

By the Committees on Governmental Operations; Banking and Insurance; and Senator Deutch

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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; amending s.
24 627.901, F.S.; authorizing an agent to impose a service
25 charge for processing an insured's premium installment
26 payment to an insurance company or premium finance
27 company; providing effective dates.

28
29 Be It Enacted by the Legislature of the State of Florida:

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31 Section 1. Effective January 1, 2009, paragraph (j) of
32 subsection (2) of section 626.221, Florida Statutes, is amended
33 to read:

34 626.221 Examination requirement; exemptions.--

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

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

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59 | has been approved by the department and whose curriculum includes
60 | comprehensive analysis of basic property and casualty lines of
61 | insurance and testing at least equal to that of standard
62 | department testing for the customer representative license. The
63 | department shall adopt rules establishing standards for the
64 | approval of curriculum.

65 | Section 2. Subsection (2), paragraph (f) of subsection (3),
66 | and paragraph (j) of subsection (4) of section 626.2815, Florida
67 | Statutes, are amended to read:

68 | 626.2815 Continuing education required; application;
69 | exceptions; requirements; penalties.--

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

81 | (3)

82 | (f) Compliance with continuing education requirements is a
83 | condition precedent to the issuance, continuation, reinstatement,
84 | or renewal of any appointment subject to this section.

85 | 1. An appointing entity, except those entities appointing
86 | individuals who are employees or exclusive independent
87 | contractors of the appointing entity, may not require, directly

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88 or indirectly, as a condition of such appointment or the
89 continuation of such appointment, the taking of an approved
90 course or program by any appointee or potential appointee that is
91 not of the appointee's choosing.

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

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

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

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

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

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

134 626.311 Scope of license.--

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

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

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145 1. Is licensed as an agent with respect to the type of
146 insurance for which he or she transacts the business of
147 insurance.

148 2. Is not appointed or registered by an insurer or other
149 authorized appointing entity.

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

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

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

164 (b) An unaffiliated insurance consultant may not:

165 1. Hold himself or herself out as acting as the agent for
166 an insurer;

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

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

170 Section 4. Present subsections (6) and (7) of section
171 626.381, Florida Statutes, are renumbered as subsections (8) and
172 (9), respectively, and new subsections (6) and (7) are added to
173 that section, to read:

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174 626.381 Renewal, continuation, reinstatement, or
175 termination of appointment.--

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

183 (7) Each appointing entity may appoint only those persons
184 who have met the continuing education requirements of the license
185 necessary for such appointment as described in s. 626.2815.
186 However, an appointing entity may not make or allow, directly or
187 indirectly, any appointment of any appointee or potential
188 appointee to be contingent, in whole or in part, on any
189 appointee's attendance at any course that is approved, in whole
190 or in part, for continuing education credit pursuant to s.
191 626.2815.

192 Section 5. Subsection (1) of section 627.901, Florida
193 Statutes, is amended to read:

194 627.901 Premium financing by an insurance agent or
195 agency.--

196 (1) A general lines agent may make reasonable service
197 charges for financing insurance premiums on policies issued or
198 business produced by such an agent or agency, s. 626.9541
199 notwithstanding. The service charge shall not exceed \$3 per
200 installment. The maximum service charge shall not exceed \$36 per
201 year. In lieu of such service charges, an insurance agent or
202 agency, at the sole discretion of such agent or agency, may

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203 charge a rate of interest not to exceed 18 percent simple
204 interest per year on:

205 (a) The unpaid balance; or

206 (b) The average unpaid balance as billed over the term of
207 the policy and subject to endorsement changes. The interest
208 authorized by this paragraph may be billed in equal installments.

209

210 The agent may also impose a service charge for processing, as a
211 convenience and accommodation to the insured, a premium
212 installment payment to an insurance company or premium finance
213 company which the insured could have made directly. The agent may
214 not collect more than one service charge on any one payment.

215 Section 6. Except as otherwise expressly provided in this
216 act, this act shall take effect July 1, 2008.