

By the Committee on Banking and Insurance; and Senator Deutch

597-06357-08

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1 A bill to be entitled

2 An act relating to insurance representatives; amending s.
3 626.221, F.S.; expanding the list of applicants eligible
4 for exemption from certain examination requirements;
5 amending s. 626.2815, F.S.; revising certain continuing
6 education applicability requirements; prohibiting certain
7 entities from imposing certain continuing education
8 requirements; providing exceptions and limitations;
9 providing an exception to certain examination monitoring
10 requirements; providing requirements for exceptions;
11 amending s. 626.311, F.S.; authorizing agents qualifying
12 as unaffiliated insurance consultants to transact
13 insurance business within the scope of the agent's
14 license; providing a definition; providing requirements
15 for qualifying or continuing to qualify as an unaffiliated
16 insurance consultant; specifying prohibited activities for
17 unaffiliated insurance consultants; amending s. 626.381,
18 F.S.; authorizing appointing entities to impose certain
19 training program requirements; providing a limitation;
20 limiting appointment authority of appointing entities to
21 persons meeting continuing education requirements;
22 prohibiting appointments contingent upon certain
23 continuing education course attendance; providing an
24 effective date.

25
26 Be It Enacted by the Legislature of the State of Florida:
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28 Section 1. Effective January 1, 2009, paragraph (j) of
29 subsection (2) of section 626.221, Florida Statutes, is amended
30 to read:

31 626.221 Examination requirement; exemptions.--

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

34 (j) An applicant for license as a customer representative
35 who has earned the designation of Accredited Advisor in Insurance
36 (AAI) from the Insurance Institute of America, the designation of
37 Certified Insurance Counselor (CIC) from the Society of Certified
38 Insurance Service Counselors, the designation of Accredited
39 Customer Service Representative (ACSR) from the Independent
40 Insurance Agents of America, the designation of Certified
41 Professional Service Representative (CPSR) from the National
42 Foundation for Certified Professional Service Representatives,
43 the designation of Certified Insurance Service Representative
44 (CISR) from the Society of Certified Insurance Service
45 Representatives. Also, an applicant for license as a customer
46 representative who has earned an associate degree or bachelor's
47 degree from an accredited college or university with at least
48 nine academic hours, or the equivalent, of property and casualty
49 insurance curriculum, or has earned the designation of Certified
50 Customer Service Representative (CCSR) from the Florida
51 Association of Insurance Agents, or the designation of Registered
52 Customer Service Representative (RCSR) from a regionally
53 accredited postsecondary institution in this state, or the
54 designation of Professional Customer Service Representative
55 (PCSR) from the Professional Career Institute, whose curriculum
56 has been approved by the department and whose curriculum includes

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57 comprehensive analysis of basic property and casualty lines of
58 insurance and testing at least equal to that of standard
59 department testing for the customer representative license. The
60 department shall adopt rules establishing standards for the
61 approval of curriculum.

62 Section 2. Subsection (2), paragraph (f) of subsection (3),
63 and paragraph (j) of subsection (4) of section 626.2815, Florida
64 Statutes, are amended to read:

65 626.2815 Continuing education required; application;
66 exceptions; requirements; penalties.--

67 (2) Except as otherwise provided in this section, the
68 provisions of this section apply to persons licensed to engage in
69 the sale of insurance in this state for all lines of insurance
70 for which an examination is required for licensing and to any
71 insurer, employer, or appointing entity, including those created
72 or existing pursuant to s. 627.351. The provisions of this
73 section shall not apply to any person holding a license for the
74 sale of any line of insurance for which an examination is not
75 required by the laws of this state, nor shall the provisions of
76 this section apply to any limited license as the department may
77 exempt by rule.

78 (3)

79 (f) Compliance with continuing education requirements is a
80 condition precedent to the issuance, continuation, reinstatement,
81 or renewal of any appointment subject to this section.

82 1. An appointing entity, except those entities appointing
83 individuals who are employees or exclusive independent
84 contractors of the appointing entity, may not require, directly
85 or indirectly, as a condition of such appointment or the

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86 continuation of such appointment, the taking of an approved
87 course or program by any appointee or potential appointee that is
88 not of the appointee's choosing.

89 2. Any entity created or existing pursuant to s. 627.351
90 may require an employee to take training of any type that is
91 relevant to his or her employment, but may not require an
92 appointee who is not also an employee to take any approved course
93 or program unless such course or program deals solely with the
94 appointing entity's internal procedures or products, or with
95 subjects that are substantially unique to the appointing entity.

96 (4) The following courses may be completed in order to meet
97 the continuing education course requirements:

98 (j) Any course, including courses relating to agency
99 management or errors and omissions, developed or sponsored by any
100 authorized insurer or recognized agents' association or insurance
101 trade association or any independent study program of
102 instruction, subject to approval by the department, qualifies for
103 the equivalency of the number of classroom hours assigned thereto
104 by the department. However, unless otherwise provided in this
105 section, continuing education hours may not be credited toward
106 meeting the requirements of this section unless the course is
107 provided by classroom instruction or results in a monitored
108 examination. A monitored examination is not required for:

109 1. An independent study program of instruction that is
110 presented through interactive, online technology that the
111 department determines has sufficient internal testing to validate
112 the student's full comprehension of the materials presented; or-

113 2. An independent study program of instruction presented on
114 paper or in printed material imposing a final closed-book

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115 examination meeting the requirements of the department's rule for
116 self-study courses. The examination may be taken without a
117 proctor if the student presents to the provider a sworn affidavit
118 certifying that the student did not consult any written materials
119 or receive outside assistance of any kind or from any person,
120 directly or indirectly, while taking the examination. If the
121 student is an employee of an agency or corporate entity, the
122 student's supervisor or a manager or owner of the agency or
123 corporate entity must also sign the sworn affidavit. If the
124 student is self-employed, a sole proprietor, or a partner, or if
125 the examination is administered online, the sworn affidavit must
126 also be signed by a disinterested third party. The sworn
127 affidavit must be received by the approved provider before
128 reporting continuing education credits to the department.

129 Section 3. Effective January 1, 2009, subsection (7) is
130 added to section 626.311, Florida Statutes, to read:

131 626.311 Scope of license.--

132 (7) Subject to the limitations of paragraph (b) and
133 notwithstanding any other provisions of this chapter, an agent
134 who qualifies as an unaffiliated insurance consultant pursuant to
135 paragraph (a) is authorized to transact insurance within the
136 scope of his or her agent's license.

137 (a) For purposes of this subsection, the term "unaffiliated
138 insurance consultant" means a person who is not affiliated with
139 any insurer and chooses to practice as an independent insurance
140 consultant providing objective advice to the buyers of insurance
141 and who:

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142 1. Is licensed as an agent with respect to the type of
143 insurance for which he or she transacts the business of
144 insurance.

145 2. Is not appointed or registered by an insurer or other
146 authorized appointing entity.

147 3. Does not sell or service insurance on behalf of any
148 insurer, or sell or service insurance on behalf of any insurance
149 agent or insurance agency, in connection with the sale or service
150 on behalf of an insurer or by the insurance agent or insurance
151 agency.

152 4. Does not receive any commission or any other form of
153 direct or indirect compensation from any insurer for the sale or
154 servicing of insurance on behalf of such insurer, or receive any
155 commission or any other form of direct or indirect compensation
156 from any insurance agent or insurance agency, in connection with
157 the sale or servicing of insurance on behalf of an insurer or by
158 the insurance agent or insurance agency.

159 5. Is appointed by himself or herself with the department
160 and has paid applicable fees pursuant to s. 624.501.

161 (b) An unaffiliated insurance consultant may not:

162 1. Hold himself or herself out as acting as the agent for
163 an insurer;

164 2. Act as a countersigning agent for an insurer; or

165 3. Hold himself or herself out as replacing the need for an
166 appointed agent in the placement or sale of insurance.

167 Section 4. Present subsections (6) and (7) of section
168 626.381, Florida Statutes, are renumbered as subsections (8) and
169 (9), respectively, and new subsections (6) and (7) are added to
170 that section, to read:

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171 626.381 Renewal, continuation, reinstatement, or
172 termination of appointment.--

173 (6) An appointing entity may require an appointee to attend
174 training and education programs of the appointing entity in order
175 for the appointee to receive a new appointment or maintain an
176 existing appointment. However, an appointing entity may not
177 require, directly or indirectly, any appointee to attend any
178 training programs that are wholly or partially approved for
179 general continuing education credit as described in s. 626.2815.

180 (7) Each appointing entity may appoint only those persons
181 who have met the continuing education requirements of the license
182 necessary for such appointment as described in s. 626.2815.
183 However, an appointing entity may not make or allow, directly or
184 indirectly, any appointment of any appointee or potential
185 appointee to be contingent, in whole or in part, on any
186 appointee's attendance at any course that is approved, in whole
187 or in part, for continuing education credit pursuant to s.
188 626.2815.

189 Section 5. Except as otherwise expressly provided in this
190 act, this act shall take effect upon becoming a law.