

1
2 An act relating to insurance agents and
3 agencies; amending s. 624.317, F.S.; including
4 insurance agencies among entities the
5 Department of Financial Services is authorized
6 to investigate; amending s. 624.318, F.S.;
7 providing for electronic scanning in the course
8 of investigations and examinations; amending s.
9 624.501, F.S.; clarifying a license fee;
10 amending s. 626.015, F.S.; redefining the term
11 "home state"; defining the term "resident";
12 amending s. 626.016, F.S.; including insurance
13 agencies among entities subject to regulation
14 by the Chief Financial Officer; amending s.
15 626.025, F.S.; correcting cross-references;
16 amending s. 626.112, F.S.; delaying the
17 effective date by which agencies must obtain a
18 license; providing that an agency may file for
19 registration in lieu of licensure, under
20 specified conditions; imposing a fine on any
21 agency that fails to timely apply for licensure
22 or registration; deleting certain agency
23 licensure requirement provisions; amending s.
24 626.171, F.S.; specifying licensure and
25 registration application requirements for
26 insurance entities other than insurance
27 agencies; deleting a provision applying to
28 insurance agency license application
29 requirements; amending s. 626.172, F.S.;
30 revising insurance agency licensure application
31 requirements; providing procedures and

1 | limitations; providing duties of the
2 | department; amending s. 626.221, F.S.; revising
3 | examination requirements; amending s. 626.2815,
4 | F.S.; revising continuing education
5 | requirements; amending ss. 626.292 and 626.321,
6 | F.S.; correcting cross-references, to conform;
7 | amending s. 626.342, F.S.; including insurance
8 | agencies under provisions prohibiting
9 | furnishing supplies to certain unlicensed
10 | agents and imposing civil liability under
11 | certain circumstances; amending s. 626.382,
12 | F.S.; providing for renewal of licenses;
13 | amending s. 626.451, F.S.; revising
14 | requirements for appointment; amending s.
15 | 626.536, F.S.; including insurance agencies
16 | under an action reporting requirement; amending
17 | s. 626.561, F.S.; including insurance agencies
18 | under provisions providing funds reporting and
19 | accounting requirements and imposing criminal
20 | penalties; amending s. 626.572, F.S.; including
21 | insurance agencies under provision prohibiting
22 | rebating under certain circumstances; amending
23 | s. 626.601, F.S.; including insurance agencies
24 | under provisions authorizing the department to
25 | inquire into improper conduct; creating s.
26 | 626.602, F.S.; authorizing the department to
27 | disapprove the use of certain names under
28 | certain circumstances; amending s. 626.6115,
29 | F.S.; providing an additional ground for the
30 | department to take compulsory adverse insurance
31 | agency license actions; providing that the

1 | existence of grounds for adverse action against
2 | a licensed agency does not constitute grounds
3 | for adverse action against another licensed
4 | agency; amending s. 626.6215, F.S.; providing
5 | an additional ground for the department to take
6 | discretionary adverse insurance agency license
7 | actions; providing that the existence of
8 | grounds for adverse action against a licensed
9 | agency does not constitute grounds for adverse
10 | action against another licensed agency;
11 | amending s. 626.747, F.S.; revising agent
12 | requirements for branch agencies to include
13 | life or health agents; amending s. 626.621,
14 | F.S.; revising criteria for the department's
15 | refusal, suspension or revocation of a license
16 | or appointment; amending s. 626.641, F.S.;
17 | providing requirements for reinstatement of a
18 | previously suspended license or appointment;
19 | revising criteria for reapplication and
20 | requalification for a previously revoked
21 | license or appointment; amending s. 626.7351,
22 | F.S.; revising the qualifications for a
23 | customer representative's license; amending ss.
24 | 626.7355 and 626.8411, F.S.; deleting
25 | cross-references, to conform; creating s.
26 | 626.84201, F.S.; providing for the issuance of
27 | a nonresident title insurance agent license;
28 | amending s. 648.50, F.S.; revising the persons
29 | whose license or appointment may be revoked or
30 | suspended when a bail bond's license or
31 | appointment is revoked or suspended; repealing

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 s. 626.592, F.S., relating to primary agents;
2 creating s. 624.1275, F.S.; providing a
3 restriction for state agencies or political
4 subdivisions from preventing a licensed agent
5 from responding to a bid or negotiation for an
6 insurance product; providing an effective date.
7

8 Be It Enacted by the Legislature of the State of Florida:
9

10 Section 1. Subsection (1) of section 624.317, Florida
11 Statutes, is amended to read:

12 624.317 Investigation of agents, adjusters,
13 administrators, service companies, and others.--If it has
14 reason to believe that any person has violated or is violating
15 any provision of this code, or upon the written complaint
16 signed by any interested person indicating that any such
17 violation may exist:

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

26 Section 2. Subsection (7) is added to section 624.318,
27 Florida Statutes, to read:

28 624.318 Conduct of examination or investigation;
29 access to records; correction of accounts; appraisals.--

30 (7)(a) The department or office or its examiners or
31 investigators may electronically scan accounts, records,

1 documents, files, and information, relating to the subject of
2 the examination or investigation, in the possession or control
3 of the person being examined or investigated.

4 (b) The provisions of this subsection are applicable
5 to all investigations and examinations authorized by any
6 provision of the Florida Insurance Code.

7 Section 3. Subsection (20) of section 624.501, Florida
8 Statutes, is amended to read:

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

14 (20) ~~Insurance agency or~~ Adjusting firm, original or
15 renewal 3-year license.....\$60.00

16 Section 4. Subsections (7) and (16) of section
17 626.015, Florida Statutes, are amended to read:

18 626.015 Definitions.--As used in this part:

19 (7) "Home state" means the District of Columbia and
20 any state or territory of the United States in which an
21 insurance agent maintains his or her principal place of
22 residence or principal place of business and is licensed to
23 act as an insurance agent.

24 (16) "Resident" means an individual whose home state
25 is the State of Florida ~~domiciled and residing in this state.~~

26 Section 5. Subsection (1) of section 626.016, Florida
27 Statutes, is amended to read:

28 626.016 Powers and duties of department, commission,
29 and office.--

30 (1) The powers and duties of the Chief Financial
31 Officer and the department specified in this part apply only

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 with respect to insurance agents, insurance agencies, managing
2 general agents, insurance adjusters, reinsurance
3 intermediaries, viatical settlement brokers, customer
4 representatives, service representatives, and agencies.

5 Section 6. Subsections (7) and (12) of section
6 626.025, Florida Statutes, are amended to read:

7 626.025 Consumer protections.--To transact insurance,
8 agents shall comply with consumer protection laws, including
9 the following, as applicable:

10 (7) Required licensure or registration of ~~certain~~
11 insurance agencies under s. 626.112 ~~s. 626.172~~.

12 ~~(12) Designation of a primary agent by an insurance~~
13 ~~agency under s. 626.592.~~

14 Section 7. Subsection (7) of section 626.112, Florida
15 Statutes, is amended to read:

16 626.112 License and appointment required; agents,
17 customer representatives, adjusters, insurance agencies,
18 service representatives, managing general agents.--

19 (7)(a) Effective October 1, 2006, no individual, firm,
20 partnership, corporation, association, or any other entity
21 shall act in its own name or under a trade name, directly or
22 indirectly, as an insurance agency, ~~when required to be~~
23 ~~licensed by this subsection~~, unless it complies with s.

24 626.172 with respect to possessing an insurance agency license
25 for each place of business at which it engages in any activity
26 which may be performed only by a licensed insurance agent.

27 Each agency engaged in business in this state before January
28 1, 2003, which is wholly owned by insurance agents currently
29 licensed and appointed under this chapter, each incorporated
30 agency whose voting shares are traded on a securities
31 exchange, and each agency whose primary function is offering

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 insurance as a service or member benefit to members of a
2 nonprofit corporation may file an application for registration
3 in lieu of licensure in accordance with s. 626.172(3). Each
4 agency engaged in business before October 1, 2006, shall file
5 an application for licensure or registration on or before
6 October 1, 2006.

7 1. If an agency is required to be licensed but fails
8 to file an application for licensure in accordance with this
9 section, the department shall impose on the agency an
10 administrative penalty in an amount of up to \$10,000.

11 2. If an agency is eligible for registration but fails
12 to file an application for registration or an application for
13 licensure in accordance with this section, the department
14 shall impose on the agency an administrative penalty in an
15 amount of up to \$5,000.

16 (b) A registered ~~An~~ insurance agency shall, as a
17 condition precedent to continuing business, obtain an
18 insurance agency license if the department finds that, with
19 respect to any majority owner, partner, manager, director,
20 officer, or other person who manages or controls the agency,
21 any person has, ~~subsequent to the effective date of this act:~~

22 1. Been found guilty of, or has pleaded guilty or nolo
23 contendere to, a felony in this state or any other state
24 relating to the business of insurance or to an insurance
25 agency, without regard to whether a judgment of conviction has
26 been entered by the court having jurisdiction of the cases.

27 2. Employed any individual in a managerial capacity or
28 in a capacity dealing with the public who is under an order of
29 revocation or suspension issued by the department. An
30 insurance agency may request, on forms prescribed by the
31 department, verification of any person's license status. If a

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 request is mailed within 5 working days after an employee is
2 hired, and the employee's license is currently suspended or
3 revoked, the agency shall not be required to obtain a license,
4 if the unlicensed person's employment is immediately
5 terminated.

6 3. Operated the agency or permitted the agency to be
7 operated in violation of s. 626.747.

8 4. With such frequency as to have made the operation
9 of the agency hazardous to the insurance-buying public or
10 other persons:

11 a. Solicited or handled controlled business. This
12 subparagraph shall not prohibit the licensing of any lending
13 or financing institution or creditor, with respect to
14 insurance only, under credit life or disability insurance
15 policies of borrowers from the institutions, which policies
16 are subject to part IX of chapter 627.

17 b. Misappropriated, converted, or unlawfully withheld
18 moneys belonging to insurers, insureds, beneficiaries, or
19 others and received in the conduct of business under the
20 license.

21 c. Unlawfully rebated, attempted to unlawfully rebate,
22 or unlawfully divided or offered to divide commissions with
23 another.

24 d. Misrepresented any insurance policy or annuity
25 contract, or used deception with regard to any policy or
26 contract, done either in person or by any form of
27 dissemination of information or advertising.

28 e. Violated any provision of this code or any other
29 law applicable to the business of insurance in the course of
30 dealing under the license.

31

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 f. Violated any lawful order or rule of the
2 department.

3 g. Failed or refused, upon demand, to pay over to any
4 insurer he or she represents or has represented any money
5 coming into his or her hands belonging to the insurer.

6 h. Violated the provision against twisting as defined
7 in s. 626.9541(1)(1).

8 i. In the conduct of business, engaged in unfair
9 methods of competition or in unfair or deceptive acts or
10 practices, as prohibited under part IX of this chapter.

11 j. Willfully overinsured any property insurance risk.

12 k. Engaged in fraudulent or dishonest practices in the
13 conduct of business arising out of activities related to
14 insurance or the insurance agency.

15 l. Demonstrated lack of fitness or trustworthiness to
16 engage in the business of insurance arising out of activities
17 related to insurance or the insurance agency.

18 m. Authorized or knowingly allowed individuals to
19 transact insurance who were not then licensed as required by
20 this code.

21 5. Knowingly employed any person who within the
22 preceding 3 years has had his or her relationship with an
23 agency terminated in accordance with paragraph (d).

24 6. Willfully circumvented the requirements or
25 prohibitions of this code.

26 ~~(c) An agency required to be licensed in accordance~~
27 ~~with paragraph (b) shall remain so licensed for a period of 3~~
28 ~~years from the date of licensure unless the license is~~
29 ~~suspended or revoked in accordance with law. The department~~
30 ~~may revoke or suspend the agency authority to do business for~~

31

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 ~~activities occurring during the time the agency is licensed,~~
2 ~~regardless of whether the licensing period has terminated.~~

3 ~~(d) Notwithstanding the provisions of this subsection,~~
4 ~~no insurance agency shall be required to apply for an agency~~
5 ~~license if such agency can prove to the department that:~~

6 1. ~~The agency is severing its relationship with each~~
7 ~~majority owner, partner, manager, director, officer, or other~~
8 ~~person who managed or controlled such agency and who violated~~
9 ~~any of the provisions of paragraph (b).~~

10 2. ~~No such majority owner, partner, manager, director,~~
11 ~~officer, or other person who managed such agency is to be~~
12 ~~affiliated with such agency in any capacity for a period of 3~~
13 ~~years from the date of such severance.~~

14 Section 8. Section 626.171, Florida Statutes, is
15 amended to read:

16 626.171 Application for license as an agent, customer
17 representative, adjuster, service representative, managing
18 general agent, or reinsurance intermediary.--

19 (1) The department shall not issue a license as agent,
20 customer representative, adjuster, ~~insurance agency~~, service
21 representative, managing general agent, or reinsurance
22 intermediary to any person except upon written application
23 therefor filed with it, qualification therefor, and payment in
24 advance of all applicable fees. Any such application shall be
25 made under the oath of the applicant and be signed by the
26 applicant. ~~Beginning November 1, 2002,~~ The department shall
27 accept the uniform application for nonresident agent
28 licensing. The department may adopt revised versions of the
29 uniform application by rule.

30 (2) In the application, the applicant shall set forth:
31

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 (a) His or her full name, age, social security number,
2 residence address, business address, and mailing address.

3 (b) Proof that he or she has completed or is in the
4 process of completing any required prelicensing course.

5 (c) Whether he or she has been refused or has
6 voluntarily surrendered or has had suspended or revoked a
7 license to solicit insurance by the department or by the
8 supervising officials of any state.

9 (d) Whether any insurer or any managing general agent
10 claims the applicant is indebted under any agency contract or
11 otherwise and, if so, the name of the claimant, the nature of
12 the claim, and the applicant's defense thereto, if any.

13 (e) Proof that the applicant meets the requirements
14 for the type of license for which he or she is applying.

15 (f) Such other or additional information as the
16 department may deem proper to enable it to determine the
17 character, experience, ability, and other qualifications of
18 the applicant to hold himself or herself out to the public as
19 an insurance representative.

20 ~~(3) An application for an insurance agency license~~
21 ~~shall be signed by the owner or owners of the agency. If the~~
22 ~~agency is incorporated, the application shall be signed by the~~
23 ~~president and secretary of the corporation.~~

24 (3)(4) Each application shall be accompanied by
25 payment of any applicable fee.

26 (4)(5) An application for a license as an agent,
27 customer representative, adjuster, ~~insurance agency~~, service
28 representative, managing general agent, or reinsurance
29 intermediary must be accompanied by a set of the individual
30 applicant's fingerprints, or, if the applicant is not an
31 individual, by a set of the fingerprints of the sole

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 proprietor, majority owner, partners, officers, and directors,
2 on a form adopted by rule of the department and accompanied by
3 the fingerprint processing fee set forth in s. 624.501.
4 Fingerprints shall be used to investigate the applicant's
5 qualifications pursuant to s. 626.201. The fingerprints shall
6 be taken by a law enforcement agency or other
7 department-approved entity.

8 ~~(5)(6)~~ The application for license filing fee
9 prescribed in s. 624.501 is not subject to refund.

10 ~~(6)(7)~~ Pursuant to the federal Personal Responsibility
11 and Work Opportunity Reconciliation Act of 1996, each party is
12 required to provide his or her social security number in
13 accordance with this section. Disclosure of social security
14 numbers obtained through this requirement shall be limited to
15 the purpose of administration of the Title IV-D program for
16 child support enforcement.

17 Section 9. Section 626.172, Florida Statutes, is
18 amended to read:

19 626.172 Application for insurance agency license.--

20 (1) The department may issue a license as an insurance
21 agency to any person only after such person files a written
22 application with the department and qualifies for such
23 license. ~~If any majority owner, partner, officer, or director~~
24 ~~of an insurance agency:~~

25 ~~(a) Has been found guilty of, or has pleaded guilty or~~
26 ~~nolo contendere to, a felony relating to the business of~~
27 ~~insurance in this state or any other state or federal court,~~
28 ~~regardless of whether a judgment of conviction has been~~
29 ~~entered by the court having jurisdiction of such cases; or~~

30 ~~(b) Has been denied a license relating to the business~~
31 ~~of insurance, or has had his or her license to practice or~~

1 ~~conduct any regulated profession, business, or vocation~~
2 ~~relating to the business of insurance revoked or suspended, by~~
3 ~~this or any other state, any nation, any possession or~~
4 ~~district of the United States, or any court, or any lawful~~
5 ~~agency thereof;~~

6
7 ~~the insurance agency and any subsidiary or branch thereof~~
8 ~~shall obtain a license from the department pursuant to this~~
9 ~~section.~~

10 (2) An application for an insurance agency license
11 shall be signed by the owner or owners of the agency. If the
12 agency is incorporated, the application shall be signed by the
13 president and secretary of the corporation. The application
14 for an insurance agency license shall include:

15 (a) The name of each majority owner, partner, officer,
16 and director of the insurance agency.

17 (b) The residence address of each person required to
18 be listed in the application under paragraph (a).

19 (c) The name of the insurance agency and its principal
20 business address.

21 (d) The location of each agency office and the name
22 under which each agency office conducts or will conduct
23 business.

24 (e) The name of each agent to be in full-time charge
25 of an agency office and specification of which office.

26 (f) The fingerprints of each of the following:

27 1. A sole proprietor;

28 2. Each partner;

29 3. Each owner of an unincorporated agency;

30
31

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 4. Each owner who directs or participates in the
2 management or control of an incorporated agency whose shares
3 are not traded on a securities exchange;

4 5. The president, senior vice presidents, treasurer,
5 secretary, and directors of the agency; and

6 6. Any other person who directs or participates in the
7 management or control of the agency, whether through the
8 ownership of voting securities, by contract, or otherwise.

9
10 Fingerprints must be taken by a law enforcement agency or
11 other entity approved by the department and must be
12 accompanied by the fingerprint processing fee specified in s.
13 624.501. Fingerprints shall be processed in accordance with s.
14 624.34. However, fingerprints need not be filed for any
15 individual who is currently licensed and appointed under this
16 chapter. This paragraph does not apply to corporations whose
17 voting shares are traded on a securities exchange. The name of
18 any person to whom subsection (1) applies.

19 (g) Such additional information as the department
20 requires by ~~promulgated~~ rule to ascertain the trustworthiness
21 and competence of persons required to be listed on the
22 application and to ascertain that such persons meet the
23 requirements of this code. However, the department may not
24 require that credit or character reports be submitted for
25 persons required to be listed on the application.

26 (h) Beginning October 1, 2005, the department shall
27 accept the uniform application for nonresident agency
28 licensure. The department may adopt by rule revised versions
29 of the uniform application.

30 (3) The department shall issue a registration as an
31 insurance agency to any agency that files a written

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 application with the department and qualifies for
2 registration. The application for registration shall require
3 the agency to provide the same information required for an
4 agency licensed under subsection (2), the agent identification
5 number for each owner who is a licensed agent, proof that the
6 agency qualifies for registration as provided in s.
7 626.112(7), and any other additional information that the
8 department determines is necessary in order to demonstrate
9 that the agency qualifies for registration. The application
10 must be signed by the owner or owners of the agency. If the
11 agency is incorporated, the application must be signed by the
12 president and the secretary of the corporation. An agent who
13 owns the agency need not file fingerprints with the department
14 if the agent obtained a license under this chapter, and the
15 license is currently valid.

16 (a) If an application for registration is denied, the
17 agency must file an application for licensure no later than 30
18 days after the date of the denial of registration.

19 (b) A registered insurance agency must file an
20 application for licensure no later than 30 days after the date
21 that any person who is not a licensed and appointed agent in
22 this state acquires any ownership interest in the agency. If
23 an agency fails to file an application for licensure in
24 compliance with this paragraph, the department shall impose an
25 administrative penalty in an amount of up to \$5,000 on the
26 agency.

27 (c) Sections 626.6115 and 626.6215 do not apply to
28 agencies registered under this subsection.

29 (4) The department shall issue a license or
30 registration to each agency upon approval of the application
31 and each agency shall display the license or registration

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 prominently in a manner that makes it clearly visible to any
2 customer or potential customer who enters the agency.

3 Section 10. Subsection (2) of section 626.221, Florida
4 Statutes, is amended to read:

5 626.221 Examination requirement; exemptions.--

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

8 (a) An applicant for renewal of appointment as an
9 agent, customer representative, or adjuster, unless the
10 department determines that an examination is necessary to
11 establish the competence or trustworthiness of such applicant.

12 (b) An applicant for limited license as agent for
13 personal accident insurance, baggage and motor vehicle excess
14 liability insurance, credit life or disability insurance,
15 credit insurance, credit property insurance, in-transit and
16 storage personal property insurance, or communications
17 equipment property insurance or communication equipment inland
18 marine insurance.

19 (c) In the discretion of the department, an applicant
20 for reinstatement of license or appointment as an agent,
21 customer representative, or adjuster whose license has been
22 suspended within ~~4~~ 2 years prior to the date of application or
23 written request for reinstatement.

24 (d) An applicant who, within ~~4~~ 2 years prior to
25 application for license and appointment as an agent, customer
26 representative, or adjuster, was a full-time salaried employee
27 of the department and had continuously been such an employee
28 with responsible insurance duties for not less than 2 years
29 and who had been a licensee within ~~4~~ 2 years prior to
30 employment by the department with the same class of license as
31 that being applied for.

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 ~~(e) An individual who qualified as a managing general~~
2 ~~agent, service representative, customer representative, or~~
3 ~~all lines adjuster by passing a general lines agent's~~
4 ~~examination and subsequently was licensed and appointed and~~
5 ~~has been actively engaged in all lines of property and~~
6 ~~casualty insurance may, upon filing an application for~~
7 ~~appointment, be licensed and appointed as a general lines~~
8 ~~agent for the same kinds of business without taking another~~
9 ~~examination if he or she holds any such currently effective~~
10 ~~license referred to in this paragraph or held the license~~
11 ~~within 48 months prior to the date of filing the application~~
12 ~~with the department.~~

13 ~~(e)(f)~~ A person who has been licensed and appointed as
14 a public adjuster, ~~or~~ independent adjuster, or ~~licensed and~~
15 ~~appointed either as an agent or company adjuster as to all~~
16 property, casualty, and surety insurances, may be licensed and
17 appointed as a company, ~~adjuster as to any of such insurances,~~
18 ~~or as an independent, adjuster or public adjuster, as to these~~
19 kinds of insurance, without additional written examination if
20 an application for licensure appointment is filed with the
21 department within 48 months following the date of cancellation
22 or expiration of the prior appointment.

23 ~~(f)(g)~~ A person who has been licensed as an adjuster
24 for motor vehicle, property and casualty, workers'
25 compensation, and health insurance may be licensed as such an
26 adjuster without additional written examination if his or her
27 application for licensure appointment is filed with the
28 department within 48 months after cancellation or expiration
29 of the prior license.

30 ~~(g)(h)~~ An applicant for temporary license, except as
31 provided in this code.

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 ~~(h)~~(i) An applicant for a life or health license who
2 has received the designation of chartered life underwriter
3 (CLU) from the American College of Life Underwriters and who
4 has been engaged in the insurance business within the past 4
5 years, except that such an individual may be examined on
6 pertinent provisions of this code.

7 ~~(i)~~(j) An applicant for license as a general lines
8 agent, customer representative, or adjuster who has received
9 the designation of chartered property and casualty underwriter
10 (CPCU) from the American Institute for Property and Liability
11 Underwriters and who has been engaged in the insurance
12 business within the past 4 years, except that such an
13 individual may be examined on pertinent provisions of this
14 code.

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

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

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

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

21 (l)~~(m)~~ An applicant qualifying for a license transfer
22 under s. 626.292, if the applicant:

- 23 1. Has successfully completed the prelicensing
24 examination requirements in the applicant's previous state
25 which are substantially equivalent to the examination
26 requirements in this state, as determined by the department;
- 27 2. Has received the designation of chartered property
28 and casualty underwriter (CPCU) from the American Institute
29 for Property and Liability Underwriters and has been engaged
30 in the insurance business within the past 4 years if applying
31 to transfer a general lines agent license; or

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 3. Has received the designation of chartered life
2 underwriter (CLU) from the American College of Life
3 Underwriters and has been engaged in the insurance business
4 within the past 4 years, if applying to transfer a life or
5 health agent license.

6 ~~(m)(n)~~ An applicant for a nonresident agent license,
7 if the applicant:

8 1. Has successfully completed prelicensing examination
9 requirements in the applicant's home state which are
10 substantially equivalent to the examination requirements in
11 this state, as determined by the department, as a requirement
12 for obtaining a resident license in his or her home state;

13 2. Held a general lines agent license, life agent
14 license, or health agent license prior to the time a written
15 examination was required;

16 3. Has received the designation of chartered property
17 and casualty underwriter (CPCU) from the American Institute
18 for Property and Liability Underwriters and has been engaged
19 in the insurance business within the past 4 years, if an
20 applicant for a nonresident license as a general lines agent;
21 or

22 4. Has received the designation of chartered life
23 underwriter (CLU) from the American College of Life
24 Underwriters and has been in the insurance business within the
25 past 4 years, if an applicant for a nonresident license as a
26 life agent or health agent.

27 Section 11. Subsection (3) of section 626.2815,
28 Florida Statutes, is amended to read:

29 626.2815 Continuing education required; application;
30 exceptions; requirements; penalties.--

31

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 (3)(a) Each person subject to the provisions of this
2 section must, except as set forth in paragraphs (b), ~~and~~ (c),
3 and (d), complete a minimum of 24 hours of continuing
4 education courses every 2 years in basic or higher-level
5 courses prescribed by this section or in other courses
6 approved by the department. Each person subject to the
7 provisions of this section must complete, as part of his or
8 her required number of continuing education hours, 3 hours of
9 continuing education, approved by the department, every 2
10 years on the subject matter of ethics.

11 (b) ~~For compliance periods beginning on January 1,~~
12 ~~1998,~~ A person who has been licensed for a period of 6 or more
13 years must complete 20 hours every 2 years in intermediate or
14 advanced-level courses prescribed by this section or in other
15 courses approved by the department.

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

26 (d) Any person who holds a license as a customer
27 representative, limited customer representative, title agent,
28 motor vehicle physical damage and mechanical breakdown
29 insurance agent, crop or hail and multiple-peril crop
30 insurance agent, or as an industrial fire insurance or
31 burglary insurance agent and who is not a licensed life or

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 health insurance agent, shall be required to complete 10 ~~12~~
2 hours of continuing education courses every 2 years, ~~except,~~
3 ~~for compliance periods beginning on January 1, 1998, each~~
4 ~~licensee subject to this paragraph shall be required to~~
5 ~~complete 10 hours of continuing education courses every 2~~
6 ~~years.~~

7 (e) Any person who holds a license to solicit or sell
8 life or health insurance and a license to solicit or sell
9 property, casualty, surety, or surplus lines insurance must
10 complete the continuing education requirements by completing
11 courses in life or health insurance for one-half of the total
12 hours required and courses in property, casualty, surety, or
13 surplus lines insurance for one-half of the total hours
14 required. However, a licensee who holds an industrial fire or
15 burglary insurance license and who is a licensed life or
16 health agent shall be required to complete 4 hours of
17 continuing education courses every 2 years related to
18 industrial fire or burglary insurance and the remaining number
19 of hours of continuing education courses required related to
20 life or health insurance.

21 (f) Compliance with continuing education requirements
22 is a condition precedent to the issuance, continuation,
23 reinstatement, or renewal of any appointment subject to this
24 section.

25 (g) A person teaching any approved course of
26 instruction or lecturing at any approved seminar and attending
27 the entire course or seminar shall qualify for the same number
28 of classroom hours as would be granted to a person taking and
29 successfully completing such course, seminar, or program.
30 Credit shall be limited to the number of hours actually taught
31 unless a person attends the entire course or seminar. Any

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 person who is an official of or employed by any governmental
2 entity in this state and serves as a professor, instructor, or
3 in any other position or office the duties and
4 responsibilities of which are determined by the department to
5 require monitoring and review of insurance laws or insurance
6 regulations and practices shall be exempt from this section.

7 (h) Excess classroom hours accumulated during any
8 compliance period may be carried forward to the next
9 compliance period.

10 (i) For good cause shown, the department may grant an
11 extension of time during which the requirements imposed by
12 this section may be completed, but such extension of time may
13 not exceed 1 year.

14 (j) A nonresident who must complete continuing
15 education requirements in his or her home state may use the
16 home state requirements to meet this state's continuing
17 education requirements as well, if the resident's state
18 recognizes reciprocity with this state's continuing education
19 requirements. A nonresident whose home state does not have a
20 continuing education requirement but is licensed for the same
21 class of business in another state which does have a
22 continuing education requirement may comply with this section
23 by furnishing proof of compliance with the other state's
24 requirement if that state has a reciprocal agreement with this
25 state relative to continuing education. A nonresident whose
26 home state does not have such continuing education
27 requirements, and who is not licensed as a nonresident agent
28 in a state that has continuing education requirements and
29 reciprocates with this state, must meet the continuing
30 education requirements of this state.

31

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 Section 12. Paragraph (c) of subsection (2) of section
2 626.292, Florida Statutes, is amended to read:

3 626.292 Transfer of license from another state.--

4 (2) To qualify for a license transfer, an individual
5 applicant must meet the following requirements:

6 (c) The individual shall submit a completed
7 application for this state which is received by the department
8 within 90 days after the date the individual became a resident
9 of this state, along with payment of the applicable fees set
10 forth in s. 624.501 and submission of the following documents:

11 1. A certification issued by the appropriate official
12 of the applicant's home state identifying the type of license
13 and lines of authority under the license and stating that, at
14 the time the license from the home state was canceled, the
15 applicant was in good standing in that state or that the
16 state's Producer Database records, maintained by the National
17 Association of Insurance Commissioners, its affiliates, or
18 subsidiaries, indicate that the agent is or was licensed in
19 good standing for the line of authority requested.

20 2. A set of the individual applicant's fingerprints in
21 accordance with s. 626.171(4) ~~s. 626.171(5)~~.

22 Section 13. Paragraph (d) of subsection (1) and
23 paragraph (a) of subsection (2) of section 626.321, Florida
24 Statutes, are amended to read:

25 626.321 Limited licenses.--

26 (1) The department shall issue to a qualified
27 individual, or a qualified individual or entity under
28 paragraphs (c), (d), (e), and (i), a license as agent
29 authorized to transact a limited class of business in any of
30 the following categories:
31

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 (d) Baggage and motor vehicle excess liability
2 insurance.--

3 1. License covering only insurance of personal effects
4 except as provided in subparagraph 2. The license may be
5 issued only:

6 a. To a full-time salaried employee of a common
7 carrier or a full-time salaried employee or owner of a
8 transportation ticket agency, which person is engaged in the
9 sale or handling of transportation of baggage and personal
10 effects of travelers, and may authorize the sale of such
11 insurance only in connection with such transportation; or

12 b. To the full-time salaried employee of a licensed
13 general lines agent or to a business entity that offers motor
14 vehicles for rent or lease if insurance sales activities
15 authorized by the license are in connection with and
16 incidental to the rental of a motor vehicle. An entity
17 applying for a license under this sub-subparagraph:

18 (I) Is required to submit only one application for a
19 license under s. 626.171. The requirements of s. 626.171(4) ~~s.~~
20 ~~626.171(5)~~ shall apply only to the officers and directors of
21 the entity submitting the application.

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

27 (III) Is required to pay the applicable fees for a
28 license as prescribed in s. 624.501, be appointed under s.
29 626.112, and pay the prescribed appointment fee under s.
30 624.501. A licensed and appointed entity shall be directly
31

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 responsible and accountable for all acts of the licensee's
2 employees.

3
4 The purchaser of baggage insurance shall be provided written
5 information disclosing that the insured's homeowner's policy
6 may provide coverage for loss of personal effects and that the
7 purchase of such insurance is not required in connection with
8 the purchase of tickets or in connection with the lease or
9 rental of a motor vehicle.

10 2. A business entity that offers motor vehicles for
11 rent or lease, may include lessees under a master contract
12 providing coverage to the lessor or may transact excess motor
13 vehicle liability insurance providing coverage in excess of
14 the standard liability limits provided by the lessor in its
15 lease to a person renting or leasing a motor vehicle from the
16 licensee's employer for liability arising in connection with
17 the negligent operation of the leased or rented motor vehicle,
18 provided that the lease or rental agreement is for not more
19 than 30 days; that the lessee is not provided coverage for
20 more than 30 consecutive days per lease period, and, if the
21 lease is extended beyond 30 days, the coverage may be extended
22 one time only for a period not to exceed an additional 30
23 days; that the lessee is given written notice that his or her
24 personal insurance policy providing coverage on an owned motor
25 vehicle may provide additional excess coverage; and that the
26 purchase of the insurance is not required in connection with
27 the lease or rental of a motor vehicle. The excess liability
28 insurance may be provided to the lessee as an additional
29 insured on a policy issued to the licensee's employer.

30 3. A business entity that offers motor vehicles for
31 rent or lease, may, as an agent of an insurer, transact

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 insurance that provides coverage for the liability of the
2 lessee to the lessor for damage to the leased or rented motor
3 vehicle if:

4 a. The lease or rental agreement is for not more than
5 30 days; or the lessee is not provided coverage for more than
6 30 consecutive days per lease period, but, if the lease is
7 extended beyond 30 days, the coverage may be extended one time
8 only for a period not to exceed an additional 30 days;

9 b. The lessee is given written notice that his or her
10 personal insurance policy that provides coverage on an owned
11 motor vehicle may provide such coverage with or without a
12 deductible; and

13 c. The purchase of the insurance is not required in
14 connection with the lease or rental of a motor vehicle.

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

17 (a) Submit only one application for a license under s.
18 626.171. The requirements of s. 626.171(4) ~~s. 626.171(5)~~ shall
19 only apply to the officers and directors of the entity
20 submitting the application.

21 Section 14. Subsections (1) and (2) of section
22 626.342, Florida Statutes, are amended to read:

23 626.342 Furnishing supplies to unlicensed life,
24 health, or general lines agent prohibited; civil liability.--

25 (1) An insurer, a managing general agent, an insurance
26 agency, or an agent, directly or through any representative,
27 may not furnish to any agent any blank forms, applications,
28 stationery, or other supplies to be used in soliciting,
29 negotiating, or effecting contracts of insurance on its behalf
30 unless such blank forms, applications, stationery, or other
31 supplies relate to a class of business with respect to which

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 the agent is licensed and appointed, whether for that insurer
2 or another insurer.

3 (2) Any insurer, general agent, insurance agency, or
4 agent who furnishes any of the supplies specified in
5 subsection (1) to any agent or prospective agent not appointed
6 to represent the insurer and who accepts from or writes any
7 insurance business for such agent or agency is subject to
8 civil liability to any insured of such insurer to the same
9 extent and in the same manner as if such agent or prospective
10 agent had been appointed or authorized by the insurer or such
11 agent to act in its or his or her behalf. The provisions of
12 this subsection do not apply to insurance risk apportionment
13 plans under s. 627.351.

14 Section 15. Section 626.382, Florida Statutes, is
15 amended to read:

16 626.382 Continuation, expiration of license; insurance
17 agencies.--The license of any insurance agency shall be issued
18 for a period of 3 years, ~~subject to the payment of the fees~~
19 ~~prescribed in s. 624.501~~, and shall continue in force until
20 canceled, suspended, revoked, or otherwise terminated. A
21 license may be renewed by submitting a renewal request to the
22 department on a form adopted by department rule.

23 Section 16. Subsection (3) of section 626.451, Florida
24 Statutes, is amended to read:

25 626.451 Appointment of agent or other
26 representative.--

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

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 service representative, customer representative, or managing
2 general agent, within the scope of the licensee's employment
3 or appointment.

4 Section 17. Section 626.536, Florida Statutes, is
5 amended to read:

6 626.536 Reporting of actions.--~~Each An~~ agent and
7 insurance agency, shall submit to the department, within 30
8 days after the final disposition of any administrative action
9 taken against the agent or insurance agency by a governmental
10 agency in this or any other state or jurisdiction relating to
11 the business of insurance, the sale of securities, or activity
12 involving fraud, dishonesty, trustworthiness, or breach of a
13 fiduciary duty, a copy of the order, consent to order, or
14 other relevant legal documents. The department may adopt rules
15 implementing the provisions of this section.

16 Section 18. Subsections (1) and (3) of section
17 626.561, Florida Statutes, are amended to read:

18 626.561 Reporting and accounting for funds.--

19 (1) All premiums, return premiums, or other funds
20 belonging to insurers or others received by an agent,
21 insurance agency, customer representative, or adjuster in
22 transactions under the ~~his or her~~ license are trust funds
23 received by the licensee in a fiduciary capacity. An agent or
24 insurance agency shall keep the funds belonging to each
25 insurer for which an agent ~~he or she~~ is not appointed, other
26 than a surplus lines insurer, in a separate account so as to
27 allow the department or office to properly audit such funds.
28 The licensee in the applicable regular course of business
29 shall account for and pay the same to the insurer, insured, or
30 other person entitled thereto.

31

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 (3) Any agent, insurance agency, customer
2 representative, or adjuster who, not being lawfully entitled
3 thereto, either temporarily or permanently diverts or
4 misappropriates such funds or any portion thereof or deprives
5 the other person of a benefit therefrom commits the offense
6 specified below:

7 (a) If the funds diverted or misappropriated are \$300
8 or less, a misdemeanor of the first degree, punishable as
9 provided in s. 775.082 or s. 775.083.

10 (b) If the funds diverted or misappropriated are more
11 than \$300, but less than \$20,000, a felony of the third
12 degree, punishable as provided in s. 775.082, s. 775.083, or
13 s. 775.084.

14 (c) If the funds diverted or misappropriated are
15 \$20,000 or more, but less than \$100,000, a felony of the
16 second degree, punishable as provided in s. 775.082, s.
17 775.083, or s. 775.084.

18 (d) If the funds diverted or misappropriated are
19 \$100,000 or more, a felony of the first degree, punishable as
20 provided in s. 775.082, s. 775.083, or s. 775.084.

21 Section 19. Subsections (1) and (2) of section
22 626.572, Florida Statutes, are amended to read:

23 626.572 Rebating; when allowed.--

24 (1) No insurance agency agent shall rebate any portion
25 of ~~a his or her~~ commission except as follows:

26 (a) The rebate shall be available to all insureds in
27 the same actuarial class.

28 (b) The rebate shall be in accordance with a rebating
29 schedule filed by the agent with the insurer issuing the
30 policy to which the rebate applies.

31

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 (c) The rebating schedule shall be uniformly applied
2 in that all insureds who purchase the same policy through the
3 agent for the same amount of insurance receive the same
4 percentage rebate.

5 (d) Rebates shall not be given to an insured with
6 respect to a policy purchased from an insurer that prohibits
7 its agents from rebating commissions.

8 (e) The rebate schedule is prominently displayed in
9 public view in the agent's place of doing business and a copy
10 is available to insureds on request at no charge.

11 (f) The age, sex, place of residence, race,
12 nationality, ethnic origin, marital status, or occupation of
13 the insured or location of the risk is not utilized in
14 determining the percentage of the rebate or whether a rebate
15 is available.

16 (2) The insurance agency agent shall maintain a copy
17 of all rebate schedules for the most recent 5 years and their
18 effective dates.

19 Section 20. Subsection (1) of section 626.601, Florida
20 Statutes, is amended to read:

21 626.601 Improper conduct; inquiry; fingerprinting.--

22 (1) The department or office may, upon its own motion
23 or upon a written complaint signed by any interested person
24 and filed with the department or office, inquire into any
25 alleged improper conduct of any licensed insurance agency,
26 agent, adjuster, service representative, managing general
27 agent, customer representative, title insurance agent, title
28 insurance agency, continuing education course provider,
29 instructor, school official, or monitor group under this code.
30 The department or office may thereafter initiate an
31 investigation of any such licensee if it has reasonable cause

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 to believe that the licensee has violated any provision of the
2 insurance code. During the course of its investigation, the
3 department or office shall contact the licensee being
4 investigated unless it determines that contacting such person
5 could jeopardize the successful completion of the
6 investigation or cause injury to the public.

7 Section 21. Section 626.602, Florida Statutes, is
8 created to read:

9 626.602 Insurance agency names; disapproval.--The
10 department may disapprove the use of any true or fictitious
11 name, other than the bona fide natural name of an individual,
12 by any insurance agency on any of the following grounds:

13 (1) The name interferes with or is too similar to a
14 name already filed and in use by another agency or insurer.

15 (2) The use of the name may mislead the public in any
16 respect.

17 (3) The name states or implies that the agency is an
18 insurer, motor club, hospital service plan, state or federal
19 agency, charitable organization, or entity that primarily
20 provides advice and counsel rather than sells or solicits
21 insurance, or is entitled to engage in insurance activities
22 not permitted under licenses held or applied for. This
23 provision does not prohibit the use of the word "state" or
24 "states" in the name of the agency. The use of the word
25 "state" or "states" in the name of an agency does not in and
26 of itself imply that the agency is a state agency.

27 Section 22. Section 626.6115, Florida Statutes, is
28 amended to read:

29 626.6115 Grounds for compulsory refusal, suspension,
30 or revocation of insurance agency license.--The department
31 shall deny, suspend, revoke, or refuse to continue the license

1 of any insurance agency if it finds, as to any insurance
2 agency or as to any majority owner, partner, manager,
3 director, officer, or other person who manages or controls
4 such agency, that any ~~either one or both~~ of the following
5 applicable grounds exist:

6 (1) Lack by the agency of one or more of the
7 qualifications for the license as specified in this code.

8 (2) Material misstatement, misrepresentation, or fraud
9 in obtaining the license or in attempting to obtain the
10 license.

11 (3) Denial, suspension, or revocation of a license to
12 practice or conduct any regulated profession, business, or
13 vocation relating to the business of insurance by this state,
14 any other state, any nation, any possession or district of the
15 United States, any court, or any lawful agency thereof.
16 However, the existence of grounds for administrative action
17 against a licensed agency does not constitute grounds for
18 action against any other licensed agency, including an agency
19 that owns, is under common ownership with, or is owned by, in
20 whole or in part, the agency for which grounds for
21 administrative action exist.

22 Section 23. Subsection (6) is added to section
23 626.6215, Florida Statutes, to read:

24 626.6215 Grounds for discretionary refusal,
25 suspension, or revocation of insurance agency license.--The
26 department may, in its discretion, deny, suspend, revoke, or
27 refuse to continue the license of any insurance agency if it
28 finds, as to any insurance agency or as to any majority owner,
29 partner, manager, director, officer, or other person who
30 manages or controls such insurance agency, that any one or
31 more of the following applicable grounds exist:

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 (6) Failure to take corrective action or report a
2 violation to the department within 30 days after an individual
3 licensee's violation is known or should have been known by one
4 or more of the partners, officers, or managers acting on
5 behalf of the agency. However, the existence of grounds for
6 administrative action against a licensed agency does not
7 constitute grounds for action against any other licensed
8 agency, including an agency that owns, is under common
9 ownership with, or is owned by, in whole or in part, the
10 agency for which grounds for administrative action exist.

11 Section 24. Subsection (6) of section 626.621, Florida
12 Statutes, is amended to read:

13 626.621 Grounds for discretionary refusal, suspension,
14 or revocation of agent's, adjuster's, customer
15 representative's, service representative's, or managing
16 general agent's license or appointment.--The department may,
17 in its discretion, deny an application for, suspend, revoke,
18 or refuse to renew or continue the license or appointment of
19 any applicant, agent, adjuster, customer representative,
20 service representative, or managing general agent, and it may
21 suspend or revoke the eligibility to hold a license or
22 appointment of any such person, if it finds that as to the
23 applicant, licensee, or appointee any one or more of the
24 following applicable grounds exist under circumstances for
25 which such denial, suspension, revocation, or refusal is not
26 mandatory under s. 626.611:

27 (6) In the conduct of business under the license or
28 appointment, engaging in unfair methods of competition or in
29 unfair or deceptive acts or practices, as prohibited under
30 part IX of this chapter, or having otherwise shown himself or
31

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 herself to be a source of injury or loss to the public ~~or~~
2 ~~detrimental to the public interest.~~

3 Section 25. Subsections (1) and (2) of section
4 626.641, Florida Statutes, are amended to read:

5 626.641 Duration of suspension or revocation.--

6 (1) The department shall, in its order suspending a
7 license or appointment or in its order suspending the
8 eligibility of a person to hold or apply for such license or
9 appointment, specify the period during which the suspension is
10 to be in effect; but such period shall not exceed 2 years. The
11 license, appointment, or eligibility shall remain suspended
12 during the period so specified, subject, however, to any
13 rescission or modification of the order by the department, or
14 modification or reversal thereof by the court, prior to
15 expiration of the suspension period. A license, appointment,
16 or eligibility which has been suspended shall not be
17 reinstated except upon request for such reinstatement and, in
18 the case of a second suspension, completion of continuing
19 education courses prescribed and approved by the department ~~or~~
20 ~~office~~; but the department shall not grant such reinstatement
21 if it finds that the circumstance or circumstances for which
22 the license, appointment, or eligibility was suspended still
23 exist or are likely to recur. In addition, a request for
24 reinstatement is subject to denial and subject to a waiting
25 period prior to approval on the same grounds that apply to
26 applications for licensure pursuant to ss. 626.207, 626.611,
27 and 626.621.

28 (2) No person or appointee under any license or
29 appointment revoked by the department, nor any person whose
30 eligibility to hold same has been revoked by the department,
31 shall have the right to apply for another license or

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 | appointment under this code within 2 years from the effective
2 | date of such revocation or, if judicial review of such
3 | revocation is sought, within 2 years from the date of final
4 | court order or decree affirming the revocation. An applicant
5 | for another license or appointment pursuant to this subsection
6 | must apply and qualify for licensure in the same manner as a
7 | first-time applicant, and the application may be denied on the
8 | same grounds that apply to first-time applicants for licensure
9 | pursuant to ss. 626.207, 626.611, and 626.621. In addition,
10 | the department shall not, ~~however,~~ grant a new license or
11 | appointment or reinstate eligibility to hold such license or
12 | appointment if it finds that the circumstance or circumstances
13 | for which the eligibility was revoked or for which the
14 | previous license or appointment was revoked still exist or are
15 | likely to recur; if an individual's license as agent or
16 | customer representative or eligibility to hold same has been
17 | revoked upon the ground specified in s. 626.611(12), the
18 | department shall refuse to grant or issue any new license or
19 | appointment so applied for.

20 | Section 26. Subsection (1) of section 626.7351,
21 | Florida Statutes, is amended to read:

22 | 626.7351 Qualifications for customer representative's
23 | license.--The department shall not grant or issue a license as
24 | customer representative to any individual found by it to be
25 | untrustworthy or incompetent, or who does not meet each of the
26 | following qualifications:

27 | (1) The applicant is a natural person at least 18
28 | years of age.

29 | Section 27. Subsection (2) of section 626.7355,
30 | Florida Statutes, is amended to read:

31 |

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 626.7355 Temporary license as customer representative
2 pending examination.--

3 (2) There must be no more than one temporary customer
4 representative licensee in the general lines agency location
5 where the temporary licensee is housed and the temporary
6 licensee shall be housed wholly and completely within the
7 actual confines of the office of the agent or agency whom he
8 or she represents. ~~Such agency must be in compliance with the~~
9 ~~provisions of s. 626.592, commonly referred to as the Primary~~
10 ~~Agent Law, for the most recent reporting period.~~ No such
11 temporary licensee may be employed from any location except
12 where his or her designated supervising general lines agent
13 spends his or her full time. No general lines agency location
14 may employ more than two temporary customer representative
15 licensees in one calendar year.

16 Section 28. Subsection (1) of section 626.747, Florida
17 Statutes, is amended to read:

18 626.747 Branch agencies.--

19 (1) Each branch place of business established by an
20 agent or agency, firm, corporation, or association shall be in
21 the active full-time charge of a licensed general lines agent
22 or life or health agent who is appointed to represent one or
23 more insurers. Any agent or agency, firm, corporation, or
24 association which has established one or more branch places of
25 business shall be required to have at least one licensed
26 general lines agent who is appointed to represent one or more
27 insurers at each location of the agency including its
28 headquarters location.

29 Section 29. Subsection (1) of section 626.8411,
30 Florida Statutes, is amended to read:

31

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 626.8411 Application of Florida Insurance Code
2 provisions to title insurance agents or agencies.--

3 (1) The following provisions of part II, as applicable
4 to general lines agents or agencies, also apply to title
5 insurance agents or agencies:

6 (a) Section 626.734, relating to liability of certain
7 agents.

8 (b) Section 626.175, relating to temporary licenses.

9 (c) Section 626.747, relating to branch agencies.

10 ~~(d) Section 626.749, relating to place of business in~~
11 ~~residence.~~

12 ~~(d)(e)~~ Section 626.753, relating to sharing of
13 commissions.

14 ~~(e)(f)~~ Section 626.754, relating to rights of agent
15 following termination of appointment.

16 Section 30. Section 626.84201, Florida Statutes, is
17 created to read:

18 626.84201 Nonresident title insurance
19 agents.--Notwithstanding s. 626.8414(2), the department, upon
20 application and payment of the fees specified in s. 624.501,
21 may issue a license as a nonresident title insurance agent to
22 an individual not a resident of this state in the same manner
23 applicable to the licensure of nonresident general lines
24 agents under the provisions of s. 626.741. Sections 626.742
25 and 626.743 apply to nonresident title insurance agents.

26 Section 31. Subsection (2) of section 648.50, Florida
27 Statutes, is amended to read:

28 648.50 Effect of suspension, revocation upon
29 associated licenses and licensees.--

30 (2) In case of the suspension or revocation of the
31 license or appointment, or the eligibility to hold a license

ENROLLED

2005 Legislature CS for CS for SB 1912, 1st Engrossed (ntc)

1 or appointment, of any bail bond agent, the license,
2 appointment, or eligibility of any and all bail bond agents
3 who are members of a bail bond agency, whether incorporated or
4 unincorporated, and any and all temporary bail bond agents ~~or~~
5 ~~runners~~ employed by such bail bond agency, who knowingly are
6 parties to the act which formed the ground for the suspension
7 or revocation may likewise be suspended or revoked.

8 Section 32. Section 626.592, Florida Statutes, is
9 repealed.

10 Section 33. Section 624.1275, Florida Statutes, is
11 created to read:

12 624.1275 Insurance agents; prohibited exclusion from
13 public bidding and negotiations.--A licensed insurance agent
14 shall not be prohibited or excluded from competing or
15 negotiating for any insurance product or plan purchased,
16 provided, or endorsed by a state agency or any political
17 subdivision of this state on the basis of the compensation,
18 contractual or employment arrangement granted to the agent by
19 an employer, insurer, or licensed agency. The term "political
20 subdivision" has the same meaning set forth in s. 1.01.

21 Section 34. This act shall take effect October 1,
22 2005.

23
24
25
26
27
28
29
30
31