

1 A bill to be entitled
2 An act relating to insurance agents; amending s. 626.171,
3 F.S.; providing additional requirements for applications
4 for certain licenses; requiring applicants to submit
5 fingerprints and pay a processing fee; providing for
6 fingerprints to be taken by a designated examination
7 center; requiring the Department of Financial Services to
8 require designated examination centers to have
9 fingerprinting equipment and take fingerprints;
10 prohibiting the department from approving licensure
11 applications without submitted fingerprints; amending s.
12 626.211, F.S.; deleting a prohibition against the
13 department denying, delaying, or withholding approval of
14 applications lacking a criminal history report; revising
15 circumstances under which the department must notify an
16 applicant about examinations; amending s. 626.221, F.S.;
17 expanding the authorized adjuster designations for
18 exemptions from adjuster license examinations; amending s.
19 626.231, F.S.; providing authorization and procedures for
20 applying on the department's Internet website to take a
21 licensure examination prior to applying for licensure;
22 specifying required application information; requiring an
23 application disclosure statement; requiring payment of an
24 examination fee with an application; amending s. 626.241,
25 F.S.; providing for application of certain examination
26 provisions to certain persons; creating s. 626.2415, F.S.;
27 requiring the department to annually prepare, publicly

28 announce, and publish reports of certain examination
29 statistical information; providing report requirements;
30 authorizing the department to provide certain contracted
31 testing service providers with certain demographic
32 application information under certain circumstances;
33 amending s. 626.251, F.S.; requiring the department to
34 provide certain information to examination applicants;
35 amending s. 626.261, F.S.; specifying required conduct for
36 examination applicants; amending s. 626.281, F.S.;
37 applying reexamination provisions to examination
38 applicants; amending s. 626.291, F.S.; requiring the
39 department to issue a license for certain applicants after
40 the department approves the application; specifying a
41 period of validity of a passing examination grade;
42 prohibiting the department from issuing a license based on
43 an examination taken more than 1 year prior to filing an
44 application; providing appropriations; authorizing
45 additional positions; providing effective dates.

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

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49 Section 1. Effective January 1, 2007, subsections (2) and
50 (4) of section 626.171, Florida Statutes, are amended to read:

51 626.171 Application for license as an agent, customer
52 representative, adjuster, service representative, managing
53 general agent, or reinsurance intermediary.--

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

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

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

59 (c) Whether he or she has been refused or has voluntarily
60 surrendered or has had suspended or revoked a license to solicit
61 insurance by the department or by the supervising officials of
62 any state.

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

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

69 (f) The applicant's gender (male or female).

70 (g) The applicant's native language.

71 (h) The highest level of education achieved by the
72 applicant.

73 (i) The applicant's race or ethnicity (African American,
74 white, American Indian, Asian, Hispanic, or other).

75 (j)~~(f)~~ Such other or additional information as the
76 department may deem proper to enable it to determine the
77 character, experience, ability, and other qualifications of the
78 applicant to hold himself or herself out to the public as an
79 insurance representative.

80
81 However, the application must contain a statement that an

82 applicant is not required to disclose his or her race or
83 ethnicity, gender, or native language, that he or she will not
84 be penalized for not doing so, and that the department will use
85 this information exclusively for research and statistical
86 purposes and to improve the quality and fairness of the
87 examinations.

88 (4) An applicant ~~application~~ for a license as an agent,
89 customer representative, adjuster, service representative,
90 managing general agent, or reinsurance intermediary must submit
91 ~~be accompanied by~~ a set of the individual applicant's
92 fingerprints, or, if the applicant is not an individual, by a
93 set of the fingerprints of the sole proprietor, majority owner,
94 partners, officers, and directors, to the department and must
95 ~~pay on a form adopted by rule of the department and accompanied~~
96 ~~by~~ the fingerprint processing fee set forth in s. 624.501.
97 Fingerprints shall be used to investigate the applicant's
98 qualifications pursuant to s. 626.201. The fingerprints shall be
99 taken by a law enforcement agency, designated examination
100 center, or other department-approved entity. The department
101 shall require all designated examination centers to have
102 fingerprinting equipment and to take fingerprints from any
103 applicant or prospective applicant who pays the applicable fee.
104 The department may not approve an application for licensure as
105 an agent, customer service representative, adjuster, service
106 representative, managing general agent, or reinsurance
107 intermediary if fingerprints have not been submitted.

108 Section 2. Effective January 1, 2007, subsections (1) and
109 (2) of section 626.211, Florida Statutes, are amended to read:

110 626.211 Approval, disapproval of application.--

111 (1) If upon the basis of a completed application for
112 license and such further inquiry or investigation as the
113 department may make concerning an applicant the department is
114 satisfied that, subject to any examination required to be taken
115 and passed by the applicant for a license, the applicant is
116 qualified for the license applied for and that all pertinent
117 fees have been paid, it shall approve the application. ~~The~~
118 ~~department shall not deny, delay, or withhold approval of an~~
119 ~~application due to the fact that it has not received a criminal~~
120 ~~history report based on the applicant's fingerprints.~~

121 (2) Upon approval of an applicant for license as agent,
122 customer representative, or adjuster who is subject to written
123 examination, the department shall notify the applicant when and
124 where he or she may take the required examination unless the
125 applicant has taken and passed the examination within the 1-year
126 period prior to the date of filing the application.

127 Section 3. Paragraph (k) of subsection (2) of section
128 626.221, Florida Statutes, is amended to read:

129 626.221 Examination requirement; exemptions.--

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

132 (k) An applicant for license as an adjuster who has the
133 designation of Accredited Claims Adjuster (ACA) from a
134 regionally accredited postsecondary institution in this state,

135 | ~~or the designation of~~ Professional Claims Adjuster (PCA) from
136 | the Professional Career Institute, Professional Property
137 | Insurance Adjuster (PPIA) from the HurriClaim Training Academy,
138 | or Certified Claims Adjuster (CCA) from the Association of
139 | Property and Casualty Claims Professionals whose curriculum has
140 | been approved by the department and whose curriculum includes
141 | comprehensive analysis of basic property and casualty lines of
142 | insurance and testing at least equal to that of standard
143 | department testing for the all-lines adjuster license. The
144 | department shall adopt rules establishing standards for the
145 | approval of curriculum.

146 | Section 4. Effective January 1, 2007, section 626.231,
147 | Florida Statutes, is amended to read:

148 | 626.231 Eligibility; application for examination.--

149 | (1) No person shall be permitted to take an examination
150 | for license until his or her application for examination or
151 | application for the license has been approved and the required
152 | fees have been received by the department or a person designated
153 | by the department to administer the examination.

154 | (2) A person required to take an examination for a license
155 | may be permitted to take an examination prior to submitting an
156 | application for licensure pursuant to s. 626.171 by submitting
157 | an application for examination through the department's Internet
158 | website. In the application, the applicant shall set forth:

159 | (a) His or her full name, age, social security number,
160 | residence address, business address, and mailing address.

161 (b) The type of license that the applicant intends to
162 apply for.

163 (c) The name of any required prelicensing course he or she
164 has completed or is in the process of completing.

165 (d) The method by which the applicant intends to qualify
166 for the type of license if other than by completing a
167 prelicensing course.

168 (e) The applicant's gender (male or female).

169 (f) The applicant's native language.

170 (g) The highest level of education achieved by the
171 applicant.

172 (h) The applicant's race or ethnicity (African American,
173 white, American Indian, Asian, Hispanic, or other).

174

175 However, the application must contain a statement that an
176 applicant is not required to disclose his or her race or
177 ethnicity, gender, or native language, that he or she will not
178 be penalized for not doing so, and that the department will use
179 this information exclusively for research and statistical
180 purposes and to improve the quality and fairness of the
181 examinations.

182 (3) Each application shall be accompanied by payment of
183 the applicable examination fee.

184 Section 5. Subsection (9) is added to section 626.241,
185 Florida Statutes, to read:

186 626.241 Scope of examination.--

187 (9) This section applies to any person who submits an
188 application for license and to any person who submits an
189 application for examination prior to filing an application for
190 license.

191 Section 6. Section 626.2415, Florida Statutes, is created
192 to read:

193 626.2415 Annual report of results of life insurance
194 examinations.--

195 (1) No later than May 1 of each year, the department or a
196 person designated by the department shall prepare, publicly
197 announce, and publish a report that summarizes statistical
198 information relating to life insurance agent examinations
199 administered during the preceding calendar year. Each report
200 shall include the following information, for all examinees
201 combined and separately by race or ethnicity, gender, race or
202 ethnicity within gender, education level, and native language:

203 (a) The total number of examinees.

204 (b) The percentage and number of examinees who passed the
205 examination.

206 (c) The mean scaled scores on the examination.

207 (d) Standard deviation of scaled scores on the
208 examination.

209 (2) No later than May 1 of each year, the department or a
210 person designated by the department shall prepare and make
211 available upon request a report of summary statistical
212 information relating to each life insurance test form
213 administered during the preceding calendar year. The report

214 shall show, for each test form, for all examinees combined and
 215 separately for African-American examinees, white examinees,
 216 American Indian examinees, Asian examinees, Hispanic examinees,
 217 and other examinees, the correct-answer rates and correlations.

218 (3) The department may provide a testing service provider,
 219 under contract with the department, demographic information
 220 received by the department on applications relating to
 221 examinations taken to qualify for an insurance agent license if
 222 the department requires the provider to review and analyze
 223 examination results in conjunction with the race or ethnicity,
 224 gender, education level, and native language of examinees.

225 Section 7. Subsection (1) of section 626.251, Florida
 226 Statutes, is amended to read:

227 626.251 Time and place of examination; notice.--

228 (1) The department or a person designated by the
 229 department shall mail written notice of the time and place of
 230 the examination to each applicant for examination and each
 231 applicant for license required to take an examination who will
 232 be eligible to take the examination as of the examination date.
 233 The notice shall be so mailed, postage prepaid, and addressed to
 234 the applicant at his or her address shown on the application for
 235 license or at such other address as requested by the applicant
 236 in writing filed with the department prior to the mailing of the
 237 notice. Notice shall be deemed given when so mailed.

238 Section 8. Effective January 1, 2007, subsection (1) of
 239 section 626.261, Florida Statutes, is amended to read:

240 626.261 Conduct of examination.--

241 (1) The applicant for license or the applicant for
 242 examination shall appear in person and personally take the
 243 examination for license at the time and place specified by the
 244 department or by a person designated by the department.

245 Section 9. Subsection (1) of section 626.281, Florida
 246 Statutes, is amended to read:

247 626.281 Reexamination.--

248 (1) Any applicant for license or applicant for examination
 249 who has either:

250 (a) Taken an examination and failed to make a passing
 251 grade, or

252 (b) Failed to appear for the examination or to take or
 253 complete the examination at the time and place specified in the
 254 notice of the department,

255
 256 may take additional examinations, after filing with the
 257 department an application for reexamination together with
 258 applicable fees. The failure of an applicant to pass an
 259 examination or the failure to appear for the examination or to
 260 take or complete the examination does not preclude the applicant
 261 from taking subsequent examinations.

262 Section 10. Effective January 1, 2007, subsections (1) and
 263 (3) of section 626.291, Florida Statutes, are amended to read:

264 626.291 Examination results; denial, issuance of
 265 license.--

266 (1) Within 30 days after the applicant has completed any
 267 examination required under s. 626.221, the department or its

268 | designee shall provide a score report; and, if it finds that the
 269 | applicant has received a passing grade, the department shall
 270 | within such period notify the applicant and issue and transmit
 271 | the license to which such examination related. If it finds that
 272 | the applicant did not make a passing grade on the examination
 273 | for a particular license, the department or its designee shall
 274 | within this period provide notice to the applicant to that
 275 | effect and of its denial of the license. For those applicants
 276 | who have completed the examination and received a passing grade
 277 | prior to submitting the license application, the department
 278 | shall promptly issue the license applied for as soon as the
 279 | department approves the application.

280 | (3) A passing grade on an examination is valid for a
 281 | period of 1 year. The department shall not issue a license to an
 282 | applicant based on an examination taken more than 1 year prior
 283 | to the date that an application for license is filed. The
 284 | ~~department shall not deny, delay, or withhold issuance of a~~
 285 | ~~license due to the fact that it has not received a criminal~~
 286 | ~~history report based on the applicant's fingerprints.~~

287 | Section 11. The sums of \$158,995 in recurring funds and
 288 | \$120,069 in nonrecurring funds are appropriated from the
 289 | Insurance Regulatory Trust Fund in the Department of Financial
 290 | Services for the 2006-2007 fiscal year for the purposes of
 291 | funding the provisions of this act, and three full-time
 292 | equivalent positions with 103,285 in associated salary rate are
 293 | authorized.

HB 1113, Engrossed 1

2006

294 Section 12. Except as otherwise expressly provided in this
295 act, this act shall take effect July 1, 2006.