  
28 appointed by the director of the office.

29 ~~7.6. Five Six~~ members appointed by the Chief Financial  
30 Officer, as follows:

31

1           ~~a.~~ ~~An employee of the office who is an actuary~~  
2 ~~responsible for property insurance rate filings.~~

3           ~~a.b.~~ An actuary who is employed full time by a  
4 property and casualty insurer which was responsible for at  
5 least 1 percent of the aggregate statewide direct written  
6 premium for homeowner's insurance in the calendar year  
7 preceding the member's appointment to the commission.

8           ~~b.e.~~ An expert in insurance finance who is a full time  
9 member of the faculty of the State University System and who  
10 has a background in actuarial science.

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

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

16           ~~e.f.~~ An expert in meteorology who is a full time  
17 member of the faculty of the State University System and who  
18 specializes in hurricanes.

19           (c) Members designated under subparagraphs (b)1.-5.  
20 shall serve on the commission as long as they maintain the  
21 respective offices designated in subparagraphs (b)1.-5. The  
22 member appointed by the director of the office under  
23 subparagraph (b)6. shall serve on the commission until the end  
24 of the term of office of the director who appointed him or  
25 her, unless removed earlier by the director for cause. Members  
26 appointed by the Chief Financial Officer under subparagraph  
27 (b)7. ~~subparagraph (b)6.~~ shall serve on the commission until  
28 the end of the term of office of the Chief Financial Officer  
29 who appointed them, unless earlier removed by the Chief  
30 Financial Officer for cause. Vacancies on the commission  
31

1 shall be filled in the same manner as the original  
2 appointment.

3 (d) The State Board of Administration shall annually  
4 appoint one of the members of the commission to serve as  
5 chair.

6 (e) Members of the commission shall serve without  
7 compensation, but shall be reimbursed for per diem and travel  
8 expenses pursuant to s. 112.061.

9 (f) The State Board of Administration shall, as a cost  
10 of administration of the Florida Hurricane Catastrophe Fund,  
11 provide for travel, expenses, and staff support for the  
12 commission.

13 (g) There shall be no liability on the part of, and no  
14 cause of action of any nature shall arise against, any member  
15 of the commission, any member of the State Board of  
16 Administration, or any employee of the State Board of  
17 Administration for any action taken in the performance of  
18 their duties under this section. In addition, the commission  
19 may, in writing, waive any potential cause of action for  
20 negligence of a consultant, contractor, or contract employee  
21 engaged to assist the commission.

22 Section 70. Paragraph (b) of subsection (11) of  
23 section 627.6699, Florida Statutes, is amended to read:

24 627.6699 Employee Health Care Access Act.--

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

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

28 2. Effective upon this act becoming a law, the board  
29 shall consist of the director of the office ~~Chief Financial~~  
30 ~~Officer~~ or his or her designee, who shall serve as the  
31 chairperson, and 13 additional members who are representatives

1 of carriers and insurance agents and are appointed by the  
2 director of the office ~~Chief Financial Officer~~ and serve as  
3 follows:

4 a. The director of the office ~~Chief Financial Officer~~  
5 shall include representatives of small employer carriers  
6 subject to assessment under this subsection. If two or more  
7 carriers elect to be risk-assuming carriers, the membership  
8 must include at least two representatives of risk-assuming  
9 carriers; if one carrier is risk-assuming, one member must be  
10 a representative of such carrier. At least one member must be  
11 a carrier who is subject to the assessments, but is not a  
12 small employer carrier. Subject to such restrictions, at  
13 least five members shall be selected from individuals  
14 recommended by small employer carriers pursuant to procedures  
15 provided by rule of the commission. Three members shall be  
16 selected from a list of health insurance carriers that issue  
17 individual health insurance policies. At least two of the  
18 three members selected must be reinsuring carriers. Two  
19 members shall be selected from a list of insurance agents who  
20 are actively engaged in the sale of health insurance.

21 b. A member appointed under this subparagraph shall  
22 serve a term of 4 years and shall continue in office until the  
23 member's successor takes office, except that, in order to  
24 provide for staggered terms, the director of the office ~~Chief~~  
25 ~~Financial Officer~~ shall designate two of the initial  
26 appointees under this subparagraph to serve terms of 2 years  
27 and shall designate three of the initial appointees under this  
28 subparagraph to serve terms of 3 years.

29 3. The director of the office ~~Chief Financial Officer~~  
30 may remove a member for cause.

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1           4. Vacancies on the board shall be filled in the same  
2 manner as the original appointment for the unexpired portion  
3 of the term.

4           5. The director of the office ~~Chief Financial Officer~~  
5 may require an entity that recommends persons for appointment  
6 to submit additional lists of recommended appointees.

7           Section 71. The transfer of the regulation of  
8 adjusters from the Office of Insurance Regulation to the  
9 Department of Financial Services by this act shall not affect  
10 the regulation of adjusters in any administrative or judicial  
11 action of the Office of Insurance Regulation arising out of or  
12 involving the Office of Insurance Regulation before or pending  
13 on the effective date of this act, and the Department of  
14 Financial Services shall be substituted as a party in interest  
15 on any such pending action.

16           Section 72. Any license, form, or action that was  
17 approved or authorized by the Financial Services Commission or  
18 the Office of Insurance Regulation which was otherwise  
19 lawfully in use before the effective date of this act may  
20 continue to be used or be effective as originally authorized  
21 or permitted, until the Department of Financial Services  
22 otherwise prescribes.

23           Section 73. Upon the effective date of this act, the  
24 rules or portions thereof of the Financial Services Commission  
25 which govern the regulation of insurance adjusters shall  
26 become rules or portions thereof of the Department of  
27 Financial Services as is appropriate to the corresponding  
28 regulatory or constitutional function and shall remain in  
29 effect until specifically amended or repealed in the manner  
30 provided by law.

31           Section 74. This act shall take effect July 1, 2004.

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SENATE SUMMARY

Transfers responsibility for regulation of adjusters from the Office of Insurance Regulation to the Department of Financial Services. Transfers various additional duties from the Chief Financial Officer to the Director of the Office of Insurance Regulation. Revises other duties of the office and the department. (See bill for details.)