

By the Committee on Banking and Insurance; and Senator Bean

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1 A bill to be entitled
2 An act relating to the Division of Insurance Agents
3 and Agency Services; amending s. 20.121, F.S.;
4 revising the name of the division; amending s.
5 624.310, F.S.; revising service delivery methods;
6 amending s. 624.318, F.S.; prohibiting the removal of
7 specified original documents under certain conditions;
8 amending s. 624.501, F.S.; revising original
9 appointment and renewal fees related to certain
10 insurance representatives; amending s. 626.015, F.S.;
11 defining the term "unaffiliated insurance agent";
12 amending s. 626.0428, F.S.; requiring a branch place
13 of business to have an agent in charge; authorizing an
14 agent to be in charge of more than one branch office
15 under certain circumstances; providing requirements
16 relating to the designation of an agent in charge;
17 providing that the agent in charge is accountable for
18 wrongful acts, misconduct, and violations committed by
19 the licensee and any person under his or her
20 supervision; prohibiting an insurance agency from
21 conducting insurance business at a location without a
22 designated agent in charge; providing for expiration
23 of an agency license under specified circumstances;
24 amending s. 626.112, F.S.; prohibiting new limited
25 customer representative licenses from being issued
26 after a specified date; providing licensure exemptions
27 that allow specified individuals or entities to
28 conduct insurance business at specified locations
29 under certain circumstances; revising licensure

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30 requirements and penalties with respect to registered
31 insurance agencies; providing that the registration of
32 an approved registered insurance agency automatically
33 converts to an insurance agency license on a specified
34 date; amending s. 626.171, F.S.; providing an
35 exemption from certain licensure application fees;
36 amending s. 626.172, F.S.; revising requirements
37 relating to applications for insurance agency
38 licenses; amending s. 626.207, F.S.; conforming a
39 cross-reference; amending s. 626.241, F.S.; revising
40 the scope of the examination for a limited agent
41 license; amending s. 626.261, F.S.; deleting a
42 provision requiring certain costs to be paid by
43 applicants who request licensure examinations in
44 Spanish; amending s. 626.311, F.S.; limiting the types
45 of business that may be transacted by certain agents;
46 amending s. 626.321, F.S.; providing that a license
47 issued to a business renting or leasing motor vehicles
48 applies to employees and authorized representatives;
49 amending s. 626.382, F.S.; providing that an insurance
50 agency license continues in force until canceled,
51 suspended, revoked, terminated, or expired; amending
52 s. 626.601, F.S.; revising terminology relating to
53 investigations conducted by the Department of
54 Financial Services and the Office of Insurance
55 Regulation with respect to individuals and entities
56 involved in the insurance industry; amending s.
57 626.611, F.S.; requiring the department to suspend
58 certain licenses and appointments; amending s.

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59 626.641, F.S.; conforming a cross-reference; amending
60 s. 626.733, F.S.; revising applicability of certain
61 appointment provisions; amending s. 626.7355, F.S.;
62 revising qualifications for a temporary customer
63 representative's license; repealing s. 626.747, F.S.,
64 relating to branch agencies, agents in charge, and the
65 payment of additional county tax under certain
66 circumstances on a specified date; amending s.
67 626.7845, F.S.; revising a prohibition against
68 unlicensed transaction of life insurance; amending ss.
69 626.8411, 626.861, and 626.862, F.S.; conforming
70 cross-references; amending s. 626.9272, F.S.; revising
71 requirements for the licensure of nonresident surplus
72 lines agents; creating s. 627.4553, F.S.; requiring an
73 insurance agent who recommends the surrender of
74 certain annuity or life insurance to provide certain
75 information to the department; amending s. 627.7015,
76 F.S.; revising the rulemaking authority of the
77 department with respect to qualifications and
78 specified types of penalties covered under the
79 property insurance mediation program; amending s.
80 627.706, F.S.; revising the definition of the term
81 "neutral evaluator"; amending s. 627.7074, F.S.;
82 providing grounds for the department to deny an
83 application, or suspend or revoke approval of
84 certification, of a neutral evaluator; requiring the
85 department to adopt rules; amending s. 627.745, F.S.;
86 revising qualifications for approval as a mediator by
87 the department; providing grounds for the department

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88 to deny an application, or suspend or revoke approval,
89 of a mediator; requiring the department to adopt
90 rules; amending s. 627.952, F.S.; providing that
91 certain persons who are not residents of this state
92 must be licensed and appointed as nonresident surplus
93 lines agents in this state in order to engage in
94 specified activities with respect to servicing
95 insurance contracts, certificates, or agreements for
96 purchasing or risk retention groups; deleting a
97 fidelity bond requirement applicable to certain
98 nonresident agents who are licensed as surplus lines
99 agents in another state; amending s. 648.43, F.S.;
100 revising requirements for the submission of a power of
101 attorney; amending s. 648.49, F.S.; revising
102 provisions relating to the duration of suspension or
103 revocation of a license; amending ss. 943.0585 and
104 943.059, F.S.; prohibiting a person seeking a license
105 from the Division of Insurance Agent and Agency
106 Services who is the subject of an expunged or sealed
107 criminal history record from denying or failing to
108 acknowledge arrests covered by the record; providing
109 effective dates.

110
111 Be It Enacted by the Legislature of the State of Florida:

112
113 Section 1. Paragraph (g) of subsection (2) of section
114 20.121, Florida Statutes, is amended to read:

115 20.121 Department of Financial Services.—There is created a
116 Department of Financial Services.

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117 (2) DIVISIONS.—The Department of Financial Services shall
118 consist of the following divisions:

119 (g) The Division of Insurance Agent ~~Agents~~ and Agency
120 Services.

121 Section 2. Subsection (6) of section 624.310, Florida
122 Statutes, is amended to read:

123 624.310 Enforcement; cease and desist orders; removal of
124 certain persons; fines.—

125 (6) ADMINISTRATIVE PROCEDURES.—All administrative
126 proceedings under subsections (3), (4), and (5) shall be
127 conducted in accordance with chapter 120. Any service required
128 or authorized to be made by the department or office under this
129 code shall be made:

130 (a) By certified mail, return receipt requested, delivered
131 to the addressee only;

132 (b) By e-mail, delivery receipt required, sent to the most
133 recent e-mail address provided to the department by the
134 applicant or licensee in accordance with s. 626.171, s. 626.551,
135 s. 648.34, or s. 648.421, if service by mail cannot be obtained
136 at the last address provided to the department by the recipient;

137 (c) By personal delivery, including hand delivery by
138 department investigators;

139 (d) By publication in accordance with s. 120.60; or

140 (e) In accordance with chapter 48.

141

142 The service provided for in this subsection ~~herein~~ shall be
143 effective from the date of delivery.

144 Section 3. Subsection (5) of section 624.318, Florida
145 Statutes, is amended to read:

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146 624.318 Conduct of examination or investigation; access to
147 records; correction of accounts; appraisals.-

148 (5) ~~Neither~~ The department, the office, or an ~~nor any~~
149 examiner may not shall remove an original ~~any~~ record, account,
150 document, file, or other property of the person being examined
151 from the offices of such person except with the person's written
152 consent ~~of such person~~ given in advance of such removal or
153 pursuant to a court ~~an order of court~~ ~~duly obtained~~.

154 Section 4. Paragraphs (a) and (c) of subsection (6) and
155 subsections (7) and (8) of section 624.501, Florida Statutes,
156 are amended to read:

157 624.501 Filing, license, appointment, and miscellaneous
158 fees.-The department, commission, or office, as appropriate,
159 shall collect in advance, and persons so served shall pay to it
160 in advance, fees, licenses, and miscellaneous charges as
161 follows:

162 (6) Insurance representatives, property, marine, casualty,
163 and surety insurance.

164 (a) Agent's original appointment and biennial renewal or
165 continuation thereof, each insurer or unaffiliated agent making
166 an appointment:

167	Appointment fee.....	\$42.00
168	State tax.....	12.00
169	County tax.....	6.00
170	Total.....	\$60.00

171 (c) Nonresident agent's original appointment and biennial
172 renewal or continuation thereof, appointment fee, each insurer
173 or unaffiliated agent making an appointment.....\$60.00

174 (7) Life insurance agents.

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175 (a) Agent's original appointment and biennial renewal or
176 continuation thereof, each insurer or unaffiliated agent making
177 an appointment:

178	Appointment fee.....	\$42.00
179	State tax.....	12.00
180	County tax.....	6.00
181	Total.....	\$60.00

182 (b) Nonresident agent's original appointment and biennial
183 renewal or continuation thereof, appointment fee, each insurer
184 or unaffiliated agent making an appointment \$60.00

185 (8) Health insurance agents.

186 (a) Agent's original appointment and biennial renewal or
187 continuation thereof, each insurer or unaffiliated agent making
188 an appointment:

189	Appointment fee.....	\$42.00
190	State tax.....	12.00
191	County tax.....	6.00
192	Total.....	\$60.00

193 (b) Nonresident agent's original appointment and biennial
194 renewal or continuation thereof, appointment fee, each insurer
195 or unaffiliated agent making an appointment \$60.00

196 Section 5. Present subsection (18) of section 626.015,
197 Florida Statutes, is renumbered as subsection (19), and a new
198 subsection (18) is added to that section, to read:

199 626.015 Definitions.—As used in this part:

200 (18) "Unaffiliated insurance agent" means a licensed
201 insurance agent, except a limited lines agent, who is self-
202 appointed and who practices as an independent consultant in the
203 business of analyzing or abstracting insurance policies,

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204 providing insurance advice or counseling, or making specific
205 recommendations or comparisons of insurance products for a fee
206 established in advance by written contract signed by the
207 parties. An unaffiliated insurance agent may not be affiliated
208 with an insurer, insurer-appointed insurance agent, or insurance
209 agency contracted with or employing insurer-appointed insurance
210 agents.

211 Section 6. Effective January 1, 2015, section 626.0428,
212 Florida Statutes, is amended to read:

213 626.0428 Agency personnel powers, duties, and limitations.—

214 (1) An employee of ~~individual employed by~~ an agent or
215 agency on salary who devotes full time to clerical work, with
216 incidental taking of insurance applications or quoting or
217 receiving premiums on incoming inquiries in the office of the
218 agent or agency, is not ~~deemed to be~~ an agent or customer
219 representative if his or her compensation does not include in
220 whole or in part any commissions on such business and is not
221 related to the production of applications, insurance, or
222 premiums.

223 (2) An employee, or an authorized representative located at
224 a designated branch of an agent or agency may not bind insurance
225 coverage unless licensed and appointed as an agent or customer
226 representative.

227 (3) An employee or an authorized representative located at
228 a designated branch of an agent or agency may not initiate
229 contact with any person for the purpose of soliciting insurance
230 unless licensed and appointed as an agent or customer
231 representative. As to title insurance, an employee of an agent
232 or agency may not initiate contact with an ~~any~~ individual

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233 proposed to be insured for the purpose of soliciting title
234 insurance unless licensed as a title insurance agent or exempt
235 from such licensure pursuant to s. 626.8417(4).

236 (4) (a) Each place of business established by an agent or
237 agency, firm, corporation, or association must be in the active
238 full-time charge of a licensed and appointed agent holding the
239 required agent licenses to transact the lines of insurance being
240 handled at the location.

241 (b) However, the licensed agent in charge of an insurance
242 agency may also be the agent in charge of additional branch
243 office locations of the agency if insurance activities requiring
244 licensure as an insurance agent do not occur at a location when
245 an agent is not physically present and unlicensed employees at
246 the location do not engage in insurance activities requiring
247 licensure as an insurance agent or customer representative.

248 (c) An insurance agency and each branch place of business
249 of an insurance agency shall designate an agent in charge and
250 file the name and license number of the agent in charge and the
251 physical address of the insurance agency location with the
252 department at the department's designated website. The
253 designation of the agent in charge may be changed at the option
254 of the agency. A change of the designated agent in charge is
255 effective upon notification to the department, which shall be
256 provided within 30 days after such change.

257 (d) For the purposes of this subsection, an "agent in
258 charge" is the licensed and appointed agent who is responsible
259 for the supervision of all individuals within an insurance
260 agency location, regardless of whether the agent in charge
261 handles a specific transaction or deals with the general public

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262 in the solicitation or negotiation of insurance contracts or the
263 collection or accounting of moneys.

264 (e) An agent in charge of an insurance agency is
265 accountable for wrongful acts, misconduct, or violations of this
266 code committed by the licensee or agent or by any person under
267 his or her supervision while acting on behalf of the agency.
268 This section does not render an agent in charge criminally
269 liable for an act unless the agent in charge personally
270 committed the act or knew or should have known of the act and of
271 the facts constituting a violation of this chapter.

272 (f) An insurance agency location may not conduct the
273 business of insurance unless an agent in charge is designated
274 by, and providing services to, the agency at all times. If the
275 agent in charge designated with the department ends his or her
276 affiliation with the agency and the agency fails to designate
277 another agent in charge within the 30 days provided for in
278 paragraph (c) and such failure continues for 90 days, the agency
279 license shall automatically expire on the 91st day after the
280 date the designated agent in charge ended his or her affiliation
281 with the agency.

282 Section 7. Paragraph (b) of subsection (1) of section
283 626.112, Florida Statutes, is amended to read:

284 626.112 License and appointment required; agents, customer
285 representatives, adjusters, insurance agencies, service
286 representatives, managing general agents.—

287 (1)

288 (b) Except as provided in subsection (6) or in applicable
289 department rules, and in addition to other conduct described in
290 this chapter with respect to particular types of agents, a

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291 license as an insurance agent, service representative, customer
292 representative, or limited customer representative is required
293 in order to engage in the solicitation of insurance. Effective
294 October 1, 2014, new limited customer representative licenses
295 may not be issued. For purposes of this requirement, as
296 applicable to ~~any of~~ the license types described in this
297 section, the solicitation of insurance is the attempt to
298 persuade any person to purchase an insurance product by:

- 299 1. Describing the benefits or terms of insurance coverage,
300 including premiums or rates of return;
- 301 2. Distributing an invitation to contract to prospective
302 purchasers;
- 303 3. Making general or specific recommendations as to
304 insurance products;
- 305 4. Completing orders or applications for insurance
306 products;
- 307 5. Comparing insurance products, advising as to insurance
308 matters, or interpreting policies or coverages; or
- 309 6. Offering or attempting to negotiate on behalf of another
310 person a viatical settlement contract as defined in s. 626.9911.

311
312 However, an employee leasing company licensed under ~~pursuant to~~
313 chapter 468 which is seeking to enter into a contract with an
314 employer that identifies products and services offered to
315 employees may deliver proposals for the purchase of employee
316 leasing services to prospective clients of the employee leasing
317 company setting forth the terms and conditions of doing
318 business; classify employees as permitted by s. 468.529; collect
319 information from prospective clients and other sources as

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320 necessary to perform due diligence on the prospective client and
321 to prepare a proposal for services; provide and receive
322 enrollment forms, plans, and other documents; and discuss or
323 explain in general terms the conditions, limitations, options,
324 or exclusions of insurance benefit plans available to the client
325 or employees of the employee leasing company were the client to
326 contract with the employee leasing company. Any advertising
327 materials or other documents describing specific insurance
328 coverages must identify and be from a licensed insurer or its
329 licensed agent or a licensed and appointed agent employed by the
330 employee leasing company. The employee leasing company may not
331 advise or inform the prospective business client or individual
332 employees of specific coverage provisions, exclusions, or
333 limitations of particular plans. As to clients for which the
334 employee leasing company is providing services pursuant to s.
335 468.525(4), the employee leasing company may engage in
336 activities permitted by ss. 626.7315, 626.7845, and 626.8305,
337 subject to the restrictions specified in those sections. If a
338 prospective client requests more specific information concerning
339 the insurance provided by the employee leasing company, the
340 employee leasing company must refer the prospective business
341 client to the insurer or its licensed agent or to a licensed and
342 appointed agent employed by the employee leasing company.

343 Section 8. Effective January 1, 2015, subsection (7) of
344 section 626.112, Florida Statutes, is amended to read:

345 626.112 License and appointment required; agents, customer
346 representatives, adjusters, insurance agencies, service
347 representatives, managing general agents.-

348 (7) ~~(a) An~~ Effective October 1, 2006, no individual, firm,

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349 partnership, corporation, association, or ~~any~~ other entity may
350 not shall act in its own name or under a trade name, directly or
351 indirectly, as an insurance agency, unless it complies with s.
352 626.172 with respect to possessing an insurance agency license
353 for each place of business at which it engages in an any
354 activity that which may be performed only by a licensed
355 insurance agent. However, an insurance agency that is owned and
356 operated by a single licensed agent conducting business in his
357 or her individual name and not employing or otherwise using the
358 services of or appointing other licensees is exempt from the
359 agency licensing requirements of this subsection.

360 (a) A branch location of a business which is established by
361 a licensed insurance agency is considered a branch agency and is
362 not required to be licensed if it transacts business under the
363 same name and federal tax identification number as the licensed
364 agency and has designated with the department a licensed agent
365 in charge of the branch location as required by s. 626.0428 and
366 the address and telephone number of the branch location have
367 been submitted to the department for inclusion in the licensing
368 record of the licensed agency within 30 days after insurance
369 transactions begin at the branch location ~~Each agency engaged in~~
370 ~~business in this state before January 1, 2003, which is wholly~~
371 ~~owned by insurance agents currently licensed and appointed under~~
372 ~~this chapter, each incorporated agency whose voting shares are~~
373 ~~traded on a securities exchange, each agency designated and~~
374 ~~subject to supervision and inspection as a branch office under~~
375 ~~the rules of the National Association of Securities Dealers, and~~
376 ~~each agency whose primary function is offering insurance as a~~
377 ~~service or member benefit to members of a nonprofit corporation~~

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378 ~~may file an application for registration in lieu of licensure in~~
379 ~~accordance with s. 626.172(3). Each agency engaged in business~~
380 ~~before October 1, 2006, shall file an application for licensure~~
381 ~~or registration on or before October 1, 2006.~~

382 (b)1. If an agency is required to be licensed but fails to
383 file an application for licensure in accordance with this
384 section, the department shall impose ~~on the agency an~~
385 administrative penalty in an amount of up to \$10,000.

386 ~~2. If an agency is eligible for registration but fails to~~
387 ~~file an application for registration or an application for~~
388 ~~licensure in accordance with this section, the department shall~~
389 ~~impose on the agency an administrative penalty in an amount of~~
390 ~~up to \$5,000.~~

391 (c)(b) Effective October 1, 2015, the department must
392 convert the registration of an approved a registered insurance
393 agency to shall, as a condition precedent to continuing
394 business, obtain an insurance agency license if the department
395 finds that, with respect to any majority owner, partner,
396 manager, director, officer, or other person who manages or
397 controls the agency, any person has:

398 ~~1. Been found guilty of, or has pleaded guilty or nolo~~
399 ~~contendere to, a felony in this state or any other state~~
400 ~~relating to the business of insurance or to an insurance agency,~~
401 ~~without regard to whether a judgment of conviction has been~~
402 ~~entered by the court having jurisdiction of the cases.~~

403 ~~2. Employed any individual in a managerial capacity or in a~~
404 ~~capacity dealing with the public who is under an order of~~
405 ~~revocation or suspension issued by the department. An insurance~~
406 ~~agency may request, on forms prescribed by the department,~~

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407 ~~verification of any person's license status. If a request is~~
408 ~~mailed within 5 working days after an employee is hired, and the~~
409 ~~employee's license is currently suspended or revoked, the agency~~
410 ~~shall not be required to obtain a license, if the unlicensed~~
411 ~~person's employment is immediately terminated.~~

412 ~~3. Operated the agency or permitted the agency to be~~
413 ~~operated in violation of s. 626.747.~~

414 ~~4. With such frequency as to have made the operation of the~~
415 ~~agency hazardous to the insurance-buying public or other~~
416 ~~persons:~~

417 ~~a. Solicited or handled controlled business. This~~
418 ~~subparagraph shall not prohibit the licensing of any lending or~~
419 ~~financing institution or creditor, with respect to insurance~~
420 ~~only, under credit life or disability insurance policies of~~
421 ~~borrowers from the institutions, which policies are subject to~~
422 ~~part IX of chapter 627.~~

423 ~~b. Misappropriated, converted, or unlawfully withheld~~
424 ~~moneys belonging to insurers, insureds, beneficiaries, or others~~
425 ~~and received in the conduct of business under the license.~~

426 ~~c. Unlawfully rebated, attempted to unlawfully rebate, or~~
427 ~~unlawfully divided or offered to divide commissions with~~
428 ~~another.~~

429 ~~d. Misrepresented any insurance policy or annuity contract,~~
430 ~~or used deception with regard to any policy or contract, done~~
431 ~~either in person or by any form of dissemination of information~~
432 ~~or advertising.~~

433 ~~e. Violated any provision of this code or any other law~~
434 ~~applicable to the business of insurance in the course of dealing~~
435 ~~under the license.~~

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436 ~~f. Violated any lawful order or rule of the department.~~

437 ~~g. Failed or refused, upon demand, to pay over to any~~
438 ~~insurer he or she represents or has represented any money coming~~
439 ~~into his or her hands belonging to the insurer.~~

440 ~~h. Violated the provision against twisting as defined in s.~~
441 ~~626.9541(1)(l).~~

442 ~~i. In the conduct of business, engaged in unfair methods of~~
443 ~~competition or in unfair or deceptive acts or practices, as~~
444 ~~prohibited under part IX of this chapter.~~

445 ~~j. Willfully overinsured any property insurance risk.~~

446 ~~k. Engaged in fraudulent or dishonest practices in the~~
447 ~~conduct of business arising out of activities related to~~
448 ~~insurance or the insurance agency.~~

449 ~~l. Demonstrated lack of fitness or trustworthiness to~~
450 ~~engage in the business of insurance arising out of activities~~
451 ~~related to insurance or the insurance agency.~~

452 ~~m. Authorized or knowingly allowed individuals to transact~~
453 ~~insurance who were not then licensed as required by this code.~~

454 ~~5. Knowingly employed any person who within the preceding 3~~
455 ~~years has had his or her relationship with an agency terminated~~
456 ~~in accordance with paragraph (d).~~

457 ~~6. Willfully circumvented the requirements or prohibitions~~
458 ~~of this code.~~

459 Section 9. Present subsection (6) of section 626.171,
460 Florida Statutes, is renumbered as subsection (7), and a new
461 subsection (6) is added to that section, to read:

462 626.171 Application for license as an agent, customer
463 representative, adjuster, service representative, managing
464 general agent, or reinsurance intermediary.-

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465 (6) Members of the United States Armed Forces and their
466 spouses, and veterans of the United States Armed Forces who have
467 retired within 24 months before application for licensure, are
468 exempt from the application filing fee prescribed in s. 624.501.
469 Qualified individuals must provide a copy of a military
470 identification card, military dependent identification card,
471 military service record, military personnel file, veteran
472 record, discharge paper, or separation document, or separation
473 document that indicates such members of the United States Armed
474 Forces are currently in good standing or were honorably
475 discharged.

476 Section 10. Subsections (2), (3), and (4) of section
477 626.172, Florida Statutes, are amended to read:

478 626.172 Application for insurance agency license.—

479 (2) An application for an insurance agency license must be
480 signed by an individual specified in paragraph (a) ~~shall be~~
481 ~~signed by the owner or owners of the agency.~~ An insurance agency
482 may permit a third party to complete, submit, and sign an
483 application on the insurance agency's behalf; however, the
484 insurance agency is responsible for ensuring that the
485 information on the application is true and correct and is
486 accountable for any misstatements or misrepresentations. ~~If the~~
487 ~~agency is incorporated, the application shall be signed by the~~
488 ~~president and secretary of the corporation.~~ The application must
489 for an insurance agency license shall include:

490 (a) The name of each ~~majority~~ owner, partner, officer, and
491 director, president, senior vice president, secretary,
492 treasurer, and limited liability company member who directs or
493 participates in the management or control of the insurance

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494 agency, whether through ownership of voting securities, by
 495 contract, by ownership of an agency bank account, or otherwise.

496 (b) The residence address of each person required to be
 497 listed in the application under paragraph (a).

498 (c) The name, principal business street address, and valid
 499 e-mail address of the insurance agency and the name, address,
 500 and e-mail address of the agency's registered agent or person or
 501 company authorized to accept service on behalf of the agency and
 502 its principal business address.

503 (d) The physical address location of each branch agency,
 504 including its name, e-mail address, and telephone number, and
 505 the date that the branch location began transacting insurance
 506 office and the name under which each agency office conducts or
 507 will conduct business.

508 (e) The name of the each agent to be in full-time charge of
 509 the an agency office, including branch locations, and his or her
 510 corresponding location specification of which office.

511 (f) The fingerprints of each of the following:

512 1. A sole proprietor;

513 2. Each individual specified in paragraph (a) partner; and

514 ~~3. Each owner of an unincorporated agency;~~

515 ~~3.4.~~ Each individual owner who directs or participates in
 516 the management or control of an incorporated agency whose shares
 517 are not traded on a securities exchange;

518 ~~5. The president, senior vice presidents, treasurer,~~
 519 ~~secretary, and directors of the agency; and~~

520 ~~6. Any other person who directs or participates in the~~
 521 ~~management or control of the agency, whether through the~~
 522 ~~ownership of voting securities, by contract, or otherwise.~~

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524 Fingerprints must be taken by a law enforcement agency or other
525 entity approved by the department and must be accompanied by the
526 fingerprint processing fee specified in s. 624.501. Fingerprints
527 must ~~shall~~ be processed in accordance with s. 624.34. However,
528 fingerprints need not be filed for an ~~any~~ individual who is
529 currently licensed and appointed under this chapter. This
530 paragraph does not apply to corporations whose voting shares are
531 traded on a securities exchange.

532 (g) Such additional information as the department requires
533 by rule to ascertain the trustworthiness and competence of
534 persons required to be listed on the application and to
535 ascertain that such persons meet the requirements of this code.
536 However, the department may not require that credit or character
537 reports be submitted for persons required to be listed on the
538 application.

539 (3)(h) ~~Beginning October 1, 2005,~~ The department must ~~shall~~
540 accept the uniform application for nonresident agency licensure.
541 The department may adopt by rule revised versions of the uniform
542 application.

543 ~~(3) The department shall issue a registration as an~~
544 ~~insurance agency to any agency that files a written application~~
545 ~~with the department and qualifies for registration. The~~
546 ~~application for registration shall require the agency to provide~~
547 ~~the same information required for an agency licensed under~~
548 ~~subsection (2), the agent identification number for each owner~~
549 ~~who is a licensed agent, proof that the agency qualifies for~~
550 ~~registration as provided in s. 626.112(7), and any other~~
551 ~~additional information that the department determines is~~

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552 ~~necessary in order to demonstrate that the agency qualifies for~~
553 ~~registration. The application must be signed by the owner or~~
554 ~~owners of the agency. If the agency is incorporated, the~~
555 ~~application must be signed by the president and the secretary of~~
556 ~~the corporation. An agent who owns the agency need not file~~
557 ~~fingerprints with the department if the agent obtained a license~~
558 ~~under this chapter and the license is currently valid.~~

559 ~~(a) If an application for registration is denied, the~~
560 ~~agency must file an application for licensure no later than 30~~
561 ~~days after the date of the denial of registration.~~

562 ~~(b) A registered insurance agency must file an application~~
563 ~~for licensure no later than 30 days after the date that any~~
564 ~~person who is not a licensed and appointed agent in this state~~
565 ~~acquires any ownership interest in the agency. If an agency~~
566 ~~fails to file an application for licensure in compliance with~~
567 ~~this paragraph, the department shall impose an administrative~~
568 ~~penalty in an amount of up to \$5,000 on the agency.~~

569 ~~(c) Sections 626.6115 and 626.6215 do not apply to agencies~~
570 ~~registered under this subsection.~~

571 (4) The department must ~~shall~~ issue a license ~~or~~
572 ~~registration~~ to each agency upon approval of the application,
573 and each agency location must ~~shall~~ display the license ~~or~~
574 ~~registration~~ prominently in a manner that makes it clearly
575 visible to any customer or potential customer who enters the
576 agency location.

577 Section 11. Subsection (7) of section 626.207, Florida
578 Statutes, is amended to read:

579 626.207 Disqualification of applicants and licensees;
580 penalties against licensees; rulemaking authority.-

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581 (7) After the disqualifying period has been met, the burden
582 is on the applicant to demonstrate that the applicant has been
583 rehabilitated, does not pose a risk to the insurance-buying
584 public, is fit and trustworthy to engage in the business of
585 insurance pursuant to s. 626.611(1)(g) ~~s. 626.611(7)~~, and is
586 otherwise qualified for licensure.

587 Section 12. Subsection (5) of section 626.241, Florida
588 Statutes, is amended to read:

589 626.241 Scope of examination.—

590 (5) Examinations given applicants for a limited agent
591 license ~~as agent or as customer representative~~ shall be limited
592 in scope to the kind of business to be transacted under such
593 license.

594 Section 13. Subsection (5) of section 626.261, Florida
595 Statutes, is amended to read:

596 626.261 Conduct of examination.—

597 (5) The department may provide licensure examinations in
598 Spanish. ~~Applicants requesting examination or reexamination in~~
599 ~~Spanish must bear the full cost of the department's development,~~
600 ~~preparation, administration, grading, and evaluation of the~~
601 ~~Spanish-language examination.~~ When determining whether it is in
602 the public interest to allow the examination to be translated
603 into and administered in Spanish, the department shall consider
604 the percentage of the population who speak Spanish.

605 Section 14. Present subsection (6) of section 626.311,
606 Florida Statutes, is renumbered as subsection (7), and a new
607 subsection (6) is added to that section, to read:

608 626.311 Scope of license.—

609 (6) An agent who appoints his or her license as an

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610 unaffiliated insurance agent may not hold an appointment from an
611 insurer for any license he or she holds; transact, solicit, or
612 service an insurance contract on behalf of an insurer; interfere
613 with commissions received or to be received by an insurer-
614 appointed insurance agent or an insurance agency contracted with
615 or employing insurer-appointed insurance agents; or receive
616 compensation or any other thing of value from an insurer, an
617 insurer-appointed insurance agent, or an insurance agency
618 contracted with or employing insurer-appointed insurance agents
619 for any transaction or referral occurring after the date of
620 appointment as an unaffiliated insurance agent. An unaffiliated
621 insurance agent may continue to receive commissions on sales
622 that occurred before the date of appointment as an unaffiliated
623 insurance agent if the receipt of such commissions is disclosed
624 when making recommendations or evaluating products for a client
625 that involve products of the entity from which the commissions
626 are received.

627 Section 15. Paragraph (d) of subsection (1) of section
628 626.321, Florida Statutes, is amended to read:

629 626.321 Limited licenses.—

630 (1) The department shall issue to a qualified applicant a
631 license as agent authorized to transact a limited class of
632 business in any of the following categories of limited lines
633 insurance:

634 (d) *Motor vehicle rental insurance.*—

635 1. License covering only insurance of the risks set forth
636 in this paragraph when offered, sold, or solicited with and
637 incidental to the rental or lease of a motor vehicle and which
638 applies only to the motor vehicle that is the subject of the

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639 lease or rental agreement and the occupants of the motor
640 vehicle:

641 a. Excess motor vehicle liability insurance providing
642 coverage in excess of the standard liability limits provided by
643 the lessor in the lessor's lease to a person renting or leasing
644 a motor vehicle from the licensee's employer for liability
645 arising in connection with the negligent operation of the leased
646 or rented motor vehicle.

647 b. Insurance covering the liability of the lessee to the
648 lessor for damage to the leased or rented motor vehicle.

649 c. Insurance covering the loss of or damage to baggage,
650 personal effects, or travel documents of a person renting or
651 leasing a motor vehicle.

652 d. Insurance covering accidental personal injury or death
653 of the lessee and any passenger who is riding or driving with
654 the covered lessee in the leased or rented motor vehicle.

655 2. Insurance under a motor vehicle rental insurance license
656 may be issued only if the lease or rental agreement is for no
657 more than 60 days, the lessee is not provided coverage for more
658 than 60 consecutive days per lease period, and the lessee is
659 given written notice that his or her personal insurance policy
660 providing coverage on an owned motor vehicle may provide
661 coverage of such risks and that the purchase of the insurance is
662 not required in connection with the lease or rental of a motor
663 vehicle. If the lease is extended beyond 60 days, the coverage
664 may be extended one time only for up to 60 ~~a period not to~~
665 ~~exceed an~~ additional 60 days. Insurance may be provided to the
666 lessee as an additional insured on a policy issued to the
667 licensee's employer.

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668 3. The license may be issued only to the full-time salaried
669 employee of a licensed general lines agent or to a business
670 entity that offers motor vehicles for rent or lease if insurance
671 sales activities authorized by the license are in connection
672 with and incidental to the rental or lease of a motor vehicle.

673 a. A license issued to a business entity that offers motor
674 vehicles for rent or lease encompasses each office, branch
675 office, employee, and authorized representative located at a
676 designated branch or place of business making use of the
677 entity's business name in order to offer, solicit, and sell
678 insurance pursuant to this paragraph.

679 b. The application for licensure must list the name,
680 address, and phone number for each office, branch office, or
681 place of business that is to be covered by the license. The
682 licensee shall notify the department of the name, address, and
683 phone number of any new location that is to be covered by the
684 license before the new office, branch office, or place of
685 business engages in the sale of insurance pursuant to this
686 paragraph. The licensee must notify the department within 30
687 days after closing or terminating an office, branch office, or
688 place of business. Upon receipt of the notice, the department
689 shall delete the office, branch office, or place of business
690 from the license.

691 c. A licensed and appointed entity is directly responsible
692 and accountable for all acts of the licensee's employees.

693 Section 16. Effective January 1, 2015, section 626.382,
694 Florida Statutes, is amended to read:

695 626.382 Continuation, expiration of license; insurance
696 agencies.—The license of an ~~any~~ insurance agency ~~shall be issued~~

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697 ~~for a period of 3 years and shall continue in force until~~
698 ~~canceled, suspended, or revoked, or until it is otherwise~~
699 ~~terminated or expires by operation of law. A license may be~~
700 ~~renewed by submitting a renewal request to the department on a~~
701 ~~form adopted by department rule.~~

702 Section 17. Section 626.601, Florida Statutes, is amended
703 to read:

704 626.601 Improper conduct; investigation inquiry;
705 fingerprinting.—

706 (1) The department or office may, upon its own motion or
707 upon a written complaint signed by an ~~any~~ interested person and
708 filed with the department or office, inquire into the ~~any~~
709 alleged improper conduct of any licensed, approved, or certified
710 licensee, insurance agency, agent, adjuster, service
711 representative, managing general agent, customer representative,
712 title insurance agent, title insurance agency, mediator, neutral
713 evaluator, navigator, continuing education course provider,
714 instructor, school official, or monitor group under this code.
715 The department or office may thereafter initiate an
716 investigation of any such individual or entity ~~licensee~~ if it
717 has reasonable cause to believe that the individual or entity
718 ~~licensee~~ has violated any provision of the insurance code.
719 During the course of its investigation, the department or office
720 shall contact the individual or entity ~~licensee~~ being
721 investigated unless it determines that contacting such
722 individual or entity ~~person~~ could jeopardize the successful
723 completion of the investigation or cause injury to the public.

724 (2) In the investigation by the department or office of any
725 ~~the~~ alleged misconduct, an individual or entity ~~the licensee~~

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726 shall, ~~if whenever~~ so required by the department or office,
727 cause the individual's or entity's ~~his or her~~ books and records
728 to be open for inspection for the purpose of such investigation
729 inquiries.

730 (3) ~~The~~ Complaints against an individual or entity ~~any~~
731 licensee may be informally alleged and are not required to
732 include ~~need not be in any such~~ language as is necessary to
733 charge a crime on an indictment or information.

734 (4) The expense for ~~any~~ hearings or investigations
735 conducted under this section ~~law~~, as well as the fees and
736 mileage of witnesses, may be paid out of the appropriate fund.

737 (5) If ~~the department or office~~, after investigation, the
738 department or office has reason to believe that an individual ~~a~~
739 licensee may have been found guilty of or pleaded guilty or nolo
740 contendere to a felony or a crime related to the business of
741 insurance in this or any other state or jurisdiction, the
742 department or office may require the individual licensee to file
743 with the department or office a complete set of his or her
744 fingerprints, ~~which shall be~~ accompanied by the fingerprint
745 processing fee set forth in s. 624.501. The fingerprints shall
746 be taken by an authorized law enforcement agency or other
747 department-approved entity.

748 (6) The complaint and any information obtained pursuant to
749 the investigation by the department or office are confidential
750 and are exempt from ~~the provisions of~~ s. 119.07, unless the
751 department or office files a formal administrative complaint,
752 emergency order, or consent order against the individual or
753 entity licensee. ~~Nothing in~~ This subsection does not ~~shall be~~
754 ~~construed to~~ prevent the department or office from disclosing

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755 the complaint or such information as it deems necessary to
756 conduct the investigation, to update the complainant as to the
757 status and outcome of the complaint, or to share such
758 information with any law enforcement agency or other regulatory
759 body.

760 Section 18. Section 626.611, Florida Statutes, is amended
761 to read:

762 626.611 Grounds for compulsory refusal, suspension, or
763 revocation of agent's, title agency's, adjuster's, customer
764 representative's, service representative's, or managing general
765 agent's license or appointment.-

766 (1) The department shall deny an application for, suspend,
767 revoke, or refuse to renew or continue the license or
768 appointment of an ~~any~~ applicant, agent, title agency, adjuster,
769 customer representative, service representative, or managing
770 general agent, and it shall suspend or revoke the eligibility to
771 hold a license or appointment of any such person, if it finds
772 that as to the applicant, licensee, or appointee any one or more
773 of the following applicable grounds exist:

774 (a) ~~(1)~~ Lack of one or more of the qualifications for the
775 license or appointment as specified in this code.

776 (b) ~~(2)~~ Material misstatement, misrepresentation, or fraud
777 in obtaining the license or appointment or in attempting to
778 obtain the license or appointment.

779 (c) ~~(3)~~ Failure to pass to the satisfaction of the
780 department any examination required under this code.

781 (d) ~~(4)~~ If the license or appointment is willfully used, or
782 to be used, to circumvent any of the requirements or
783 prohibitions of this code.

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784 (e)~~(5)~~ Willful misrepresentation of any insurance policy or
785 annuity contract or willful deception with regard to any such
786 policy or contract, done either in person or by any form of
787 dissemination of information or advertising.

788 (f)~~(6)~~ If, as an adjuster, or as an agent licensed and
789 appointed to adjust claims under this code, he or she has
790 materially misrepresented to an insured or other interested
791 party the terms and coverage of an insurance contract with
792 intent and for the purpose of effecting settlement of claim for
793 loss or damage or benefit under such contract on less favorable
794 terms than those provided in and contemplated by the contract.

795 (g)~~(7)~~ Demonstrated lack of fitness or trustworthiness to
796 engage in the business of insurance.

797 (h)~~(8)~~ Demonstrated lack of reasonably adequate knowledge
798 and technical competence to engage in the transactions
799 authorized by the license or appointment.

800 (i)~~(9)~~ Fraudulent or dishonest practices in the conduct of
801 business under the license or appointment.

802 (j)~~(10)~~ Misappropriation, conversion, or unlawful
803 withholding of moneys belonging to insurers or insureds or
804 beneficiaries or to others and received in conduct of business
805 under the license or appointment.

806 (k)~~(11)~~ Unlawfully rebating, attempting to unlawfully
807 rebate, or unlawfully dividing or offering to divide his or her
808 commission with another.

809 (l)~~(12)~~ Having obtained or attempted to obtain, or having
810 used or using, a license or appointment as agent or customer
811 representative for the purpose of soliciting or handling
812 "controlled business" as defined in s. 626.730 with respect to

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813 general lines agents, s. 626.784 with respect to life agents,
814 and s. 626.830 with respect to health agents.

815 (m)~~(13)~~ Willful failure to comply with, or willful
816 violation of, any proper order or rule of the department or
817 willful violation of any provision of this code.

818 (n)~~(14)~~ Having been found guilty of or having pleaded
819 guilty or nolo contendere to a felony or a crime punishable by
820 imprisonment of 1 year or more under the law of the United
821 States of America or of any state thereof or under the law of
822 any other country which involves moral turpitude, without regard
823 to whether a judgment of conviction has been entered by the
824 court having jurisdiction of such cases.

825 (o)~~(15)~~ Fraudulent or dishonest practice in submitting or
826 aiding or abetting any person in the submission of an
827 application for workers' compensation coverage under chapter 440
828 containing false or misleading information as to employee
829 payroll or classification for the purpose of avoiding or
830 reducing the amount of premium due for such coverage.

831 (p)~~(16)~~ Sale of an unregistered security that was required
832 to be registered, pursuant to chapter 517.

833 (q)~~(17)~~ In transactions related to viatical settlement
834 contracts as defined in s. 626.9911:

835 1.~~(a)~~ Commission of a fraudulent or dishonest act.

836 2.~~(b)~~ No longer meeting the requirements for initial
837 licensure.

838 3.~~(c)~~ Having received a fee, commission, or other valuable
839 consideration for his or her services with respect to viatical
840 settlements that involved unlicensed viatical settlement
841 providers or persons who offered or attempted to negotiate on

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842 behalf of another person a viatical settlement contract as
843 defined in s. 626.9911 and who were not licensed life agents.

844 4.~~(d)~~ Dealing in bad faith with viators.

845 (2) Upon receipt of an information or indictment, the
846 department shall immediately temporarily suspend a license or
847 appointment issued under this chapter if the licensee is charged
848 with a felony enumerated in s. 626.207(3). The suspension shall
849 continue if the licensee is found guilty of, or pleads guilty or
850 nolo contendere to, the crime, regardless of whether a judgment
851 or conviction is entered, during a pending appeal. A person may
852 not transact insurance business after suspension of his or her
853 license or appointment.

854 Section 19. Subsection (2) of section 626.641, Florida
855 Statutes, is amended to read:

856 626.641 Duration of suspension or revocation.—

857 (2) No person or appointee under any license or appointment
858 revoked by the department, nor any person whose eligibility to
859 hold same has been revoked by the department, shall have the
860 right to apply for another license or appointment under this
861 code within 2 years after ~~from~~ the effective date of such
862 revocation or, if judicial review of such revocation is sought,
863 within 2 years after ~~from~~ the date of final court order or
864 decree affirming the revocation. An applicant for another
865 license or appointment pursuant to this subsection must apply
866 and qualify for licensure in the same manner as a first-time
867 applicant, and the application may be denied on the same grounds
868 that apply to first-time applicants for licensure pursuant to
869 ss. 626.207, 626.611, and 626.621. In addition, the department
870 may ~~shall~~ not grant a new license or appointment or reinstate

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871 eligibility to hold such license or appointment if it finds that
872 the circumstance or circumstances for which the eligibility was
873 revoked or for which the previous license or appointment was
874 revoked still exist or are likely to recur, or if an
875 individual's license as agent or customer representative or
876 eligibility to hold same has been revoked upon the ground
877 specified in s. 626.611(1)(1) ~~s. 626.611(12)~~, the department
878 shall refuse to grant or issue any new license or appointment so
879 applied for.

880 Section 20. Section 626.733, Florida Statutes, is amended
881 to read:

882 626.733 Agency firms and corporations; special
883 requirements.—If a sole proprietorship, partnership,
884 corporation, or association holds an agency contract, all
885 members thereof who solicit, negotiate, or effect insurance
886 contracts, and all officers and stockholders of the corporation
887 who solicit, negotiate, or effect insurance contracts, must ~~are~~
888 ~~required to~~ qualify and be licensed individually as agents or
889 customer representatives, and all of such agents must be
890 individually appointed as to each property and casualty insurer
891 entering into an agency contract with such agency. Each ~~such~~
892 ~~appointing insurer as soon as known to it~~ shall comply with this
893 section and shall determine and require that each agent so
894 associated ~~in or so connected~~ with such agency is likewise
895 appointed as to the same such insurer and for the same type and
896 class of license. However, an ~~no~~ insurer is not required to
897 comply with the appointment provisions of this section for an
898 agent within an agency who does not solicit, negotiate, or
899 effect insurance contracts for that insurer ~~if such insurer~~

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900 ~~satisfactorily demonstrates to the department that the insurer~~
901 ~~has issued an aggregate net written premium, in an agency, in an~~
902 ~~amount of \$25,000 or less.~~

903 Section 21. Paragraphs (a) and (g) of subsection (1) of
904 section 626.7355, Florida Statutes, are amended to read:

905 626.7355 Temporary license as customer representative
906 pending examination.—

907 (1) The department shall issue a temporary customer
908 representative's license with respect to a person who has
909 applied for such license upon finding that the person:

910 (a) Has filed an application for a customer
911 representative's license ~~or a limited customer representative's~~
912 ~~license~~ and has paid any fees required under s. 624.501(5) in
913 connection with such application ~~for a customer representative's~~
914 ~~license or limited customer representative's license.~~

915 (g) Is not disqualified from licensure by the department
916 under s. 626.207 ~~Within the last 5 years, has not been~~
917 ~~convicted, found guilty or pleaded nolo contendere to a felony~~
918 ~~or a crime punishable by imprisonment of 1 year or more under~~
919 ~~the law of any municipality, county, state, territory, or~~
920 ~~country, whether or not a judgment of conviction has been~~
921 ~~entered.~~

922 Section 22. Effective January 1, 2015, section 626.747,
923 Florida Statutes, is repealed.

924 Section 23. Subsection (1) of section 626.7845, Florida
925 Statutes, is amended to read:

926 626.7845 Prohibition against unlicensed transaction of life
927 insurance.—

928 (1) An individual may not solicit or sell variable life

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929 insurance, variable annuity contracts, or any other
930 indeterminate value or variable contract as defined in s.
931 627.8015, unless the individual has successfully completed a
932 licensure examination relating to variable ~~annuity~~ contracts
933 authorized and approved by the department.

934 Section 24. Effective January 1, 2015, subsection (1) of
935 section 626.8411, Florida Statutes, is amended to read:

936 626.8411 Application of Florida Insurance Code provisions
937 to title insurance agents or agencies.-

938 (1) The following provisions ~~of part II~~ applicable to
939 general lines agents or agencies also apply to title insurance
940 agents or agencies:

941 (a) Section 626.734, relating to liability of certain
942 agents.

943 (b) Section 626.0428(4)(a) and (b) ~~626.747~~, relating to
944 branch agencies.

945 (c) Section 626.749, relating to place of business in
946 residence.

947 (d) Section 626.753, relating to sharing of commissions.

948 (e) Section 626.754, relating to rights of agent following
949 termination of appointment.

950 Section 25. Subsection (2) of section 626.861, Florida
951 Statutes, is amended to read:

952 626.861 Insurer's officers, insurer's employees, reciprocal
953 insurer's representatives; adjustments by.-

954 (2) If any such officer, employee, attorney, or agent in
955 connection with the adjustment of any such claim, loss, or
956 damage engages in ~~any of~~ the misconduct described in or
957 contemplated by s. 626.611(1)(f) ~~s. 626.611(6)~~, the office may

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958 suspend or revoke the insurer's certificate of authority.

959 Section 26. Section 626.862, Florida Statutes, is amended
960 to read:

961 626.862 Agents; adjustments by.—A licensed and appointed
962 insurance agent may, without being licensed as an adjuster,
963 adjust losses for the insurer represented by him or her as agent
964 if ~~se~~ authorized by the insurer. The license and appointment of
965 the agent may be suspended or revoked for violation of or
966 misconduct prohibited by s. 626.611(1)(f) ~~s. 626.611(6)~~.

967 Section 27. Subsection (2) of section 626.9272, Florida
968 Statutes, is amended to read:

969 626.9272 Licensing of nonresident surplus lines agents.—

970 (2) The department may not issue a license unless the
971 applicant satisfies the same licensing requirements under s.
972 626.927 as required of a resident surplus lines agent, excluding
973 the required experience or coursework and examination. The
974 department may refuse to issue such license or appointment if
975 ~~when~~ it has reason to believe that any of the grounds exist for
976 denial, suspension, or revocation of a license as set forth in
977 ss. 626.611 and 626.621.

978 Section 28. Section 627.4553, Florida Statutes, is created
979 to read:

980 627.4553 Recommendations to surrender.—If an insurance
981 agent recommends the surrender of an annuity or life insurance
982 policy containing a cash value but does not recommend that the
983 proceeds from the surrender be used to fund or purchase another
984 annuity or life insurance policy, before execution of the
985 surrender, the insurance agent, or the insurance company if no
986 agent is involved, must provide, on a form that satisfies the

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987 requirements of the rule adopted by the department, information
988 relating to the annuity or policy to be surrendered. Such
989 information must include, but need not limited to, the amount of
990 any surrender charge, the loss of any minimum interest rate
991 guarantees, the amount of any tax consequences resulting from
992 the transaction, the amount of any forfeited death benefit, and
993 the value of any other investment performance guarantees being
994 forfeited as a result of the transaction. This section also
995 applies to a person performing insurance agent activities
996 pursuant to an exemption from licensure under this part.

997 Section 29. Paragraph (b) of subsection (4) of section
998 627.7015, Florida Statutes, is amended to read:

999 627.7015 Alternative procedure for resolution of disputed
1000 property insurance claims.—

1001 (4) The department shall adopt by rule a property insurance
1002 mediation program to be administered by the department or its
1003 designee. The department may also adopt special rules which are
1004 applicable in cases of an emergency within the state. The rules
1005 shall be modeled after practices and procedures set forth in
1006 mediation rules of procedure adopted by the Supreme Court. The
1007 rules shall provide for:

1008 (b) Qualifications, denial of application, suspension,
1009 revocation, and other penalties for ~~of~~ mediators as provided in
1010 s. 627.745 and in the Florida Rules for ~~of~~ Certified and Court-
1011 Appointed Court Appointed Mediators, ~~and for such other~~
1012 ~~individuals as are qualified by education, training, or~~
1013 ~~experience as the department determines to be appropriate.~~

1014 Section 30. Paragraph (c) of subsection (2) of section
1015 627.706, Florida Statutes, is amended to read:

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1016 627.706 Sinkhole insurance; catastrophic ground cover
1017 collapse; definitions.-

1018 (2) As used in ss. 627.706-627.7074, and as used in
1019 connection with any policy providing coverage for a catastrophic
1020 ground cover collapse or for sinkhole losses, the term:

1021 (c) "Neutral evaluator" means a professional engineer or a
1022 professional geologist who has completed a course of study in
1023 alternative dispute resolution designed or approved by the
1024 department for use in the neutral evaluation process, and who is
1025 determined by the department to be fair and impartial, and who
1026 is not otherwise ineligible for certification as provided in s.
1027 627.7074.

1028 Section 31. Subsections (7) and (18) of section 627.7074,
1029 Florida Statutes, are amended to read:

1030 627.7074 Alternative procedure for resolution of disputed
1031 sinkhole insurance claims.-

1032 (7) Upon receipt of a request for neutral evaluation, the
1033 department shall provide the parties a list of certified neutral
1034 evaluators. The department shall allow the parties to submit
1035 requests to disqualify evaluators on the list for cause.

1036 (a) The department shall disqualify neutral evaluators for
1037 cause based only on any of the following grounds:

1038 1. A familial relationship exists between the neutral
1039 evaluator and either party or a representative of either party
1040 within the third degree.

1041 2. The proposed neutral evaluator has, in a professional
1042 capacity, previously represented either party or a
1043 representative of either party, in the same or a substantially
1044 related matter.

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1045 3. The proposed neutral evaluator has, in a professional
1046 capacity, represented another person in the same or a
1047 substantially related matter and that person's interests are
1048 materially adverse to the interests of the parties. The term
1049 "substantially related matter" means participation by the
1050 neutral evaluator on the same claim, property, or adjacent
1051 property.

1052 4. The proposed neutral evaluator has, within the preceding
1053 5 years, worked as an employer or employee of a ~~any~~ party to the
1054 case.

1055 (b) The department shall deny an application, or suspend or
1056 revoke its certification, of a neutral evaluator to serve in
1057 such capacity if the department finds that one or more of the
1058 following grounds exist:

1059 1. Lack of one or more of the qualifications specified in
1060 this section for certification.

1061 2. Material misstatement, misrepresentation, or fraud in
1062 obtaining or attempting to obtain certification.

1063 3. Demonstrated lack of fitness or trustworthiness to act
1064 as a neutral evaluator.

1065 4. Fraudulent or dishonest practices in the conduct of an
1066 evaluation or in the conduct of financial services business.

1067 5. Violation of any provision of this code or of a lawful
1068 order or rule of the department or aiding, instructing, or
1069 encouraging another party in committing such a violation.

1070 (c) ~~(b)~~ The parties shall appoint a neutral evaluator from
1071 the department list and promptly inform the department. If the
1072 parties cannot agree to a neutral evaluator within 14 business
1073 days, the department shall appoint a neutral evaluator from the

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1074 list of certified neutral evaluators. The department shall allow
1075 each party to disqualify two neutral evaluators without cause.
1076 Upon selection or appointment, the department shall promptly
1077 refer the request to the neutral evaluator.

1078 (d) ~~(e)~~ Within 14 business days after the referral, the
1079 neutral evaluator shall notify the policyholder and the insurer
1080 of the date, time, and place of the neutral evaluation
1081 conference. The conference may be held by telephone, if feasible
1082 and desirable. The neutral evaluator shall make reasonable
1083 efforts to hold the conference within 90 days after the receipt
1084 of the request by the department. Failure of the neutral
1085 evaluator to hold the conference within 90 days does not
1086 invalidate either party's right to neutral evaluation or to a
1087 neutral evaluation conference held outside this timeframe.

1088 (18) The department shall adopt rules of procedure for the
1089 neutral evaluation process and rules for certifying, denying
1090 certification of, suspending certification of, and revoking
1091 certification as a neutral evaluator.

1092 Section 32. Subsection (3) of section 627.745, Florida
1093 Statutes, is amended, present subsections (4) and (5) of that
1094 section are renumbered as subsections (5) and (6), respectively,
1095 and a new subsection (4) is added to that section, to read:

1096 627.745 Mediation of claims.—

1097 (3) ~~(a)~~ ~~The department shall approve~~ Mediators who ~~to~~
1098 conduct mediations pursuant to this section. ~~All mediators~~ must
1099 file an application under oath and be approved by the department
1100 ~~for approval as a mediator.~~

1101 ~~(b)~~ To qualify for approval as a mediator, an individual a
1102 ~~person~~ must meet one of the following qualifications:

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1103 (a)1. Possess active certification as a Florida Supreme
1104 Court certified circuit court mediator. A Florida Supreme Court
1105 certified circuit court mediator in a lapsed, suspended,
1106 sanctioned, or decertified status is not eligible to participate
1107 in the mediation program ~~a masters or doctorate degree in~~
1108 ~~psychology, counseling, business, accounting, or economics, be a~~
1109 ~~member of The Florida Bar, be licensed as a certified public~~
1110 ~~accountant, or demonstrate that the applicant for approval has~~
1111 ~~been actively engaged as a qualified mediator for at least 4~~
1112 ~~years prior to July 1, 1990.~~

1113 (b)2. Be an approved department mediator as of July 1,
1114 2014, and have conducted at least one mediation on behalf of the
1115 department within 4 years immediately preceding that the date
1116 the application for approval is filed with the department, have
1117 completed a minimum of a 40-hour training program approved by
1118 the department and successfully passed a final examination
1119 included in the training program and approved by the department.
1120 The training program shall include and address all of the
1121 following:

1122 a. ~~Mediation theory.~~

1123 b. ~~Mediation process and techniques.~~

1124 c. ~~Standards of conduct for mediators.~~

1125 d. ~~Conflict management and intervention skills.~~

1126 e. ~~Insurance nomenclature.~~

1127 (4) The department shall deny an application, or suspend or
1128 revoke its approval, of a mediator to serve in such capacity if
1129 the department finds that one or more of the following grounds
1130 exist:

1131 (a) Lack of one or more of the qualifications specified in

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1132 this section for approval or certification.

1133 (b) Material misstatement, misrepresentation, or fraud in
1134 obtaining or attempting to obtain the approval or certification.

1135 (c) Demonstrated lack of fitness or trustworthiness to act
1136 as a mediator.

1137 (d) Fraudulent or dishonest practices in the conduct of
1138 mediation or in the conduct of business in the financial
1139 services industry.

1140 (e) Violation of any provision of this code or of a lawful
1141 order or rule of the department, violation of the Florida Rules
1142 for Certified and Court Appointed Mediators, or aiding,
1143 instructing, or encouraging another party in committing such a
1144 violation.

1145
1146 The department shall adopt rules for the approval or denial
1147 of mediator applications and the suspension and revocation of
1148 approval of mediators.

1149 Section 33. Paragraph (b) of subsection (1) of section
1150 627.952, Florida Statutes, is amended to read:

1151 627.952 Risk retention and purchasing group agents.—

1152 (1) Any person offering, soliciting, selling, purchasing,
1153 administering, or otherwise servicing insurance contracts,
1154 certificates, or agreements for any purchasing group or risk
1155 retention group to any resident of this state, either directly
1156 or indirectly, by the use of mail, advertising, or other means
1157 of communication, shall obtain a license and appointment to act
1158 as a resident general lines agent, if a resident of this state,
1159 or a nonresident general lines agent if not a resident. Any such
1160 person shall be subject to all requirements of the Florida

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1161 Insurance Code.

1162 ~~(b) Any person required to be licensed and appointed under~~
1163 ~~this subsection,~~ In order to place business through a Florida-
1164 eligible Florida-eligible surplus lines carrier carriers, a
1165 person required to be licensed and appointed under this
1166 subsection must:

1167 1. If a resident of this state, be licensed and appointed
1168 as a surplus lines agent.

1169 2. If not a resident of this state, ~~such person must be~~
1170 ~~licensed and appointed as a surplus lines agent in her or his~~
1171 ~~state of residence and~~ be licensed and appointed as a
1172 nonresident surplus lines agent in this state ~~file and maintain~~
1173 ~~a fidelity bond in favor of the people of the State of Florida~~
1174 ~~executed by a surety company admitted in this state and payable~~
1175 ~~to the State of Florida; however, such nonresident is limited to~~
1176 ~~the provision of insurance for purchasing groups. The bond must~~
1177 ~~be continuous in form and in the amount of not less than~~
1178 ~~\$50,000, aggregate liability. The bond must remain in force and~~
1179 ~~effect until the surety is released from liability by the~~
1180 ~~department or until the bond is canceled by the surety. The~~
1181 ~~surety may cancel the bond and be released from further~~
1182 ~~liability upon 30 days' prior written notice to the department.~~
1183 ~~The cancellation does not affect any liability incurred or~~
1184 ~~accrued before the termination of the 30-day period. Upon~~
1185 ~~receipt of a notice of cancellation, the department shall~~
1186 ~~immediately notify the agent.~~

1187 Section 34. Subsection (1) of section 648.43, Florida
1188 Statutes, is amended to read:

1189 648.43 Power of attorney; to be approved by department;

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1190 filing of copies; notification of transfer bond.—

1191 (1) Every insurer engaged in the writing of bail bonds
1192 through bail bond agents in this state shall submit ~~and have~~
1193 ~~approved by the department~~ a sample power of attorney to the
1194 office for prior approval, which shall ~~will~~ be the only form of
1195 power of attorney the insurer issues ~~will issue~~ to bail bond
1196 agents in this state.

1197 Section 35. Subsection (3) of section 648.49, Florida
1198 Statutes, is amended to read:

1199 648.49 Duration of suspension or revocation.—

1200 (3) During the period of suspension, ~~or after~~ revocation of
1201 the license and until the license is reinstated or a new license
1202 is issued, the former licensee may not engage in or attempt to
1203 profess to engage in any transaction or business for which a
1204 license or appointment is required under this chapter. A ~~Any~~
1205 person who violates this subsection commits a felony of the
1206 third degree, punishable as provided in s. 775.082, s. 775.083,
1207 or s. 775.084.

1208 Section 36. Paragraphs (a) and (c) of subsection (4) of
1209 section 943.0585, Florida Statutes, are amended to read:

1210 943.0585 Court-ordered expunction of criminal history
1211 records.—The courts of this state have jurisdiction over their
1212 own procedures, including the maintenance, expunction, and
1213 correction of judicial records containing criminal history
1214 information to the extent such procedures are not inconsistent
1215 with the conditions, responsibilities, and duties established by
1216 this section. Any court of competent jurisdiction may order a
1217 criminal justice agency to expunge the criminal history record
1218 of a minor or an adult who complies with the requirements of

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1219 this section. The court shall not order a criminal justice
1220 agency to expunge a criminal history record until the person
1221 seeking to expunge a criminal history record has applied for and
1222 received a certificate of eligibility for expunction pursuant to
1223 subsection (2). A criminal history record that relates to a
1224 violation of s. 393.135, s. 394.4593, s. 787.025, chapter 794,
1225 s. 796.03, s. 800.04, s. 810.14, s. 817.034, s. 825.1025, s.
1226 827.071, chapter 839, s. 847.0133, s. 847.0135, s. 847.0145, s.
1227 893.135, s. 916.1075, a violation enumerated in s. 907.041, or
1228 any violation specified as a predicate offense for registration
1229 as a sexual predator pursuant to s. 775.21, without regard to
1230 whether that offense alone is sufficient to require such
1231 registration, or for registration as a sexual offender pursuant
1232 to s. 943.0435, may not be expunged, without regard to whether
1233 adjudication was withheld, if the defendant was found guilty of
1234 or pled guilty or nolo contendere to the offense, or if the
1235 defendant, as a minor, was found to have committed, or pled
1236 guilty or nolo contendere to committing, the offense as a
1237 delinquent act. The court may only order expunction of a
1238 criminal history record pertaining to one arrest or one incident
1239 of alleged criminal activity, except as provided in this
1240 section. The court may, at its sole discretion, order the
1241 expunction of a criminal history record pertaining to more than
1242 one arrest if the additional arrests directly relate to the
1243 original arrest. If the court intends to order the expunction of
1244 records pertaining to such additional arrests, such intent must
1245 be specified in the order. A criminal justice agency may not
1246 expunge any record pertaining to such additional arrests if the
1247 order to expunge does not articulate the intention of the court

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1248 to expunge a record pertaining to more than one arrest. This
1249 section does not prevent the court from ordering the expunction
1250 of only a portion of a criminal history record pertaining to one
1251 arrest or one incident of alleged criminal activity.

1252 Notwithstanding any law to the contrary, a criminal justice
1253 agency may comply with laws, court orders, and official requests
1254 of other jurisdictions relating to expunction, correction, or
1255 confidential handling of criminal history records or information
1256 derived therefrom. This section does not confer any right to the
1257 expunction of any criminal history record, and any request for
1258 expunction of a criminal history record may be denied at the
1259 sole discretion of the court.

1260 (4) EFFECT OF CRIMINAL HISTORY RECORD EXPUNCTION.—Any
1261 criminal history record of a minor or an adult which is ordered
1262 expunged by a court of competent jurisdiction pursuant to this
1263 section must be physically destroyed or obliterated by any
1264 criminal justice agency having custody of such record; except
1265 that any criminal history record in the custody of the
1266 department must be retained in all cases. A criminal history
1267 record ordered expunged that is retained by the department is
1268 confidential and exempt from the provisions of s. 119.07(1) and
1269 s. 24(a), Art. I of the State Constitution and not available to
1270 any person or entity except upon order of a court of competent
1271 jurisdiction. A criminal justice agency may retain a notation
1272 indicating compliance with an order to expunge.

1273 (a) The person who is the subject of a criminal history
1274 record that is expunged under this section or under other
1275 provisions of law, including former s. 893.14, former s. 901.33,
1276 and former s. 943.058, may lawfully deny or fail to acknowledge

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1277 the arrests covered by the expunged record, except when the
1278 subject of the record:

- 1279 1. Is a candidate for employment with a criminal justice
1280 agency;
- 1281 2. Is a defendant in a criminal prosecution;
- 1282 3. Concurrently or subsequently petitions for relief under
1283 this section, s. 943.0583, or s. 943.059;
- 1284 4. Is a candidate for admission to The Florida Bar;
- 1285 5. Is seeking to be employed or licensed by or to contract
1286 with the Department of Children and Families, the Division of
1287 Vocational Rehabilitation within the Department of Education,
1288 the Agency for Health Care Administration, the Agency for
1289 Persons with Disabilities, the Department of Health, the
1290 Department of Elderly Affairs, or the Department of Juvenile
1291 Justice or to be employed or used by such contractor or licensee
1292 in a sensitive position having direct contact with children, the
1293 disabled, or the elderly; ~~or~~
- 1294 6. Is seeking to be employed or licensed by the Department
1295 of Education, any district school board, any university
1296 laboratory school, any charter school, any private or parochial
1297 school, or any local governmental entity that licenses child
1298 care facilities; or
- 1299 7. Is seeking to be licensed by the Division of Insurance
1300 Agent and Agency Services within the Department of Financial
1301 Services.

1302 (c) Information relating to the existence of an expunged
1303 criminal history record which is provided in accordance with
1304 paragraph (a) is confidential and exempt from the provisions of
1305 s. 119.07(1) and s. 24(a), Art. I of the State Constitution,

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1306 except that the department shall disclose the existence of a
1307 criminal history record ordered expunged to the entities set
1308 forth in subparagraphs (a)1., 4., 5., 6., and 7. ~~7.~~ for their
1309 respective licensing, access authorization, and employment
1310 purposes, and to criminal justice agencies for their respective
1311 criminal justice purposes. It is unlawful for any employee of an
1312 entity set forth in subparagraph (a)1., subparagraph (a)4.,
1313 subparagraph (a)5., subparagraph (a)6., or subparagraph (a)7.
1314 ~~subparagraph (a)7.~~ to disclose information relating to the
1315 existence of an expunged criminal history record of a person
1316 seeking employment, access authorization, or licensure with such
1317 entity or contractor, except to the person to whom the criminal
1318 history record relates or to persons having direct
1319 responsibility for employment, access authorization, or
1320 licensure decisions. Any person who violates this paragraph
1321 commits a misdemeanor of the first degree, punishable as
1322 provided in s. 775.082 or s. 775.083.

1323 Section 37. Paragraphs (a) and (c) of subsection (4) of
1324 section 943.059, Florida Statutes, are amended to read:

1325 943.059 Court-ordered sealing of criminal history records.-
1326 The courts of this state shall continue to have jurisdiction
1327 over their own procedures, including the maintenance, sealing,
1328 and correction of judicial records containing criminal history
1329 information to the extent such procedures are not inconsistent
1330 with the conditions, responsibilities, and duties established by
1331 this section. Any court of competent jurisdiction may order a
1332 criminal justice agency to seal the criminal history record of a
1333 minor or an adult who complies with the requirements of this
1334 section. The court shall not order a criminal justice agency to

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1335 seal a criminal history record until the person seeking to seal
1336 a criminal history record has applied for and received a
1337 certificate of eligibility for sealing pursuant to subsection
1338 (2). A criminal history record that relates to a violation of s.
1339 393.135, s. 394.4593, s. 787.025, chapter 794, s. 796.03, s.
1340 800.04, s. 810.14, s. 817.034, s. 825.1025, s. 827.071, chapter
1341 839, s. 847.0133, s. 847.0135, s. 847.0145, s. 893.135, s.
1342 916.1075, a violation enumerated in s. 907.041, or any violation
1343 specified as a predicate offense for registration as a sexual
1344 predator pursuant to s. 775.21, without regard to whether that
1345 offense alone is sufficient to require such registration, or for
1346 registration as a sexual offender pursuant to s. 943.0435, may
1347 not be sealed, without regard to whether adjudication was
1348 withheld, if the defendant was found guilty of or pled guilty or
1349 nolo contendere to the offense, or if the defendant, as a minor,
1350 was found to have committed or pled guilty or nolo contendere to
1351 committing the offense as a delinquent act. The court may only
1352 order sealing of a criminal history record pertaining to one
1353 arrest or one incident of alleged criminal activity, except as
1354 provided in this section. The court may, at its sole discretion,
1355 order the sealing of a criminal history record pertaining to
1356 more than one arrest if the additional arrests directly relate
1357 to the original arrest. If the court intends to order the
1358 sealing of records pertaining to such additional arrests, such
1359 intent must be specified in the order. A criminal justice agency
1360 may not seal any record pertaining to such additional arrests if
1361 the order to seal does not articulate the intention of the court
1362 to seal records pertaining to more than one arrest. This section
1363 does not prevent the court from ordering the sealing of only a

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1364 portion of a criminal history record pertaining to one arrest or
1365 one incident of alleged criminal activity. Notwithstanding any
1366 law to the contrary, a criminal justice agency may comply with
1367 laws, court orders, and official requests of other jurisdictions
1368 relating to sealing, correction, or confidential handling of
1369 criminal history records or information derived therefrom. This
1370 section does not confer any right to the sealing of any criminal
1371 history record, and any request for sealing a criminal history
1372 record may be denied at the sole discretion of the court.

1373 (4) EFFECT OF CRIMINAL HISTORY RECORD SEALING.—A criminal
1374 history record of a minor or an adult which is ordered sealed by
1375 a court of competent jurisdiction pursuant to this section is
1376 confidential and exempt from the provisions of s. 119.07(1) and
1377 s. 24(a), Art. I of the State Constitution and is available only
1378 to the person who is the subject of the record, to the subject's
1379 attorney, to criminal justice agencies for their respective
1380 criminal justice purposes, which include conducting a criminal
1381 history background check for approval of firearms purchases or
1382 transfers as authorized by state or federal law, to judges in
1383 the state courts system for the purpose of assisting them in
1384 their case-related decisionmaking responsibilities, as set forth
1385 in s. 943.053(5), or to those entities set forth in
1386 subparagraphs (a)1., 4., 5., 6., and 8. ~~8.~~ for their respective
1387 licensing, access authorization, and employment purposes.

1388 (a) The subject of a criminal history record sealed under
1389 this section or under other provisions of law, including former
1390 s. 893.14, former s. 901.33, and former s. 943.058, may lawfully
1391 deny or fail to acknowledge the arrests covered by the sealed
1392 record, except when the subject of the record:

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- 1393 1. Is a candidate for employment with a criminal justice
1394 agency;
- 1395 2. Is a defendant in a criminal prosecution;
- 1396 3. Concurrently or subsequently petitions for relief under
1397 this section, s. 943.0583, or s. 943.0585;
- 1398 4. Is a candidate for admission to The Florida Bar;
- 1399 5. Is seeking to be employed or licensed by or to contract
1400 with the Department of Children and Families, the Division of
1401 Vocational Rehabilitation within the Department of Education,
1402 the Agency for Health Care Administration, the Agency for
1403 Persons with Disabilities, the Department of Health, the
1404 Department of Elderly Affairs, or the Department of Juvenile
1405 Justice or to be employed or used by such contractor or licensee
1406 in a sensitive position having direct contact with children, the
1407 disabled, or the elderly;
- 1408 6. Is seeking to be employed or licensed by the Department
1409 of Education, any district school board, any university
1410 laboratory school, any charter school, any private or parochial
1411 school, or any local governmental entity that licenses child
1412 care facilities; ~~or~~
- 1413 7. Is attempting to purchase a firearm from a licensed
1414 importer, licensed manufacturer, or licensed dealer and is
1415 subject to a criminal history check under state or federal law;
1416 or
- 1417 8. Is seeking to be licensed by the Division of Insurance
1418 Agent and Agency Services within the Department of Financial
1419 Services.
- 1420 (c) Information relating to the existence of a sealed
1421 criminal record provided in accordance with the provisions of

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1422 paragraph (a) is confidential and exempt from the provisions of
1423 s. 119.07(1) and s. 24(a), Art. I of the State Constitution,
1424 except that the department shall disclose the sealed criminal
1425 history record to the entities set forth in subparagraphs (a)1.,
1426 4., 5., 6., and 8. ~~8.~~ for their respective licensing, access
1427 authorization, and employment purposes. It is unlawful for any
1428 employee of an entity set forth in subparagraph (a)1.,
1429 subparagraph (a)4., subparagraph (a)5., subparagraph (a)6., or
1430 subparagraph (a)8. ~~subparagraph (a)8.~~ to disclose information
1431 relating to the existence of a sealed criminal history record of
1432 a person seeking employment, access authorization, or licensure
1433 with such entity or contractor, except to the person to whom the
1434 criminal history record relates or to persons having direct
1435 responsibility for employment, access authorization, or
1436 licensure decisions. Any person who violates the provisions of
1437 this paragraph commits a misdemeanor of the first degree,
1438 punishable as provided in s. 775.082 or s. 775.083.

1439 Section 38. Except as otherwise expressly provided in this
1440 act, and except for this section which shall take effect upon
1441 becoming law, this act shall take effect July 1, 2014.