

1 A bill to be entitled

2 An act relating to insurance field representatives and
 3 operations; amending s. 626.321, F.S.; including service
 4 warranty agreement sales covering communications equipment
 5 under certain limited licensing provisions; providing for
 6 additional appointment authority for certain licensed
 7 branch locations of a communications equipment retail
 8 vendor; revising certain application, appointment, and
 9 licensing requirements for certain entities; providing for
 10 payment of appointment fees; providing an exception;
 11 requiring renewals of appointments; providing for a
 12 renewal fee; amending s. 626.731, F.S.; revising a
 13 qualification for licensure as a general lines agent;
 14 amending s. 627.7295, F.S.; deleting a requirement for
 15 inclusion of an agent fee in a rate filing; providing an
 16 effective date.

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

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 20 Section 1. Paragraph (i) of subsection (1) of section
 21 626.321, Florida Statutes, is amended to read:

22 626.321 Limited licenses.--

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

27 (i) In-transit and storage personal property insurance;
 28 communications equipment property insurance, ~~or~~ communications

29 | equipment inland marine insurance, and communications equipment
 30 | service warranty agreement sales.--

31 | 1. A license covering only the insurance of personal
 32 | property not held for resale, covering the risks of
 33 | transportation or storage in rented or leased motor vehicles,
 34 | trailers, or self-service storage facilities, as the latter are
 35 | defined in s. 83.803, may be issued, without examination, only
 36 | to employees or authorized representatives of lessors who rent
 37 | or lease motor vehicles, trailers, or self-service storage
 38 | facilities and who are authorized by an insurer to issue
 39 | certificates or other evidences of insurance to lessees of such
 40 | motor vehicles, trailers, or self-service storage facilities
 41 | under an insurance policy issued to the lessor. A person
 42 | licensed under this paragraph shall give a prospective purchaser
 43 | of in-transit or storage personal property insurance written
 44 | notice that his or her homeowner's policy may provide coverage
 45 | for the loss of personal property and that the purchase of such
 46 | insurance is not required under the lease terms.

47 | 2. A license covering only communications equipment, for
 48 | the loss, theft, mechanical failure, malfunction of or damage
 49 | to, communications equipment. The license may be issued only to:

50 | a. Employees or authorized representatives of a licensed
 51 | general lines agent;

52 | b. The lead ~~Each~~ business location of a retail vendor of
 53 | communications equipment and its branch locations; or

54 | c. Employees, agents, or authorized representatives of a
 55 | retail vendor of communications equipment.

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57 | The license authorizes the sale of such policies, or
58 | certificates under a group master policy, only with respect to
59 | the sale of, or provision of communications service for,
60 | communications equipment. A general lines agent is not required
61 | to obtain a license under this subparagraph to offer or sell
62 | communications equipment property insurance or communication
63 | equipment inland marine insurance. The license also authorizes
64 | sales of service warranty agreements covering only
65 | communications equipment to the same extent as if licensed under
66 | s. 634.419 or s. 634.420. The provisions of this chapter
67 | requiring submission of fingerprints do not apply to
68 | communications equipment licenses issued to qualified entities
69 | under this subparagraph. Licensees offering policies under this
70 | subparagraph must receive initial training from, and have a
71 | contractual relationship with, a general lines agent. For the
72 | purposes of this subparagraph, the term "communications
73 | equipment" means handsets, pagers, personal digital assistants,
74 | portable computers, automatic answering devices, and other
75 | devices or accessories used to originate or receive
76 | communications signals or service, and includes services related
77 | to the use of such devices, such as consumer access to a
78 | wireless network; however, the term does not include
79 | telecommunications switching equipment, transmission wires, cell
80 | site transceiver equipment, or other equipment and systems used
81 | by telecommunications companies to provide telecommunications
82 | service to consumers. A branch location of a retail vendor of
83 | communications equipment licensed pursuant to paragraph (2) (b)
84 | may, in lieu of obtaining an appointment from an insurer or

85 warranty association as provided in paragraph (2)(c), obtain a
 86 single appointment from the associated lead business location
 87 licensee licensed under paragraph (2)(a) and pay the prescribed
 88 appointment fee under s. 624.501 provided the lead business
 89 location has a single appointment from each insurer or warranty
 90 association represented and such appointment provides that it
 91 applies to the lead business location and all of its branch
 92 locations. Any branch location individually appointed by an
 93 insurer under paragraph (2)(c) prior to January 1, 2006, may
 94 replace its appointments with an appointment from its lead
 95 location at no charge. Branch location appointments shall be
 96 renewed on the first annual anniversary of licensure of the lead
 97 business location occurring more than 24 months after the
 98 initial appointment date and every 24 months thereafter.
 99 Notwithstanding s. 624.501, after July 1, 2006, the renewal fee
 100 applicable to such branch location appointments shall be \$30 per
 101 appointment.

102 Section 2. Paragraph (f) of subsection (1) of section
 103 626.731, Florida Statutes, is amended to read:

104 626.731 Qualifications for general lines agent's
 105 license.--

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

110 (f) The applicant is not a service representative, a
 111 managing general agent in this state, or a special agent or
 112 similar service representative of a health insurer which also

113 transacts property, casualty, or surety insurance; except that
114 the president, vice president, secretary, or treasurer,
115 including a member of the board of directors, of a corporate
116 insurer, if otherwise qualified under and meeting the
117 requirements of this part, may be licensed and appointed as a
118 local resident agent.

119 Section 3. Paragraph (a) of subsection (5) of section
120 627.7295, Florida Statutes, is amended to read:

121 627.7295 Motor vehicle insurance contracts.--

122 (5) (a) A licensed general lines agent may charge a per-
123 policy fee not to exceed \$10 to cover the administrative costs
124 of the agent associated with selling the motor vehicle insurance
125 policy if the policy covers only personal injury protection
126 coverage as provided by s. 627.736 and property damage liability
127 coverage as provided by s. 627.7275 and if no other insurance is
128 sold or issued in conjunction with or collateral to the policy.
129 ~~The per policy fee must be a component of the insurer's rate~~
130 ~~filing and may not be charged by an agent unless the fee is~~
131 ~~included in the filing.~~ The fee is not considered part of the
132 premium ~~except for purposes of the office's review of expense~~
133 ~~factors in a filing made pursuant to s. 627.062.~~

134 Section 4. This act shall take effect upon becoming a law.