

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.; expanding application of
 6 certain continuing education requirements; providing
 7 limited exceptions to compliance with continuing education
 8 requirements as a condition precedent to certain
 9 appointments; providing an exception to certain
 10 examination monitoring requirements; providing exception
 11 requirements; amending s. 626.311, F.S.; authorizing
 12 agents qualifying as unaffiliated insurance consultants to
 13 transact insurance business within the scope of the
 14 agent's license; providing a definition; specifying
 15 prohibited activities for unaffiliated insurance
 16 consultants; amending s. 626.381, F.S.; authorizing
 17 appointing entities to require appointees to attend
 18 certain training and education programs for certain
 19 purposes; providing an exception; limiting an appointing
 20 entity's appointment authority; prohibiting appointments
 21 to be contingent upon an appointee's attendance at certain
 22 courses; amending s. 627.901, F.S.; authorizing an agent
 23 to impose a service charge for processing an insured's
 24 premium installment payment to an insurance company or
 25 premium finance company; providing a limitation; providing
 26 effective dates.

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

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

626.221 Examination requirement; exemptions.--

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

(j) An applicant for license as a customer representative who has earned the designation of Accredited Advisor in Insurance (AAI) from the Insurance Institute of America, the designation of Certified Insurance Counselor (CIC) from the Society of Certified Insurance Service Counselors, the designation of Accredited Customer Service Representative (ACSR) from the Independent Insurance Agents of America, the designation of Certified Professional Service Representative (CPSR) from the National Foundation for Certified Professional Service Representatives, the designation of Certified Insurance Service Representative (CISR) from the Society of Certified Insurance Service Representatives. Also, an applicant for license as a customer representative who has earned an associate's degree or bachelor's degree from an accredited college or university with at least 9 academic hours of property and casualty insurance curriculum, or the equivalent, or has earned the designation of Certified Customer Service Representative (CCSR) from the Florida Association of Insurance Agents, or the designation of Registered Customer Service Representative (RCSR) from a regionally accredited postsecondary institution in this state, or the designation of Professional

57 Customer Service Representative (PCSR) from the Professional
58 Career Institute, whose curriculum has been approved by the
59 department and whose curriculum includes comprehensive analysis
60 of basic property and casualty lines of insurance and testing at
61 least equal to that of standard department testing for the
62 customer representative license. The department shall adopt
63 rules establishing standards for the approval of curriculum.

64 Section 2. Subsection (2), paragraph (f) of subsection
65 (3), and paragraph (j) of subsection (4) of section 626.2815,
66 Florida Statutes, are 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 each insurer, employer, or appointing entity, including, but
74 not limited to, those created or existing pursuant to s.
75 627.351. The provisions of this section shall not apply to any
76 person holding a license for the sale of any line of insurance
77 for which an examination is not required by the laws of this
78 state, nor shall the provisions of this section apply to any
79 limited license as the department may exempt by rule.

80 (3)

81 (f) 1. Except as provided in subparagraph 2., compliance
82 with continuing education requirements is a condition precedent
83 to the issuance, continuation, reinstatement, or renewal of any
84 appointment subject to this section.

85 2.a. An appointing entity, except one that appoints
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 b. 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
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 with subjects substantially
98 unique 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 on paper or in printed material that imposes a final closed book
120 examination that meets the requirements of the department's rule
121 for self-study courses. The examination may be taken without a
122 proctor provided the student presents to the provider a sworn
123 affidavit certifying that the student did not consult any
124 written materials or receive outside assistance of any kind or
125 from any person, directly or indirectly, while taking the
126 examination. If the student is an employee of an agency or
127 corporate entity, the student's supervisor or a manager or owner
128 of the agency or corporate entity must also sign the sworn
129 affidavit. If the student is self-employed, a sole proprietor,
130 or a partner, or if the examination is administered online, the
131 sworn affidavit must also be signed by a disinterested third
132 party. The sworn affidavit must be received by the approved
133 provider prior to reporting continuing education credits to the
134 department.

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

137 626.311 Scope of license.--

138 (7) Subject to the limitations of paragraph (b) and
139 notwithstanding any other provisions of this chapter, an agent
140 who qualifies as an unaffiliated insurance consultant under

141 paragraph (a) shall be authorized to transact insurance within
142 the scope of his or her agent's license.

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

148 1. Is licensed as an agent with respect to the type of
149 insurance for which he or she transacts the business of
150 insurance.

151 2. Is not appointed or registered by an insurer or other
152 authorized appointing entity.

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

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

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

167 (b) An unaffiliated insurance consultant may not:

168 1. Hold himself or herself out as acting as the agent for
 169 an insurer;

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

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

173 Section 4. Subsections (6) and (7) of section 626.381,
 174 Florida Statutes, are renumbered as subsections (8) and (9),
 175 respectively, and new subsections (6) and (7) are added to that
 176 section to read:

177 626.381 Renewal, continuation, reinstatement, or
 178 termination of appointment.--

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

186 (7) Each appointing entity may appoint only those persons
 187 who have met the continuing education requirements of the
 188 license necessary for such appointment as provided in s.
 189 626.2815. However, an appointing entity may not make or allow,
 190 directly or indirectly, the appointment of any appointee or
 191 potential appointee to be contingent, in whole or in part, on
 192 any appointee's attendance at any course that is approved, in
 193 whole or in part, for continuing education credit pursuant to s.
 194 626.2815.

195 Section 5. Subsection (1) of section 627.901, Florida

196 Statutes, is amended to read:

197 627.901 Premium financing by an insurance agent or
198 agency.--

199 (1) A general lines agent may make reasonable service
200 charges for financing insurance premiums on policies issued or
201 business produced by such an agent or agency, s. 626.9541
202 notwithstanding. The service charge shall not exceed \$3 per
203 installment. The maximum service charge shall not exceed \$36 per
204 year. In lieu of such service charges, an insurance agent or
205 agency, at the sole discretion of such agent or agency, may
206 charge a rate of interest not to exceed 18 percent simple
207 interest per year on:

208 (a) The unpaid balance; or

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

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

219 Section 6. Except as otherwise expressly provided in this
220 act, this act shall take effect upon becoming a law.