

1 A bill to be entitled

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

26
27 Be It Enacted by the Legislature of the State of Florida:
28

29 Section 1. Paragraph (j) of subsection (2) of section
 30 626.221, Florida Statutes, is amended 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
 36 Insurance (AAI) from the Insurance Institute of America, the
 37 designation of Certified Insurance Counselor (CIC) from the
 38 Society of Certified Insurance Service Counselors, the
 39 designation of Accredited Customer Service Representative (ACSR)
 40 from the Independent Insurance Agents of America, the
 41 designation of Certified Professional Service Representative
 42 (CPSR) from the National Foundation for Certified Professional
 43 Service Representatives, the designation of Certified Insurance
 44 Service Representative (CISR) from the Society of Certified
 45 Insurance Service Representatives. Also, an applicant for
 46 license as a customer representative who has earned an Associate
 47 of Arts degree, Associate of Science degree, or Associate of
 48 Applied Science degree in insurance from an accredited college
 49 or university with at least 9 academic hours of property and
 50 casualty insurance curriculum or has earned the designation of
 51 Certified Customer Service Representative (CCSR) from the
 52 Florida Association of Insurance Agents, or the designation of
 53 Registered Customer Service Representative (RCSR) from a
 54 regionally accredited postsecondary institution in this state,
 55 or the designation of Professional Customer Service
 56 Representative (PCSR) from the Professional Career Institute,

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

63 Section 2. Subsection (2), paragraph (f) of subsection
64 (3), paragraph (j) of subsection (4), and paragraph (a) of
65 subsection (6) of section 626.2815, Florida Statutes, are
66 amended to read:

67 626.2815 Continuing education required; application;
68 exceptions; requirements; penalties.--

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

80 (3)

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

85 1. An appointing entity, except those that appoint
86 individuals who are employees or exclusive independent
87 contractors of the appointing entity, may not require, directly
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
91 is not of the appointee's choosing.

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

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

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

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

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

135 (6) (a) There is created an 11-member continuing education
136 advisory board to be appointed by the Chief Financial Officer.
137 Appointments shall be for terms of 4 years. The purpose of the
138 board is to advise the department in determining standards by
139 which courses may be evaluated and categorized as basic,
140 intermediate, or advanced and to advise the department on issues

141 related to appointments based upon appointees meeting continuing
142 education requirements. The board shall submit recommendations
143 to the department of changes needed in such criteria not less
144 frequently than every 2 years. The department shall require all
145 approved course providers to submit courses for approval to the
146 department using the criteria. All materials, brochures, and
147 advertisements related to the approved courses must specify the
148 level assigned to the course.

149 Section 3. Subsection (7) is added to section 626.311,
150 Florida Statutes, to read:

151 626.311 Scope of license.--

152 (7) Subject to the limitations of paragraph (c) and
153 notwithstanding any other provisions of this chapter, an agent
154 who qualifies as an unaffiliated insurance consultant under
155 paragraphs (a) and (b) shall be authorized to transact insurance
156 within the scope of his or her agent's license.

157 (a) For purposes of this subsection, the term
158 "unaffiliated insurance consultant" means a person who is not
159 affiliated with any insurer and chooses to practice as an
160 independent insurance consultant providing objective advice to
161 the buyers of insurance and who:

162 1. Is licensed as an agent with respect to the type of
163 insurance for which he or she transacts the business of
164 insurance.

165 2. Is not appointed by an insurer or other authorized
166 appointing authority.

167 3. Does not sell or service insurance on behalf of any
168 insurer, or sell or service insurance on behalf of any insurance

169 agent or insurance agency, in connection with the sale or
 170 service on behalf of an insurer or by the insurance agent or
 171 insurance agency.

172 4. Does not receive any commission or any other form of
 173 direct or indirect compensation from any insurer for the sale or
 174 servicing of insurance on behalf of such insurer, or receive any
 175 commission or any other form of direct or indirect compensation
 176 from any insurance agent or insurance agency, in connection with
 177 the sale or servicing of insurance on behalf of an insurer or by
 178 the insurance agent or insurance agency.

179 5. Has provided the department with evidence that he or
 180 she:

181 a. Has been licensed as an agent for a minimum of 2 years
 182 with respect to the type of insurance for which he or she will
 183 transact;

184 b. With respect to a general lines agent, holds a
 185 Chartered Property Casualty Underwriter (CPCU), Associate in
 186 Risk Management (ARM), Accredited Advisor in Insurance (AAI), or
 187 Certified Insurance Counselor (CIC) designation;

188 c. With respect to a life or health agent, holds a
 189 Chartered Life Underwriter (CLU) or Certified Employee Benefit
 190 Specialist (CEBS) designation;

191 d. Has earned a bachelor's or graduate degree in risk
 192 management or insurance from an accredited college or
 193 university;

194 e. Has taught a course in risk management or insurance as
 195 a professor at an accredited college or university;

196 f. Is a member of The Florida Bar; or

197 g. Meets any other requirements the department may deem
198 proper to enable the department to determine the character,
199 experience, ability, and other qualifications of the person to
200 hold himself or herself out to the public as an unaffiliated
201 insurance consultant.

202 (b)1. A person may not initially qualify as an
203 unaffiliated insurance consultant:

204 a. Except upon written request for such qualification made
205 in a form acceptable to the department under the oath of, and
206 signed by, the person, submitted to and filed with the
207 department, certifying that the person meets the definition of
208 an unaffiliated insurance consultant under paragraph (a).

209 b. Except upon payment in advance by such person of all
210 applicable fees. For the purposes of this sub-subparagraph, the
211 applicable fee shall be twice the amount of the fee that would
212 apply to an insurer for an agent's original appointment. If the
213 applicant has more than one agent's license, a separate fee
214 shall be paid for each license for which the person seeks to
215 qualify as an unaffiliated insurance consultant.

216 2. As a condition to continued qualification as an
217 unaffiliated insurance consultant, the person shall:

218 a. On a biennial basis, submit a request for the
219 continuation of such qualification in a form acceptable to the
220 department under the oath of, and signed by, the person,
221 submitted to and filed with the department, certifying that the
222 person meets the definition of an unaffiliated insurance
223 consultant under paragraph (a).

224 b. Pay all applicable fees. For the purposes of this sub-
225 subparagraph, the applicable fee shall be twice the amount of
226 the fee that would apply to an insurer for the continuation of
227 an agent's original appointment. If the unaffiliated insurance
228 consultant has more than one license, a separate fee shall be
229 paid for each license for which the person seeks to continue to
230 qualify as an unaffiliated insurance consultant.

231 (c) An unaffiliated insurance consultant may not:

232 1. Hold himself or herself out as acting as the agent for
233 an insurer;

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

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

237 Section 4. Subsections (6) and (7) of section 626.381,
238 Florida Statutes, are renumbered as subsections (8) and (9),
239 respectively, and new subsections (6) and (7) are added to that
240 section to read:

241 626.381 Renewal, continuation, reinstatement, or
242 termination of appointment.--

243 (6) An appointing entity may require any appointee to
244 attend training programs exclusively on the internal procedures
245 of the appointing entity or exclusively on products
246 substantially unique to the appointing entity in order for the
247 appointee to receive a new appointment or maintain an existing
248 appointment. However, an appointing entity may not require,
249 directly or indirectly, any appointee to attend any training
250 programs that are wholly or partially approved for general
251 continuing education credit as described in s. 626.2815.

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252 (7) Each appointing entity may appoint only those persons
253 who have met the continuing education requirements of the
254 license necessary for such appointment as described in s.
255 626.2815. However, an appointing entity may not make or allow,
256 directly or indirectly, any appointment of any appointee or
257 potential appointee to be contingent, in whole or in part, upon
258 any appointee's attendance at any course that is approved, in
259 whole or in part, for continuing education credit pursuant to s.
260 626.2815.

261 Section 5. This act shall take effect June 1, 2008.