

CS/HB 411

2007

1 A bill to be entitled

2 An act relating to limited insurance licenses; amending s.
3 624.501, F.S.; specifying fees for limited appointments as
4 motor vehicle rental insurance agents; amending s.
5 626.321, F.S.; revising provisions relating to limited
6 licenses to transact personal accident insurance to apply
7 to travel insurance; providing criteria and requirements;
8 specifying authorized entities; specifying applicable
9 coverage; providing limitations; providing entity training
10 requirements; revising provisions relating to limited
11 licenses to transact baggage and motor vehicle excess
12 liability insurance to apply to motor vehicle rental
13 insurance; providing criteria and requirements; specifying
14 authorized entities; specifying applicable coverage;
15 providing limitations; providing application requirements;
16 providing responsibilities of licensees; limiting sales of
17 certain insurance policies or certificates for limited
18 classes of business to certain insurers; providing an
19 effective date.

20
21 Be It Enacted by the Legislature of the State of Florida:

22
23 Section 1. Subsection (9) of section 624.501, Florida
24 Statutes, is amended to read:

25 624.501 Filing, license, appointment, and miscellaneous
26 fees.--The department, commission, or office, as appropriate,
27 shall collect in advance, and persons so served shall pay to it

28 | in advance, fees, licenses, and miscellaneous charges as
 29 | follows:

30 | (9) (a) Except as provided in paragraph (b), all limited
 31 | appointments as agent, as provided for in s. 626.321. Agent's
 32 | original appointment and biennial renewal or continuation
 33 | thereof, each insurer:

34 | Appointment fee....\$42.00
 35 | State tax....12.00
 36 | County tax....6.00
 37 | Total....\$60.00

38 | (b) For all limited appointments as agent, as provided for
 39 | in s. 626.321(1)(d), the agent's original appointment and
 40 | biennial renewal or continuation thereof for each insurer shall
 41 | be equal to the number of offices, branch offices, or places of
 42 | business covered by the license multiplied by the fees set forth
 43 | in paragraph (a).

44 | Section 2. Paragraphs (c) and (d) of subsection (1) of
 45 | section 626.321, Florida Statutes, are amended, and subsection
 46 | (5) is added to that section, to read:

47 | 626.321 Limited licenses.--

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

52 | (c) Travel ~~Personal accident~~ insurance.--License covering
 53 | only policies and certificates of travel personal accident
 54 | insurance, which are subject to review by the office under s.
 55 | 624.605(1)(q). Policies and certificates of travel insurance may

56 provide coverage for risks incidental to travel, planned travel,
57 or accommodations while traveling, including, but not limited
58 to, accidental death and dismemberment of a traveler; trip
59 cancellation, interruption, or delay; loss of or damage to
60 personal effects or travel documents; baggage delay; emergency
61 medical travel or evacuation of a traveler; or medical,
62 surgical, and hospital expenses related to an illness or
63 emergency of a traveler. Any such policy or certificate may be
64 issued for terms longer than 60 days, but each policy or
65 certificate must be limited to coverage for travel or use of
66 accommodations of no longer than 60 days ~~covering the risks of~~
67 ~~travel, except as provided in subparagraph 2.~~ The license may
68 be issued only:

69 1. To a full-time salaried employee of a common carrier or
70 a full-time salaried employee or owner of a transportation
71 ticket agency and may authorize the sale of such ticket policies
72 only in connection with the sale of transportation tickets, or
73 to the full-time salaried employee of such an agent. No such
74 policy shall be for a duration of more than 48 hours or for the
75 duration of a specified one-way trip or round trip.

76 2. To an entity or individual that is:

77 a. The developer of a timeshare plan that is the subject
78 of an approved public offering statement under chapter 721;

79 b. An exchange company operating an exchange program
80 approved under chapter 721;

81 c. A managing entity operating a timeshare plan approved
82 under chapter 721;

83 d. A seller of travel as defined in chapter 559; or

84 e. A subsidiary or affiliate of any of the entities
85 described in sub-subparagraphs a.-d.

86
87 A licensee shall require each employee who offers policies or
88 certificates under this subparagraph to receive initial training
89 from a general lines agent or an insurer authorized under
90 chapter 624 to transact insurance within this state. For an
91 entity applying for a license as a travel insurance agent, the
92 fingerprinting requirement of this section applies only to the
93 president, secretary, and treasurer and to any other officer or
94 person who directs or controls the travel insurance operations
95 of the entity. ~~To a full time salaried employee of a business~~
96 ~~which offers motor vehicles for rent or lease, or to a business~~
97 ~~entity which offers motor vehicles for rent or lease. A business~~
98 ~~office licensed or a person licensed pursuant to this~~
99 ~~subparagraph may, as an agent of an insurer, transact insurance~~
100 ~~that provides coverage for accidental personal injury or death~~
101 ~~of the lessee and any passenger who is riding or driving with~~
102 ~~the covered lessee in the rental motor vehicle if the lease or~~
103 ~~rental agreement is for not more than 30 days, or if the lessee~~
104 ~~is not provided coverage for more than 30 consecutive days per~~
105 ~~lease period; however, if the lease is extended beyond 30 days,~~
106 ~~the coverage may be extended one time only for a period not to~~
107 ~~exceed an additional 30 days.~~

108 (d) ~~Baggage and Motor vehicle rental excess liability~~
109 ~~insurance.--~~

110 1. License covering only insurance of the risks set forth
111 in this paragraph when offered, sold, or solicited with and

112 incidental to the rental or lease of a motor vehicle and which
 113 applies only to the motor vehicle that is the subject of the
 114 lease or rental agreement and occupants of the motor vehicle:
 115 a. Excess motor vehicle liability insurance providing
 116 coverage in excess of the standard liability limits provided by
 117 the lessor in the lessor's lease to a person renting or leasing
 118 a motor vehicle from the licensee's employer for liability
 119 arising in connection with the negligent operation of the leased
 120 or rented motor vehicle.
 121 b. Insurance covering the liability of the lessee to the
 122 lessor for damage to the leased or rented motor vehicle.
 123 c. Insurance covering the loss of or damage to baggage,
 124 personal effects, or travel documents of a person renting or
 125 leasing a motor vehicle.
 126 d. Insurance covering accidental personal injury or death
 127 of the lessee and any passenger who is riding or driving with
 128 the covered lessee in the leased or rented motor vehicle.
 129 2. Insurance under a motor vehicle rental insurance
 130 license may be issued only if the lease or rental agreement is
 131 for no more than 60 days, the lessee is not provided coverage
 132 for more than 60 consecutive days per lease period, and the
 133 lessee is given written notice that his or her personal
 134 insurance policy providing coverage on an owned motor vehicle
 135 may provide coverage of such risks and that the purchase of the
 136 insurance is not required in connection with the lease or rental
 137 of a motor vehicle. If the lease is extended beyond 60 days, the
 138 coverage may be extended one time only for a period not to
 139 exceed an additional 60 days. Insurance may be provided to the

140 lessee as an additional insured on a policy issued to the
 141 licensee's employer ~~personal effects except as provided in~~
 142 ~~subparagraph 2.~~

143 3. The license may be issued only:

144 ~~a. To a full-time salaried employee of a common carrier or~~
 145 ~~a full-time salaried employee or owner of a transportation~~
 146 ~~ticket agency, which person is engaged in the sale or handling~~
 147 ~~of transportation of baggage and personal effects of travelers,~~
 148 ~~and may authorize the sale of such insurance only in connection~~
 149 ~~with such transportation; or~~

150 ~~b.~~ to the full-time salaried employee of a licensed
 151 general lines agent or to a business entity that offers motor
 152 vehicles for rent or lease if insurance sales activities
 153 authorized by the license are in connection with and incidental
 154 to the rental or lease of a motor vehicle.

155 a. A license issued to a business entity that offers motor
 156 vehicles for rent or lease shall encompass each office, branch
 157 office, or place of business making use of the entity's business
 158 name in order to offer, solicit, and sell insurance pursuant to
 159 this paragraph.

160 b. The application for licensure must list the name,
 161 address, and phone number for each office, branch office, or
 162 place of business that is to be covered by the license. The
 163 licensee shall notify the department of the name, address, and
 164 phone number of any new location that is to be covered by the
 165 license before the new office, branch office, or place of
 166 business engages in the sale of insurance pursuant to this
 167 paragraph. The licensee shall notify the department within 30

168 days after closing or terminating an office, branch office, or
169 place of business. Upon receipt of the notice, the department
170 shall delete the office, branch office, or place of business
171 from the license. An entity applying for a license under this
172 sub-subparagraph:

173 ~~(I) Is required to submit only one application for a~~
174 ~~license under s. 626.171. The requirements of s. 626.171(4)~~
175 ~~shall apply only to the officers and directors of the entity~~
176 ~~submitting the application.~~

177 ~~(II) Is required to obtain a license for each office,~~
178 ~~branch office, or place of business making use of the entity's~~
179 ~~business name by applying to the department for the license on a~~
180 ~~simplified application form developed by rule of the department~~
181 ~~for this purpose.~~

182 ~~(III) Is required to pay the applicable fees for a license~~
183 ~~as prescribed in s. 624.501, be appointed under s. 626.112, and~~
184 ~~pay the prescribed appointment fee under s. 624.501.~~

185 c. A licensed and appointed entity is ~~shall be~~ directly
186 responsible and accountable for all acts of the licensee's
187 employees.

188
189 ~~The purchaser of baggage insurance shall be provided written~~
190 ~~information disclosing that the insured's homeowner's policy may~~
191 ~~provide coverage for loss of personal effects and that the~~
192 ~~purchase of such insurance is not required in connection with~~
193 ~~the purchase of tickets or in connection with the lease or~~
194 ~~rental of a motor vehicle.~~

195 ~~2. A business entity that offers motor vehicles for rent~~
196 ~~or lease, may include lessees under a master contract providing~~
197 ~~coverage to the lessor or may transact excess motor vehicle~~
198 ~~liability insurance providing coverage in excess of the standard~~
199 ~~liability limits provided by the lessor in its lease to a person~~
200 ~~renting or leasing a motor vehicle from the licensee's employer~~
201 ~~for liability arising in connection with the negligent operation~~
202 ~~of the leased or rented motor vehicle, provided that the lease~~
203 ~~or rental agreement is for not more than 30 days; that the~~
204 ~~lessee is not provided coverage for more than 30 consecutive~~
205 ~~days per lease period, and, if the lease is extended beyond 30~~
206 ~~days, the coverage may be extended one time only for a period~~
207 ~~not to exceed an additional 30 days; that the lessee is given~~
208 ~~written notice that his or her personal insurance policy~~
209 ~~providing coverage on an owned motor vehicle may provide~~
210 ~~additional excess coverage; and that the purchase of the~~
211 ~~insurance is not required in connection with the lease or rental~~
212 ~~of a motor vehicle. The excess liability insurance may be~~
213 ~~provided to the lessee as an additional insured on a policy~~
214 ~~issued to the licensee's employer.~~

215 ~~3. A business entity that offers motor vehicles for rent~~
216 ~~or lease, may, as an agent of an insurer, transact insurance~~
217 ~~that provides coverage for the liability of the lessee to the~~
218 ~~lessor for damage to the leased or rented motor vehicle if:~~
219 ~~a. The lease or rental agreement is for not more than 30~~
220 ~~days; or the lessee is not provided coverage for more than 30~~
221 ~~consecutive days per lease period, but, if the lease is extended~~

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222 ~~beyond 30 days, the coverage may be extended one time only for a~~
 223 ~~period not to exceed an additional 30 days;~~

224 ~~b. The lessee is given written notice that his or her~~
 225 ~~personal insurance policy that provides coverage on an owned~~
 226 ~~motor vehicle may provide such coverage with or without a~~
 227 ~~deductible; and~~

228 ~~e. The purchase of the insurance is not required in~~
 229 ~~connection with the lease or rental of a motor vehicle.~~

230 (5) Nothing in this section shall permit the sale of an
 231 insurance policy or certificate for any limited class of
 232 business in a category identified under subsection (1) by a
 233 person or entity other than an insurance policy or certificate
 234 offered by an authorized insurer in this state or an eligible
 235 surplus lines insurer in this state.

236 Section 3. This act shall take effect July 1, 2007.