

CHAMBER ACTION

1 The Insurance Committee recommends the following:

2
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to insurance agents and agencies; creating
7 s. 624.1275, F.S.; proscribing state agencies and
8 political subdivisions from prohibiting or excluding
9 licensed insurance agents from competing or negotiating
10 for certain insurance products or plans; providing a
11 definition; amending s. 624.317, F.S.; including insurance
12 agencies among entities the Department of Financial
13 Services is authorized to investigate; amending s.
14 624.318, F.S.; authorizing the department or the Office of
15 Insurance Regulation to electronically scan certain
16 information for certain purposes; providing application;
17 amending s. 624.501, F.S.; clarifying a license fee;
18 amending s. 626.015, F.S.; revising definitions; amending
19 s. 626.016, F.S.; including insurance agencies among
20 entities subject to regulation by the Chief Financial
21 Officer; amending s. 626.025, F.S.; correcting cross
22 references; amending s. 626.112, F.S.; delaying the
23 effective date by which agencies must obtain a license;

HB 591

2005
CS

24 providing that an agency may file for registration in lieu
 25 of licensure under specified conditions; imposing a fine
 26 on any agency that fails to timely apply for licensure or
 27 registration; deleting certain agency licensure
 28 requirement provisions; amending s. 626.171, F.S.;
 29 specifying licensure and registration application
 30 requirements for insurance entities other than insurance
 31 agencies; deleting a provision applying to insurance
 32 agency license application requirements; amending s.
 33 626.172, F.S.; revising insurance agency licensure
 34 application requirements; providing procedures and
 35 limitations; providing duties of the department; amending
 36 s. 626.221, F.S.; revising exceptions to certain
 37 examination requirements; amending s. 626.2815, F.S.;
 38 revising certain continuing education requirements;
 39 amending ss. 626.292 and 626.321, F.S.; correcting cross
 40 references, to conform; amending s. 626.342, F.S.;
 41 including insurance agencies under provisions prohibiting
 42 furnishing supplies to certain unlicensed agents and
 43 imposing civil liability under certain circumstances;
 44 amending s. 626.382, F.S.; providing for renewal of
 45 licenses; amending s. 626.451, F.S.; clarifying
 46 application of a provision relating to authorizing
 47 effectuation of certain appointments; amending s. 626.536,
 48 F.S.; including insurance agencies under an action
 49 reporting requirement; amending s. 626.561, F.S.;
 50 including insurance agencies under provisions providing
 51 funds reporting and accounting requirements and imposing

HB 591

2005
CS

52 | criminal penalties; amending s. 626.572, F.S.; including
 53 | insurance agencies under provisions prohibiting rebating
 54 | under certain circumstances; amending s. 626.601, F.S.;
 55 | including insurance agencies under provisions authorizing
 56 | the department to inquire into improper conduct; creating
 57 | s. 626.602, F.S.; authorizing the department to disapprove
 58 | the use of certain names under certain circumstances;
 59 | providing construction; amending s. 626.6115, F.S.;
 60 | providing an additional ground for the department to take
 61 | compulsory adverse insurance agency license actions;
 62 | providing that the existence of grounds for adverse action
 63 | against a licensed agency does not constitute grounds for
 64 | adverse action against another licensed agency; amending
 65 | s. 626.621, F.S.; clarifying a ground for certain adverse
 66 | actions against certain licenses or appointments; amending
 67 | s. 626.6215, F.S.; providing an additional ground for the
 68 | department to take discretionary adverse insurance agency
 69 | license actions; providing that the existence of grounds
 70 | for adverse action against a licensed agency does not
 71 | constitute grounds for adverse action against another
 72 | licensed agency; amending s. 626.641, F.S.; specifying
 73 | requests for reinstatements that are subject to denial and
 74 | certain waiting periods; requiring applicants for
 75 | additional licenses or appointments to apply and qualify;
 76 | providing for denial of such applications; amending s.
 77 | 626.747, F.S.; revising agent requirements for branch
 78 | agencies to include life or health agents; amending s.
 79 | 626.7351, F.S.; specifying an age requirement for

HB 591

2005
CS

80 applicants for a customer representative's license;
 81 amending ss. 626.7355 and 626.8411, F.S.; deleting cross
 82 references, to conform; creating s. 626.8420, F.S.;
 83 authorizing the department to issue a nonresident title
 84 insurance agent license under certain circumstances;
 85 providing application; amending s. 648.50, F.S.;
 86 clarifying a provision relating to adverse actions against
 87 licenses and appointments; repealing s. 626.592, F.S.,
 88 relating to primary agents; providing an effective date.

89

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

91

92 Section 1. Section 624.1275, Florida Statutes, is created
 93 to read:

94 624.1275 Insurance agents; prohibited exclusion from
 95 public bidding and negotiations.--A licensed insurance agent may
 96 not be prohibited or excluded from competing or negotiating for
 97 any insurance product or plan purchased, provided, or endorsed
 98 by a state agency or any political subdivision of this state on
 99 the basis of the compensation or contractual or employment
 100 arrangement granted to the agent by an employer, insurer, or
 101 licensed agency. The term "political subdivision" has the same
 102 meaning set forth in s. 1.01.

103 Section 2. Subsection (1) of section 624.317, Florida
 104 Statutes, is amended to read:

105 624.317 Investigation of agents, agencies, adjusters,
 106 administrators, service companies, and others.--If it has reason
 107 to believe that any person has violated or is violating any

HB 591

2005
CS

108 provision of this code, or upon the written complaint signed by
 109 any interested person indicating that any such violation may
 110 exist:

111 (1) The department shall conduct such investigation as it
 112 deems necessary of the accounts, records, documents, and
 113 transactions pertaining to or affecting the insurance affairs of
 114 any general agent, surplus lines agent, adjuster, managing
 115 general agent, insurance agent, insurance agency, customer
 116 representative, service representative, or other person subject
 117 to its jurisdiction, subject to the requirements of s. 626.601.

118 Section 3. Subsection (7) is added to section 624.318,
 119 Florida Statutes, to read:

120 624.318 Conduct of examination or investigation; access to
 121 records; correction of accounts; appraisals.--

122 (7)(a) The department or office or its examiners or
 123 investigators may electronically scan accounts, records,
 124 documents, files, and information, relating to the subject of
 125 the examination or investigation, in the possession or control
 126 of the person being examined or investigated.

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

130 Section 4. Subsection (20) of section 624.501, Florida
 131 Statutes, is amended to read:

132 624.501 Filing, license, appointment, and miscellaneous
 133 fees.--The department, commission, or office, as appropriate,
 134 shall collect in advance, and persons so served shall pay to it

HB 591

2005
CS

135 in advance, fees, licenses, and miscellaneous charges as
136 follows:

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

139 Section 5. Subsections (7) and (16) of section 626.015,
140 Florida Statutes, are amended to read:

141 626.015 Definitions.--As used in this part:

142 (7) "Home state" means the District of Columbia and any
143 state or territory of the United States in which an insurance
144 agent maintains his or her principal place of residence or
145 principal place of business and is licensed to act as an
146 insurance agent.

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

149 Section 6. Subsection (1) of section 626.016, Florida
150 Statutes, is amended to read:

151 626.016 Powers and duties of department, commission, and
152 office.--

153 (1) The powers and duties of the Chief Financial Officer
154 and the department specified in this part apply only with
155 respect to insurance agents, insurance agencies, managing
156 general agents, insurance adjusters, reinsurance intermediaries,
157 viatical settlement brokers, customer representatives, service
158 representatives, and agencies.

159 Section 7. Subsections (7) and (12) of section 626.025,
160 Florida Statutes, are amended, and subsections (13), (14), and
161 (15) of said section are renumbered as subsections (12), (13),
162 and (14), respectively, to read:

HB 591

2005
CS

163 626.025 Consumer protections.--To transact insurance,
164 agents shall comply with consumer protection laws, including the
165 following, as applicable:

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

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

170 Section 8. Subsection (7) of section 626.112, Florida
171 Statutes, is amended to read:

172 626.112 License and appointment required; agents, customer
173 representatives, adjusters, insurance agencies, service
174 representatives, managing general agents.--

175 (7)(a) Effective October 1, 2006, no individual, firm,
176 partnership, corporation, association, or any other entity shall
177 act in its own name or under a trade name, directly or
178 indirectly, as an insurance agency, ~~when required to be licensed~~
179 ~~by this subsection~~, unless it complies with s. 626.172 with
180 respect to possessing an insurance agency license for each place
181 of business at which it engages in any activity which may be
182 performed only by a licensed insurance agent. Each agency
183 engaged in business in this state before January 1, 2003, which
184 is wholly owned by insurance agents currently licensed and
185 appointed under this chapter, each incorporated agency whose
186 voting shares are traded on a securities exchange, and each
187 agency whose primary function is offering insurance as a service
188 or member benefit to members of a nonprofit corporation may file
189 an application for registration in lieu of licensure in
190 accordance with s. 626.172(3). Each agency engaged in business

HB 591

2005
CS

191 before October 1, 2006, shall file an application for licensure
 192 or registration on or before October 1, 2006.

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

197 2. If an agency is eligible for registration but fails to
 198 file an application for registration or an application for
 199 licensure in accordance with this section, the department shall
 200 impose on the agency an administrative penalty in an amount of
 201 up to \$5,000.

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

208 1. Been found guilty of, or has pleaded guilty or nolo
 209 contendere to, a felony in this state or any other state
 210 relating to the business of insurance or to an insurance agency,
 211 without regard to whether a judgment of conviction has been
 212 entered by the court having jurisdiction of the cases.

213 2. Employed any individual in a managerial capacity or in
 214 a capacity dealing with the public who is under an order of
 215 revocation or suspension issued by the department. An insurance
 216 agency may request, on forms prescribed by the department,
 217 verification of any person's license status. If a request is
 218 mailed within 5 working days after an employee is hired, and the

HB 591

2005
CS

219 | employee's license is currently suspended or revoked, the agency
 220 | shall not be required to obtain a license, if the unlicensed
 221 | person's employment is immediately terminated.

222 | 3. Operated the agency or permitted the agency to be
 223 | operated in violation of s. 626.747.

224 | 4. With such frequency as to have made the operation of
 225 | the agency hazardous to the insurance-buying public or other
 226 | persons:

227 | a. Solicited or handled controlled business. This
 228 | subparagraph shall not prohibit the licensing of any lending or
 229 | financing institution or creditor, with respect to insurance
 230 | only, under credit life or disability insurance policies of
 231 | borrowers from the institutions, which policies are subject to
 232 | part IX of chapter 627.

233 | b. Misappropriated, converted, or unlawfully withheld
 234 | moneys belonging to insurers, insureds, beneficiaries, or others
 235 | and received in the conduct of business under the license.

236 | c. Unlawfully rebated, attempted to unlawfully rebate, or
 237 | unlawfully divided or offered to divide commissions with
 238 | another.

239 | d. Misrepresented any insurance policy or annuity
 240 | contract, or used deception with regard to any policy or
 241 | contract, done either in person or by any form of dissemination
 242 | of information or advertising.

243 | e. Violated any provision of this code or any other law
 244 | applicable to the business of insurance in the course of dealing
 245 | under the license.

246 | f. Violated any lawful order or rule of the department.

HB 591

2005
CS

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

250 h. Violated the provision against twisting as defined in
251 s. 626.9541(1)(1).

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

255 j. Willfully overinsured any property insurance risk.

256 k. Engaged in fraudulent or dishonest practices in the
257 conduct of business arising out of activities related to
258 insurance or the insurance agency.

259 l. Demonstrated lack of fitness or trustworthiness to
260 engage in the business of insurance arising out of activities
261 related to insurance or the insurance agency.

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

264 5. Knowingly employed any person who within the preceding
265 3 years has had his or her relationship with an agency
266 terminated in accordance with paragraph (d).

267 6. Willfully circumvented the requirements or prohibitions
268 of this code.

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

HB 591

2005
CS

274 ~~occurring during the time the agency is licensed, regardless of~~
 275 ~~whether the licensing period has terminated.~~

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

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

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

287 Section 9. Section 626.171, Florida Statutes, is amended
 288 to read:

289 626.171 Application for license as an agent, customer
 290 representative, adjuster, service representative, managing
 291 general agent, or reinsurance intermediary.--

292 (1) The department shall not issue a license as an agent,
 293 customer representative, adjuster, ~~insurance agency,~~ service
 294 representative, managing general agent, or reinsurance
 295 intermediary to any person except upon written application
 296 therefor filed with it, qualification therefor, and payment in
 297 advance of all applicable fees. Any such application shall be
 298 made under the oath of the applicant and be signed by the
 299 applicant. ~~Beginning November 1, 2002,~~ The department shall
 300 accept the uniform application for nonresident agent licensing.

HB 591

2005
CS

301 The department may adopt revised versions of the uniform
302 application by rule.

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

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

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

308 (c) Whether he or she has been refused or has voluntarily
309 surrendered or has had suspended or revoked a license to solicit
310 insurance by the department or by the supervising officials of
311 any state.

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

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

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

323 ~~(3) An application for an insurance agency license shall~~
324 ~~be signed by the owner or owners of the agency. If the agency is~~
325 ~~incorporated, the application shall be signed by the president~~
326 ~~and secretary of the corporation.~~

327 (3)~~(4)~~ Each application shall be accompanied by payment of
328 any applicable fee.

HB 591

2005
CS

329 ~~(4)(5)~~ An application for a license as an agent, customer
 330 representative, adjuster, ~~insurance agency~~, service
 331 representative, managing general agent, or reinsurance
 332 intermediary must be accompanied by a set of the individual
 333 applicant's fingerprints, or, if the applicant is not an
 334 individual, by a set of the fingerprints of the sole proprietor,
 335 majority owner, partners, officers, and directors, on a form
 336 adopted by rule of the department and accompanied by the
 337 fingerprint processing fee set forth in s. 624.501. Fingerprints
 338 shall be used to investigate the applicant's qualifications
 339 pursuant to s. 626.201. The fingerprints shall be taken by a law
 340 enforcement agency or other department-approved entity.

341 ~~(5)(6)~~ The application for license filing fee prescribed
 342 in s. 624.501 is not subject to refund.

343 ~~(6)(7)~~ Pursuant to the federal Personal Responsibility and
 344 Work Opportunity Reconciliation Act of 1996, each party is
 345 required to provide his or her social security number in
 346 accordance with this section. Disclosure of social security
 347 numbers obtained through this requirement shall be limited to
 348 the purpose of administration of the Title IV-D program for
 349 child support enforcement.

350 Section 10. Section 626.172, Florida Statutes, is amended
 351 to read:

352 626.172 Application for insurance agency license.--

353 (1) The department may issue a license as an insurance
 354 agency to any person only after such person files a written
 355 application with the department and qualifies for such license.

356 ~~If any majority owner, partner, officer, or director of an~~
 357 ~~insurance agency:~~

358 ~~(a) Has been found guilty of, or has pleaded guilty or~~
 359 ~~nolo contendere to, a felony relating to the business of~~
 360 ~~insurance in this state or any other state or federal court,~~
 361 ~~regardless of whether a judgment of conviction has been entered~~
 362 ~~by the court having jurisdiction of such cases; or~~

363 ~~(b) Has been denied a license relating to the business of~~
 364 ~~insurance, or has had his or her license to practice or conduct~~
 365 ~~any regulated profession, business, or vocation relating to the~~
 366 ~~business of insurance revoked or suspended, by this or any other~~
 367 ~~state, any nation, any possession or district of the United~~
 368 ~~States, or any court, or any lawful agency thereof;~~

369
 370 ~~the insurance agency and any subsidiary or branch thereof shall~~
 371 ~~obtain a license from the department pursuant to this section.~~

372 (2) An application for an insurance agency license shall
 373 be signed by the owner or owners of the agency. If the agency is
 374 incorporated, the application shall be signed by the president
 375 and secretary of the corporation. The application for an
 376 insurance agency license shall include:

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

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

381 (c) The name of the insurance agency and its principal
 382 business address.

HB 591

2005
CS

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

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

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

388 1. A sole proprietor.

389 2. Each partner.

390 3. Each owner of an unincorporated agency.

391 4. Each owner who directs or participates in the
392 management or control of an incorporated agency whose shares are
393 not traded on a securities exchange.

394 5. The president, senior vice-presidents, treasurer,
395 secretary, and directors of the agency.

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

399
400 Fingerprints must be taken by a law enforcement agency or other
401 entity approved by the department and must be accompanied by the
402 fingerprint processing fee specified in s. 624.501. However,
403 fingerprints need not be filed for any individual who is
404 currently licensed and appointed under this chapter. This
405 paragraph does not apply to corporations whose voting shares are
406 traded on a securities exchange. ~~The name of any person to whom~~
407 ~~subsection (1) applies.~~

408 (g) Such additional information as the department requires
409 by ~~promulgated~~ rule to ascertain the trustworthiness and
410 competence of persons required to be listed on the application

HB 591

2005
CS

411 and to ascertain that such persons meet the requirements of this
 412 code. However, the department may not require that credit or
 413 character reports be submitted for persons required to be listed
 414 on the application.

415 (h) Beginning October 1, 2005, the department shall accept
 416 the uniform application for nonresident agency licensure. The
 417 department may adopt by rule revised versions of the uniform
 418 application.

419 (3) The department shall issue a registration as an
 420 insurance agency to any agency that files a written application
 421 with the department and qualifies for registration. The
 422 application for registration shall require the agency to provide
 423 the same information required for an agency licensed under
 424 subsection (2); the agent identification number for each owner
 425 who is a licensed agent; proof that the agency qualifies for
 426 registration as provided in s. 626.112(7); and any other
 427 additional information that the department determines is
 428 necessary in order to demonstrate that the agency qualifies for
 429 registration. The application must be signed by the owner or
 430 owners of the agency. If the agency is incorporated, the
 431 application must be signed by the president and the secretary of
 432 the corporation. An agent who owns the agency need not file
 433 fingerprints with the department if the agent obtained a license
 434 under this chapter, and the license is currently valid.

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

HB 591

2005
CS

438 (b) A registered insurance agency must file an application
 439 for licensure no later than 30 days after the date that any
 440 person who is not a licensed and appointed agent in this state
 441 acquires any ownership interest in the agency. If an agency
 442 fails to file an application for licensure in compliance with
 443 this paragraph, the department shall impose an administrative
 444 penalty in an amount of up to \$5,000 on the agency.

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

447 (4) The department shall issue a license or registration
 448 to each agency upon approval of the application and each agency
 449 shall display the license or registration prominently in a
 450 manner that makes it clearly visible to any customer or
 451 potential customer who enters the agency.

452 Section 11. Subsection (2) of section 626.221, Florida
 453 Statutes, is amended to read:

454 626.221 Examination requirement; exemptions.--

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

457 (a) An applicant for renewal of appointment as an agent,
 458 customer representative, or adjuster, unless the department
 459 determines that an examination is necessary to establish the
 460 competence or trustworthiness of such applicant.

461 (b) An applicant for limited license as agent for personal
 462 accident insurance, baggage and motor vehicle excess liability
 463 insurance, credit life or disability insurance, credit
 464 insurance, credit property insurance, in-transit and storage
 465 personal property insurance, or communications equipment

466 | property insurance or communication equipment inland marine
467 | insurance.

468 | (c) In the discretion of the department, an applicant for
469 | reinstatement of license or appointment as an agent, customer
470 | representative, or adjuster whose license has been suspended
471 | within 2 years prior to the date of application or written
472 | request for reinstatement.

473 | (d) An applicant who, within 2 years prior to application
474 | for license and appointment as an agent, customer
475 | representative, or adjuster, was a full-time salaried employee
476 | of the department and had continuously been such an employee
477 | with responsible insurance duties for not less than 2 years and
478 | who had been a licensee within 2 years prior to employment by
479 | the department with the same class of license as that being
480 | applied for.

481 | ~~(e) An individual who qualified as a managing general~~
482 | ~~agent, service representative, customer representative, or all-~~
483 | ~~lines adjuster by passing a general lines agent's examination~~
484 | ~~and subsequently was licensed and appointed and has been~~
485 | ~~actively engaged in all lines of property and casualty insurance~~
486 | ~~may, upon filing an application for appointment, be licensed and~~
487 | ~~appointed as a general lines agent for the same kinds of~~
488 | ~~business without taking another examination if he or she holds~~
489 | ~~any such currently effective license referred to in this~~
490 | ~~paragraph or held the license within 48 months prior to the date~~
491 | ~~of filing the application with the department.~~

492 | (e)(f) A person who has been licensed and appointed as a
493 | public adjuster, ~~or~~ independent adjuster, or ~~licensed and~~

HB 591

2005
CS

494 ~~appointed either as an agent or~~ company adjuster, as to all
 495 property, casualty, and surety insurances, may be licensed and
 496 appointed as a company, ~~adjuster as to any of such insurances,~~
 497 ~~or as an independent, adjuster~~ or public adjuster, as to such
 498 kinds of insurance, without additional written examination if an
 499 application for licensure ~~appointment~~ is filed with the
 500 department within 48 months following the date of cancellation
 501 or expiration of the prior appointment.

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

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

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

516 (i)~~(j)~~ An applicant for license as a general lines agent,
 517 customer representative, or adjuster who has received the
 518 designation of chartered property and casualty underwriter
 519 (CPCU) from the American Institute for Property and Liability
 520 Underwriters and who has been engaged in the insurance business

HB 591

2005
CS

521 | within the past 4 years, except that such an individual may be
522 | examined on pertinent provisions of this code.

523 | (j)~~(k)~~ An applicant for license as a customer
524 | representative who has the designation of Accredited Advisor in
525 | Insurance (AAI) from the Insurance Institute of America, the
526 | designation of Certified Insurance Counselor (CIC) from the
527 | Society of Certified Insurance Service Counselors, the
528 | designation of Accredited Customer Service Representative (ACSR)
529 | from the Independent Insurance Agents of America, the
530 | designation of Certified Professional Service Representative
531 | (CPSR) from the National Foundation for Certified Professional
532 | Service Representatives, the designation of Certified Insurance
533 | Service Representative (CISR) from the Society of Certified
534 | Insurance Service Representatives. Also, an applicant for
535 | license as a customer representative who has the designation of
536 | Certified Customer Service Representative (CCSR) from the
537 | Florida Association of Insurance Agents, or the designation of
538 | Registered Customer Service Representative (RCSR) from a
539 | regionally accredited postsecondary institution in this state,
540 | or the designation of Professional Customer Service
541 | Representative (PCSR) from the Professional Career Institute,
542 | whose curriculum has been approved by the department and whose
543 | curriculum includes comprehensive analysis of basic property and
544 | casualty lines of insurance and testing at least equal to that
545 | of standard department testing for the customer representative
546 | license. The department shall adopt rules establishing standards
547 | for the approval of curriculum.

HB 591

2005
CS

548 (k)~~(l)~~ An applicant for license as an adjuster who has the
 549 designation of Accredited Claims Adjuster (ACA) from a
 550 regionally accredited postsecondary institution in this state,
 551 or the designation of Professional Claims Adjuster (PCA) from
 552 the Professional Career Institute, whose curriculum has been
 553 approved by the department and whose curriculum includes
 554 comprehensive analysis of basic property and casualty lines of
 555 insurance and testing at least equal to that of standard
 556 department testing for the all-lines adjuster license. The
 557 department shall adopt rules establishing standards for the
 558 approval of curriculum.

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

561 1. Has successfully completed the prelicensing examination
 562 requirements in the applicant's previous state which are
 563 substantially equivalent to the examination requirements in this
 564 state, as determined by the department;

565 2. Has received the designation of chartered property and
 566 casualty underwriter (CPCU) from the American Institute for
 567 Property and Liability Underwriters and has been engaged in the
 568 insurance business within the past 4 years if applying to
 569 transfer a general lines agent license; or

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

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

HB 591

2005
CS

576 | 1. Has successfully completed prelicensing examination
577 | requirements in the applicant's home state which are
578 | substantially equivalent to the examination requirements in this
579 | state, as determined by the department, as a requirement for
580 | obtaining a resident license in his or her home state;

581 | 2. Held a general lines agent license, life agent license,
582 | or health agent license prior to the time a written examination
583 | was required;

584 | 3. Has received the designation of chartered property and
585 | casualty underwriter (CPCU) from the American Institute for
586 | Property and Liability Underwriters and has been engaged in the
587 | insurance business within the past 4 years, if an applicant for
588 | a nonresident license as a general lines agent; or

589 | 4. Has received the designation of chartered life
590 | underwriter (CLU) from the American College of Life Underwriters
591 | and has been in the insurance business within the past 4 years,
592 | if an applicant for a nonresident license as a life agent or
593 | health agent.

594 | Section 12. Paragraphs (a), (b), (c), and (d) of
595 | subsection (3) of section 626.2815, Florida Statutes, are
596 | amended to read:

597 | 626.2815 Continuing education required; application;
598 | exceptions; requirements; penalties.--

599 | (3)(a) Each person subject to the provisions of this
600 | section must, except as set forth in paragraphs (b), ~~and~~ (c),
601 | and (d), complete a minimum of 24 hours of continuing education
602 | courses every 2 years in basic or higher-level courses
603 | prescribed by this section or in other courses approved by the

HB 591

2005
CS

604 department. Each person subject to the provisions of this
 605 section must complete, as part of his or her required number of
 606 continuing education hours, 3 hours of continuing education,
 607 approved by the department, every 2 years on the subject matter
 608 of ethics.

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

614 (c) A licensee who has been licensed for 25 years or more
 615 and is a CLU or a CPCU or has a Bachelor of Science degree in
 616 risk management or insurance with evidence of 18 or more
 617 semester hours in upper-level insurance-related courses must
 618 complete 10 ~~12~~ hours of continuing education courses every 2
 619 years in courses prescribed by this section or in other courses
 620 approved by the department, ~~except, for compliance periods~~
 621 ~~beginning January 1, 1998, the licensees described in this~~
 622 ~~paragraph shall be required to complete 10 hours of continuing~~
 623 ~~education courses every 2 years.~~

624 (d) Any person who holds a license as a customer
 625 representative, limited customer representative, title agent,
 626 motor vehicle physical damage and mechanical breakdown insurance
 627 agent, crop or hail and multiple-peril crop insurance agent, or
 628 as an industrial fire insurance or burglary insurance agent and
 629 who is not a licensed life or health insurance agent, shall be
 630 required to complete 10 ~~12~~ hours of continuing education courses
 631 every 2 years, ~~except, for compliance periods beginning on~~

HB 591

2005
CS

632 ~~January 1, 1998, each licensee subject to this paragraph shall~~
 633 ~~be required to complete 10 hours of continuing education courses~~
 634 ~~every 2 years.~~

635 Section 13. Paragraph (c) of subsection (2) of section
 636 626.292, Florida Statutes, is amended to read:

637 626.292 Transfer of license from another state.--

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

640 (c) The individual shall submit a completed application
 641 for this state which is received by the department within 90
 642 days after the date the individual became a resident of this
 643 state, along with payment of the applicable fees set forth in s.
 644 624.501 and submission of the following documents:

645 1. A certification issued by the appropriate official of
 646 the applicant's home state identifying the type of license and
 647 lines of authority under the license and stating that, at the
 648 time the license from the home state was canceled, the applicant
 649 was in good standing in that state or that the state's Producer
 650 Database records, maintained by the National Association of
 651 Insurance Commissioners, its affiliates, or subsidiaries,
 652 indicate that the agent is or was licensed in good standing for
 653 the line of authority requested.

654 2. A set of the individual applicant's fingerprints in
 655 accordance with s. 626.171(4)(5).

656 Section 14. Paragraph (d) of subsection (1) and paragraph
 657 (a) of subsection (2) of section 626.321, Florida Statutes, are
 658 amended to read:

659 626.321 Limited licenses.--

HB 591

2005
CS

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

664 (d) Baggage and motor vehicle excess liability
665 insurance.--

666 1. License covering only insurance of personal effects
667 except as provided in subparagraph 2. The license may be issued
668 only:

669 a. To a full-time salaried employee of a common carrier or
670 a full-time salaried employee or owner of a transportation
671 ticket agency, which person is engaged in the sale or handling
672 of transportation of baggage and personal effects of travelers,
673 and may authorize the sale of such insurance only in connection
674 with such transportation; or

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

681 (I) Is required to submit only one application for a
682 license under s. 626.171. The requirements of s. 626.171~~(4)~~(5)
683 shall apply only to the officers and directors of the entity
684 submitting the application.

685 (II) Is required to obtain a license for each office,
686 branch office, or place of business making use of the entity's
687 business name by applying to the department for the license on a

HB 591

2005
CS

688 | simplified application form developed by rule of the department
689 | for this purpose.

690 | (III) Is required to pay the applicable fees for a license
691 | as prescribed in s. 624.501, be appointed under s. 626.112, and
692 | pay the prescribed appointment fee under s. 624.501. A licensed
693 | and appointed entity shall be directly responsible and
694 | accountable for all acts of the licensee's employees.

695 |

696 | The purchaser of baggage insurance shall be provided written
697 | information disclosing that the insured's homeowner's policy may
698 | provide coverage for loss of personal effects and that the
699 | purchase of such insurance is not required in connection with
700 | the purchase of tickets or in connection with the lease or
701 | rental of a motor vehicle.

702 | 2. A business entity that offers motor vehicles for rent
703 | or lease, may include lessees under a master contract providing
704 | coverage to the lessor or may transact excess motor vehicle
705 | liability insurance providing coverage in excess of the standard
706 | liability limits provided by the lessor in its lease to a person
707 | renting or leasing a motor vehicle from the licensee's employer
708 | for liability arising in connection with the negligent operation
709 | of the leased or rented motor vehicle, provided that the lease
710 | or rental agreement is for not more than 30 days; that the
711 | lessee is not provided coverage for more than 30 consecutive
712 | days per lease period, and, if the lease is extended beyond 30
713 | days, the coverage may be extended one time only for a period
714 | not to exceed an additional 30 days; that the lessee is given
715 | written notice that his or her personal insurance policy

HB 591

2005
CS

716 providing coverage on an owned motor vehicle may provide
 717 additional excess coverage; and that the purchase of the
 718 insurance is not required in connection with the lease or rental
 719 of a motor vehicle. The excess liability insurance may be
 720 provided to the lessee as an additional insured on a policy
 721 issued to the licensee's employer.

722 3. A business entity that offers motor vehicles for rent
 723 or lease, may, as an agent of an insurer, transact insurance
 724 that provides coverage for the liability of the lessee to the
 725 lessor for damage to the leased or rented motor vehicle if:

726 a. The lease or rental agreement is for not more than 30
 727 days; or the lessee is not provided coverage for more than 30
 728 consecutive days per lease period, but, if the lease is extended
 729 beyond 30 days, the coverage may be extended one time only for a
 730 period not to exceed an additional 30 days;

731 b. The lessee is given written notice that his or her
 732 personal insurance policy that provides coverage on an owned
 733 motor vehicle may provide such coverage with or without a
 734 deductible; and

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

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

739 (a) Submit only one application for a license under s.
 740 626.171. The requirements of s. 626.171(4)~~(5)~~ shall only apply
 741 to the officers and directors of the entity submitting the
 742 application.

HB 591

2005
CS

743 Section 15. Subsections (1) and (2) of section 626.342,
744 Florida Statutes, are amended to read:

745 626.342 Furnishing supplies to unlicensed life, health, or
746 general lines agent prohibited; civil liability.--

747 (1) An insurer, a managing general agent, an insurance
748 agency, or an agent, directly or through any representative, may
749 not furnish to any agent any blank forms, applications,
750 stationery, or other supplies to be used in soliciting,
751 negotiating, or effecting contracts of insurance on its behalf
752 unless such blank forms, applications, stationery, or other
753 supplies relate to a class of business with respect to which the
754 agent is licensed and appointed, whether for that insurer or
755 another insurer.

756 (2) Any insurer, general agent, insurance agency, or agent
757 who furnishes any of the supplies specified in subsection (1) to
758 any agent or prospective agent not appointed to represent the
759 insurer and who accepts from or writes any insurance business
760 for such agent or agency is subject to civil liability to any
761 insured of such insurer to the same extent and in the same
762 manner as if such agent or prospective agent had been appointed
763 or authorized by the insurer or such agent to act in its or his
764 or her behalf. The provisions of this subsection do not apply to
765 insurance risk apportionment plans under s. 627.351.

766 Section 16. Section 626.382, Florida Statutes, is amended
767 to read:

768 626.382 Continuation, expiration of license; insurance
769 agencies.--The license of any insurance agency shall be issued
770 for a period of 3 years, ~~subject to the payment of the fees~~

HB 591

2005
CS

771 ~~prescribed in s. 624.501,~~ and shall continue in force until
 772 canceled, suspended, revoked, or otherwise terminated. A license
 773 may be renewed by submitting a renewal request to the department
 774 on a form adopted by department rule.

775 Section 17. Subsection (3) of section 626.451, Florida
 776 Statutes, is amended to read:

777 626.451 Appointment of agent or other representative.--

778 (3) By authorizing the effectuation of the appointment of
 779 an agent, adjuster, service representative, customer
 780 representative, or managing general agent the appointing entity
 781 is thereby certifying to the department that it is willing to be
 782 bound by the acts of the agent, adjuster, service
 783 representative, customer representative, or managing general
 784 agent, within the scope of the licensee's employment or
 785 appointment.

786 Section 18. Section 626.536, Florida Statutes, is amended
 787 to read:

788 626.536 Reporting of actions.--Each An agent and insurance
 789 agency shall submit to the department, within 30 days after the
 790 final disposition of any administrative action taken against the
 791 agent by a governmental agency in this or any other state or
 792 jurisdiction relating to the business of insurance, the sale of
 793 securities, or activity involving fraud, dishonesty,
 794 trustworthiness, or breach of a fiduciary duty, a copy of the
 795 order, consent to order, or other relevant legal documents. The
 796 department may adopt rules implementing the provisions of this
 797 section.

HB 591

2005
CS

798 Section 19. Subsections (1) and (3) of section 626.561,
799 Florida Statutes, are amended to read:

800 626.561 Reporting and accounting for funds.--

801 (1) All premiums, return premiums, or other funds
802 belonging to insurers or others received by an agent, insurance
803 agency, customer representative, or adjuster in transactions
804 under the ~~his or her~~ license are trust funds received by the
805 licensee in a fiduciary capacity. An agent or insurance agency
806 shall keep the funds belonging to each insurer for which an
807 agent ~~he or she~~ is not appointed, other than a surplus lines
808 insurer, in a separate account so as to allow the department or
809 office to properly audit such funds. The licensee in the
810 applicable regular course of business shall account for and pay
811 the same to the insurer, insured, or other person entitled
812 thereto.

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

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

821 (b) If the funds diverted or misappropriated are more than
822 \$300, but less than \$20,000, a felony of the third degree,
823 punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

HB 591

2005
CS

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

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

830 Section 20. Subsections (1) and (2) of section 626.572,
831 Florida Statutes, are amended to read:

832 626.572 Rebating; when allowed.--

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

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

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

840 (c) The rebating schedule shall be uniformly applied in
841 that all insureds who purchase the same policy through the agent
842 for the same amount of insurance receive the same percentage
843 rebate.

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

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

850 (f) The age, sex, place of residence, race, nationality,
851 ethnic origin, marital status, or occupation of the insured or

HB 591

2005
CS

852 location of the risk is not utilized in determining the
853 percentage of the rebate or whether a rebate is available.

854 (2) The insurance agency or agent shall maintain a copy of
855 all rebate schedules for the most recent 5 years and their
856 effective dates.

857 Section 21. Subsection (1) of section 626.601, Florida
858 Statutes, is amended to read:

859 626.601 Improper conduct; inquiry; fingerprinting.--

860 (1) The department or office may, upon its own motion or
861 upon a written complaint signed by any interested person and
862 filed with the department or office, inquire into any alleged
863 improper conduct of any licensed insurance agency, agent,
864 adjuster, service representative, managing general agent,
865 customer representative, title insurance agent, title insurance
866 agency, continuing education course provider, instructor, school
867 official, or monitor group under this code. The department or
868 office may thereafter initiate an investigation of any such
869 licensee if it has reasonable cause to believe that the licensee
870 has violated any provision of the insurance code. During the
871 course of its investigation, the department or office shall
872 contact the licensee being investigated unless it determines
873 that contacting such person could jeopardize the successful
874 completion of the investigation or cause injury to the public.

875 Section 22. Section 626.602, Florida Statutes, is created
876 to read:

877 626.602 Insurance agency names; disapproval.--The
878 department may disapprove the use of any true or fictitious

HB 591

2005
CS

879 name, other than the bona fide natural name of an individual, by
880 any insurance agency on any of the following grounds:

881 (1) The name is an interference with or is too similar to
882 a name already filed and in use by another agency or insurer;

883 (2) The use of the name may mislead the public in any
884 respect; or

885 (3) The name states or implies that the agency is an
886 insurer, motor club, hospital service plan, state or federal
887 agency, charitable organization, or entity that primarily
888 provides advice and counsel rather than sells or solicits
889 insurance, or is entitled to engage in insurance activities not
890 permitted under licenses held or applied for. This provision
891 does not prohibit the use of the word "state" or "states" in the
892 name of the agency and the use of such words in the name of the
893 agency does not imply that the agency is a state agency.

894 Section 23. Section 626.6115, Florida Statutes, is amended
895 to read:

896 626.6115 Grounds for compulsory refusal, suspension, or
897 revocation of insurance agency license.--The department shall
898 deny, suspend, revoke, or refuse to continue the license of any
899 insurance agency if it finds, as to any insurance agency or as
900 to any majority owner, partner, manager, director, officer, or
901 other person who manages or controls such agency, that any
902 ~~either one or both~~ of the following applicable grounds exist:

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

905 (2) Material misstatement, misrepresentation, or fraud in
906 obtaining the license or in attempting to obtain the license.

HB 591

2005
CS

907 (3) Denial, suspension, or revocation of a license to
 908 practice or conduct any regulated profession, business, or
 909 vocation relating to the business of insurance by this state,
 910 any other state, any nation, any possession or district of the
 911 United States, any court, or any lawful agency thereof. However,
 912 the existence of grounds for administrative action against a
 913 licensed agency does not constitute grounds for action against
 914 any other licensed agency, including an agency that owns, is
 915 under common ownership with, or is owned by, in whole or in
 916 part, the agency for which grounds for administrative action
 917 exist.

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

920 626.621 Grounds for discretionary refusal, suspension, or
 921 revocation of agent's, adjuster's, customer representative's,
 922 service representative's, or managing general agent's license or
 923 appointment.--The department may, in its discretion, deny an
 924 application for, suspend, revoke, or refuse to renew or continue
 925 the license or appointment of any applicant, agent, adjuster,
 926 customer representative, service representative, or managing
 927 general agent, and it may suspend or revoke the eligibility to
 928 hold a license or appointment of any such person, if it finds
 929 that as to the applicant, licensee, or appointee any one or more
 930 of the following applicable grounds exist under circumstances
 931 for which such denial, suspension, revocation, or refusal is not
 932 mandatory under s. 626.611:

933 (6) In the conduct of business under the license or
 934 appointment, engaging in unfair methods of competition or in

HB 591

2005
CS

935 | unfair or deceptive acts or practices, as prohibited under part
 936 | IX of this chapter, or having otherwise shown himself or herself
 937 | to be a source of injury or loss to the public ~~or detrimental to~~
 938 | ~~the public interest.~~

939 | Section 25. Subsection (6) is added to section 626.6215,
 940 | Florida Statutes, to read:

941 | 626.6215 Grounds for discretionary refusal, suspension, or
 942 | revocation of insurance agency license.--The department may, in
 943 | its discretion, deny, suspend, revoke, or refuse to continue the
 944 | license of any insurance agency if it finds, as to any insurance
 945 | agency or as to any majority owner, partner, manager, director,
 946 | officer, or other person who manages or controls such insurance
 947 | agency, that any one or more of the following applicable grounds
 948 | exist:

949 | (6) Failure to take corrective action or report a
 950 | violation to the department within 30 days after an individual
 951 | licensee's violation is known or should have been known by one
 952 | or more of the partners, officers, or managers acting on behalf
 953 | of the agency. However, the existence of grounds for
 954 | administrative action against a licensed agency does not
 955 | constitute grounds for action against any other licensed agency,
 956 | including an agency that owns, is under common ownership with,
 957 | or is owned by, in whole or in part, the agency for which
 958 | grounds for administrative action exist.

959 | Section 26. Subsections (1) and (2) of section 626.641,
 960 | Florida Statutes, are amended to read:

961 | 626.641 Duration of suspension or revocation.--

HB 591

2005
CS

962 (1) The department shall, in its order suspending a
 963 license or appointment or in its order suspending the
 964 eligibility of a person to hold or apply for such license or
 965 appointment, specify the period during which the suspension is
 966 to be in effect; but such period shall not exceed 2 years. The
 967 license, appointment, or eligibility shall remain suspended
 968 during the period so specified, subject, however, to any
 969 rescission or modification of the order by the department, or
 970 modification or reversal thereof by the court, prior to
 971 expiration of the suspension period. A license, appointment, or
 972 eligibility which has been suspended shall not be reinstated
 973 except upon request for such reinstatement and, in the case of a
 974 second suspension, completion of continuing education courses
 975 prescribed and approved by the department ~~or office~~; but the
 976 department shall not grant such reinstatement if it finds that
 977 the circumstance or circumstances for which the license,
 978 appointment, or eligibility was suspended still exist or are
 979 likely to recur. In addition, a request for reinstatement is
 980 subject to denial and subject to a waiting period prior to
 981 approval on the same grounds that apply to applications for
 982 licensure pursuant to ss. 626.207, 626.611, and 626.621.

983 (2) No person or appointee under any license or
 984 appointment revoked by the department, nor any person whose
 985 eligibility to hold same has been revoked by the department,
 986 shall have the right to apply for another license or appointment
 987 under this code within 2 years from the effective date of such
 988 revocation or, if judicial review of such revocation is sought,
 989 within 2 years from the date of final court order or decree

HB 591

2005
CS

990 affirming the revocation. An applicant for another license or
 991 appointment pursuant to this subsection must apply and qualify
 992 for licensure and appointment in the same manner as a first-time
 993 applicant, and the application may be denied on the same grounds
 994 that apply to first-time applicants for licensure pursuant to
 995 ss. 626.207, 626.611, and 626.621. In addition, the department
 996 shall not, ~~however,~~ grant a new license or appointment or
 997 reinstate eligibility to hold such license or appointment if it
 998 finds that the circumstance or circumstances for which the
 999 eligibility was revoked or for which the previous license or
 1000 appointment was revoked still exist or are likely to recur; if
 1001 an individual's license as agent or customer representative or
 1002 eligibility to hold same has been revoked upon the ground
 1003 specified in s. 626.611(12), the department shall refuse to
 1004 grant or issue any new license or appointment so applied for.

1005 Section 27. Subsection (1) of section 626.7351, Florida
 1006 Statutes, is amended to read:

1007 626.7351 Qualifications for customer representative's
 1008 license.--The department shall not grant or issue a license as
 1009 customer representative to any individual found by it to be
 1010 untrustworthy or incompetent, or who does not meet each of the
 1011 following qualifications:

1012 (1) The applicant is a natural person who is at least 18
 1013 years of age.

1014 Section 28. Subsection (2) of section 626.7355, Florida
 1015 Statutes, is amended to read:

1016 626.7355 Temporary license as customer representative
 1017 pending examination.--

HB 591

2005
CS

1018 (2) There must be no more than one temporary customer
 1019 representative licensee in the general lines agency location
 1020 where the temporary licensee is housed and the temporary
 1021 licensee shall be housed wholly and completely within the actual
 1022 confines of the office of the agent or agency whom he or she
 1023 represents. ~~Such agency must be in compliance with the~~
 1024 ~~provisions of s. 626.592, commonly referred to as the Primary~~
 1025 ~~Agent Law, for the most recent reporting period.~~ No such
 1026 temporary licensee may be employed from any location except
 1027 where his or her designated supervising general lines agent
 1028 spends his or her full time. No general lines agency location
 1029 may employ more than two temporary customer representative
 1030 licensees in one calendar year.

1031 Section 29. Subsection (1) of section 626.747, Florida
 1032 Statutes, is amended to read:

1033 626.747 Branch agencies.--

1034 (1) Each branch place of business established by an agent
 1035 or agency, firm, corporation, or association shall be in the
 1036 active full-time charge of a licensed general lines agent who is
 1037 appointed to represent one or more insurers. Any agent or
 1038 agency, firm, corporation, or association which has established
 1039 one or more branch places of business shall be required to have
 1040 at least one licensed general lines agent or life or health
 1041 agent who is appointed to represent one or more insurers at each
 1042 location of the agency, including its headquarters location.

1043 Section 30. Paragraph (d) of subsection (2) of section
 1044 626.8411, Florida Statutes, is amended to read:

HB 591

2005
CS

1045 626.8411 Application of Florida Insurance Code provisions
1046 to title insurance agents or agencies.--

1047 (2) The following provisions of part I do not apply to
1048 title insurance agents or title insurance agencies:

1049 ~~(d) Section 626.592, relating to primary agents.~~

1050 Section 31. Section 626.8420, Florida Statutes, is created
1051 to read:

1052 626.8420 Nonresident title insurance
1053 agents.--Notwithstanding s. 626.8414(2), the department, upon
1054 application and payment of the fees specified in s. 624.501, may
1055 issue a license as a nonresident title insurance agent to an
1056 individual not a resident of this state in the same manner
1057 applicable to the licensure of nonresident general lines agents
1058 under the provisions of s. 626.741. Sections 626.742 and 626.743
1059 shall apply to nonresident title insurance agents.

1060 Section 32. Subsection (2) of section 648.50, Florida
1061 Statutes, is amended to read:

1062 648.50 Effect of suspension, revocation upon associated
1063 licenses and licensees.--

1064 (2) In case of the suspension or revocation of the license
1065 or appointment, or the eligibility to hold a license or
1066 appointment, of any bail bond agent, the license, appointment,
1067 or eligibility of any and all bail bond agents who are members
1068 of a bail bond agency, whether incorporated or unincorporated,
1069 and any and all temporary bail bond agents ~~or runners~~ employed
1070 by such bail bond agency, who knowingly are parties to the act
1071 which formed the ground for the suspension or revocation may
1072 likewise be suspended or revoked.

HB 591

2005
CS

1073 | Section 33. Section 626.592, Florida Statutes, is
1074 | repealed.
1075 | Section 34. This act shall take effect October 1, 2005.