



1 A bill to be entitled
2 An act relating to the Division of Insurance Agent and
3 Agency Services; amending s. 626.015, F.S.; revising
4 the definition of "general lines agent," to remove
5 certain restrictions regarding health insurance;
6 amending s. 626.0428, F.S.; revising licensure
7 requirements of certain agents in charge of an
8 agency's place of business; amending s. 626.221, F.S.;
9 revising examination requirements for applicants for a
10 license as a general lines agent, personal lines
11 agent, or all-lines adjuster; creating examination
12 requirements and qualifications for exemption from
13 examinations for personal lines agents, life agents,
14 and health agents; revising examination requirements
15 for applicants qualifying for license transfer and
16 applicants that hold a comparable license in another
17 state; amending s. 626.241, F.S.; revising the scope
18 of license examinations for agents and adjusters;
19 amending s. 626.2817, F.S.; revising requirements of
20 certain prelicensure education courses for insurance
21 agents and other licensees; amending s. 626.311, F.S.;
22 conforming provisions to changes made by the act;
23 amending s. 626.732, F.S.; revising requirements
24 relating to knowledge, experience, and instruction for
25 applicants for a license as a general lines or
26 personal lines agent; amending s. 626.7351, F.S.;



27 | revising qualifications for a customer
28 | representative's license; amending s. 626.7354, F.S.;
29 | deleting a prohibition on a customer representative's
30 | compensation including commissions but prohibiting the
31 | compensation from being based primarily on
32 | commissions; amending s. 626.748, F.S.; requiring
33 | agents to maintain certain records for a specified
34 | time period after policy expiration; amending s.
35 | 626.753, F.S.; authorizing certain agents and customer
36 | representatives to share commissions; amending ss.
37 | 626.7851 and 626.8311, F.S.; revising requirements
38 | relating to the knowledge, experience, or instruction
39 | for life agents and health agents, respectively;
40 | amending s. 626.9541, F.S.; providing that certain
41 | provisions relating to illegal dealings in premiums
42 | are applicable notwithstanding any other provision of
43 | law; amending s. 627.4553, F.S.; requiring an
44 | insurance agent to provide and retain certain
45 | information upon surrender of an annuity or life
46 | insurance policy under certain circumstances; defining
47 | the term "surrender"; amending s. 631.341, F.S.;
48 | authorizing certain notices of insolvency to be
49 | delivered to policyholders by certain methods;
50 | providing an effective date.

51 |
52 | Be It Enacted by the Legislature of the State of Florida:



53
54 Section 1. Paragraph (d) of subsection (5) of section
55 626.015, Florida Statutes, is amended to read:

56 626.015 Definitions.—As used in this part:

57 (5) "General lines agent" means an agent transacting any
58 one or more of the following kinds of insurance:

59 (d) Health insurance, ~~when transacted by an insurer also~~
60 ~~represented by the same agent as to property or casualty or~~
61 ~~surety insurance.~~

62 Section 2. Paragraph (a) of subsection (4) of section
63 626.0428, Florida Statutes, is amended to read:

64 626.0428 Agency personnel powers, duties, and
65 limitations.—

66 (4) (a) Each place of business established by an agent or
67 agency, firm, corporation, or association must be in the active
68 full-time charge of a licensed and appointed agent holding the
69 required agent licenses to transact at least two of the lines of
70 insurance being handled at the location. If only one line of
71 insurance is handled at the location, the agent in charge must
72 hold the required agent license to transact that line of
73 insurance.

74 Section 3. Paragraphs (k) and (l) of subsection (2) of
75 section 626.221, Florida Statutes, are redesignated as
76 paragraphs (n) and (o), respectively, and amended, subsection
77 (1) and paragraphs (g) through (l) of subsection (2) are
78 amended, and new paragraphs (k), (l), and (m) are added to



79 subsection (2) of that section, to read:

80 626.221 Examination requirement; exemptions.—

81 (1) The department shall not issue any license as agent,
 82 ~~customer representative,~~ or adjuster to any individual who has
 83 not qualified for, taken, and passed to the satisfaction of the
 84 department a written examination of the scope prescribed in s.
 85 626.241.

86 (2) However, an examination is not necessary for any of
 87 the following:

88 (g) An applicant for a license as a life or health agent
 89 who has received the designation of chartered life underwriter
 90 (CLU) from the American College of Financial Services Life
 91 ~~Underwriters and has been engaged in the insurance business~~
 92 ~~within the past 4 years,~~ except that the applicant may be
 93 examined on pertinent provisions of this code.

94 (h) An applicant for license as a general lines agent,
 95 personal lines agent, or all-lines ~~customer representative, or~~
 96 adjuster who has received the designation of chartered property
 97 and casualty underwriter (CPCU) from the American Institute for
 98 Chartered Property Casualty and Liability ~~Underwriters and has~~
 99 ~~been engaged in the insurance business within the past 4 years,~~
 100 except that the applicant may be examined on pertinent
 101 provisions of this code.

102 (i) An applicant for license as a general lines agent or
 103 an all-lines adjuster who has received a degree in insurance
 104 from an accredited institution of higher learning approved by



105 | the department, except that the applicant may be examined on
106 | pertinent provisions of this code. Qualifying degrees must
107 | indicate a minimum of 18 credit hours of insurance instruction,
108 | including specific instruction in the areas of property,
109 | casualty, health, and commercial insurance ~~customer~~
110 | ~~representative who has earned the designation of Accredited~~
111 | ~~Advisor in Insurance (AAI) from the Insurance Institute of~~
112 | ~~America, the designation of Certified Insurance Counselor (CIC)~~
113 | ~~from the Society of Certified Insurance Service Counselors, the~~
114 | ~~designation of Accredited Customer Service Representative (ACSR)~~
115 | ~~from the Independent Insurance Agents of America, the~~
116 | ~~designation of Certified Professional Service Representative~~
117 | ~~(CPSR) from the National Foundation for Certified Professional~~
118 | ~~Service Representatives, the designation of Certified Insurance~~
119 | ~~Service Representative (CISR) from the Society of Certified~~
120 | ~~Insurance Service Representatives, or the designation of~~
121 | ~~Certified Insurance Representative (CIR) from the National~~
122 | ~~Association of Christian Catastrophe Insurance Adjusters. Also,~~
123 | ~~an applicant for license as a customer representative who has~~
124 | ~~earned an associate degree or bachelor's degree from an~~
125 | ~~accredited college or university and has completed at least 9~~
126 | ~~academic hours of property and casualty insurance curriculum, or~~
127 | ~~the equivalent, or has earned the designation of Certified~~
128 | ~~Customer Service Representative (CCSR) from the Florida~~
129 | ~~Association of Insurance Agents, or the designation of~~
130 | ~~Registered Customer Service Representative (RCSR) from a~~



CS/CS/HB 1133, Engrossed 1

2015

131 ~~regionally accredited postsecondary institution in this state,~~
132 ~~or the designation of Professional Customer Service~~
133 ~~Representative (PCSR) from the Professional Career Institute,~~
134 ~~whose curriculum has been approved by the department and which~~
135 ~~includes comprehensive analysis of basic property and casualty~~
136 ~~lines of insurance and testing at least equal to that of~~
137 ~~standard department testing for the customer representative~~
138 ~~license. The department shall adopt rules establishing standards~~
139 ~~for the approval of curriculum.~~

140 (j) An applicant for license as an ~~a resident or~~
141 ~~nonresident~~ all-lines adjuster who has the designation of
142 Accredited Claims Adjuster (ACA) from a regionally accredited
143 postsecondary institution in this state, Associate in Claims
144 (AIC) from the Insurance Institute of America, Professional
145 Claims Adjuster (PCA) from the Professional Career Institute,
146 Professional Property Insurance Adjuster (PPIA) from the
147 HurriClaim Training Academy, Certified Adjuster (CA) from ALL
148 LINES Training, or Certified Claims Adjuster (CCA) from AE21
149 incorporated ~~the Association of Property and Casualty Claims~~
150 ~~Professionals~~ whose curriculum has been approved by the
151 department and which includes comprehensive analysis of basic
152 property and casualty lines of insurance and testing at least
153 equal to that of standard department testing for the all-lines
154 adjuster license. The department shall adopt rules establishing
155 standards for the approval of curriculum.

156 (k) An applicant for license as a personal lines agent who



157 has received a degree from an accredited institution of higher
158 learning approved by the department, except that the applicant
159 may be examined on pertinent provisions of this code. Qualifying
160 degrees must indicate a minimum of 9 credit hours of insurance
161 instruction, including specific instruction in the areas of
162 property, casualty, and inland marine insurance.

163 (l) An applicant for license as a life agent who has
164 received a degree from an accredited institution of higher
165 learning approved by the department, except that the applicant
166 may be examined on pertinent provisions of this code. Qualifying
167 degrees must indicate a minimum of 9 credit hours of insurance
168 instruction, including specific instruction in the areas of life
169 insurance, annuities, and variable insurance products.

170 (m) An applicant for license as a health agent who has
171 received a degree from an accredited institution of higher
172 learning approved by the department, except that the applicant
173 may be examined on pertinent provisions of this code. Qualifying
174 degrees must indicate a minimum of 9 credit hours of insurance
175 instruction, including specific instruction in the area of
176 health insurance products.

177 (n) ~~(k)~~ An applicant qualifying for a license transfer
178 under s. 626.292 ~~if the applicant:~~

179 ~~1. Has successfully completed the prelicensing examination~~
180 ~~requirements in the applicant's previous home state which are~~
181 ~~substantially equivalent to the examination requirements in this~~
182 ~~state, as determined by the department;~~



183 ~~2. Has received the designation of chartered property and~~
184 ~~casualty underwriter (CPCU) from the American Institute for~~
185 ~~Property and Liability Underwriters and been engaged in the~~
186 ~~insurance business within the past 4 years if applying to~~
187 ~~transfer a general lines agent license; or~~

188 ~~3. Has received the designation of chartered life~~
189 ~~underwriter (CLU) from the American College of Life Underwriters~~
190 ~~and been engaged in the insurance business within the past 4~~
191 ~~years if applying to transfer a life or health agent license.~~

192 ~~(o)-(1)~~ An applicant for a license as a nonresident agent
193 if the applicant holds a comparable license in another state
194 with similar examination requirements as this state;

195 ~~1. Has successfully completed prelicensing examination~~
196 ~~requirements in the applicant's home state which are~~
197 ~~substantially equivalent to the examination requirements in this~~
198 ~~state, as determined by the department, as a requirement for~~
199 ~~obtaining a resident license in his or her home state;~~

200 ~~2. Held a general lines agent license, life agent license,~~
201 ~~or health agent license before a written examination was~~
202 ~~required;~~

203 ~~3. Has received the designation of chartered property and~~
204 ~~casualty underwriter (CPCU) from the American Institute for~~
205 ~~Property and Liability Underwriters and has been engaged in the~~
206 ~~insurance business within the past 4 years, if an applicant for~~
207 ~~a nonresident license as a general lines agent; or~~

208 ~~4. Has received the designation of chartered life~~



209 ~~underwriter (CLU) from the American College of Life Underwriters~~
210 ~~and been in the insurance business within the past 4 years, if~~
211 ~~an applicant for a nonresident license as a life agent or health~~
212 ~~agent.~~

213 Section 4. Subsections (1), (2), (3), and (8) of section
214 626.241, Florida Statutes, are amended to read:

215 626.241 Scope of examination.—

216 (1) Each examination for a license as an agent, ~~customer~~
217 ~~representative~~, or adjuster shall be of such scope as is deemed
218 by the department to be reasonably necessary to test the
219 applicant's ability and competence and knowledge of the kinds of
220 insurance and transactions to be handled under the license
221 applied for, of the duties and responsibilities of such a
222 licensee, and of the pertinent provisions of the laws of this
223 state.

224 (2) Examinations given applicants for license as a general
225 lines agent ~~or customer representative~~ shall cover all property,
226 casualty, and surety insurances, except as provided in
227 subsection (5) relative to limited licenses.

228 (3) Examinations given applicants for a life agent's
229 license shall cover life insurance, annuities, and variable
230 contracts ~~annuities~~.

231 (8) An examination for licensure as a personal lines agent
232 ~~shall consist of 100 questions and shall be limited in scope to~~
233 ~~the kinds of business transacted under such license.~~

234 Section 5. Section 626.2817, Florida Statutes, is amended



235 to read:

236 626.2817 Regulation of course providers, instructors, and
237 school officials, ~~and monitor groups~~ involved in prelicensure
238 education for insurance agents and other licensees.—

239 (1) Any course provider, instructor, or school official, ~~r~~
240 ~~er monitor group~~ must be approved by and registered with the
241 department before offering prelicensure education courses for
242 insurance agents and other licensees.

243 (2) The department shall adopt rules establishing
244 standards for the approval, registration, discipline, or removal
245 from registration of course providers, instructors, and school
246 officials, ~~and monitor groups~~. The standards must be designed to
247 ensure that such persons have the knowledge, competence, and
248 integrity to fulfill the educational objectives of the
249 prelicensure requirements of this chapter and chapter 648 and to
250 assure that insurance agents and licensees are competent to
251 engage in the activities authorized under the license.

252 (3) A course provider shall not grant completion credit to
253 any student who has not completed at least 75 percent of the
254 required course hours of a department approved prelicensure
255 course.

256 (4) The department shall adopt rules to establish a
257 process for determining compliance with the prelicensure
258 requirements of this chapter and chapter 648. The department
259 shall adopt rules prescribing the forms necessary to administer
260 the prelicensure requirements.



261 Section 6. Subsection (1) of section 626.311, Florida
262 Statutes, is amended to read:

263 626.311 Scope of license.—

264 (1) Except as to personal lines agents and limited
265 licenses, a general lines agent or customer representative shall
266 qualify for all property, marine, casualty, and surety lines
267 except bail bonds which require a separate license under chapter
268 648. The license of a general lines agent ~~may~~ also covers ~~cover~~
269 health insurance ~~if health insurance is included in the agent's~~
270 ~~appointment by an insurer as to which the licensee is also~~
271 ~~appointed as agent for property or casualty or surety insurance.~~

272 The license of a customer representative shall provide, in
273 substance, that it covers all of such classes of insurance that
274 his or her appointing general lines agent or agency is currently
275 so authorized to transact under the general lines agent's
276 license and appointments. No such license shall be issued
277 limited to particular classes of insurance except for bail bonds
278 which require a separate license under chapter 648 or for
279 personal lines agents. Personal lines agents are limited to
280 transacting business related to property and casualty insurance
281 sold to individuals and families for noncommercial purposes.

282 Section 7. Subsections (1) through (5) of section 626.732,
283 Florida Statutes, are amended to read:

284 626.732 Requirement as to knowledge, experience, or
285 instruction.—

286 (1) Except as provided in subsection (4), an applicant for



287 a license as a general lines agent, except for a chartered
288 property and casualty underwriter (CPCU), may not be qualified
289 or licensed unless, within the 4 years immediately preceding the
290 date the application for license is filed with the department,
291 the applicant has:

292 (a) Taught or successfully completed 200 hours of
293 coursework in property, casualty, surety, health, and marine
294 insurance approved by the department ~~classroom courses in~~
295 ~~insurance~~, 3 hours of which must be on the subject matter of
296 ethics, ~~at a school, college, or extension division thereof,~~
297 ~~approved by the department;~~

298 ~~(b) Completed a correspondence course in insurance, 3~~
299 ~~hours of which must be on the subject matter of ethics, which is~~
300 ~~regularly offered by accredited institutions of higher learning~~
301 ~~in this state or extensions thereof and approved by the~~
302 ~~department, and have at least 6 months of responsible insurance~~
303 ~~duties as a substantially full-time bona fide employee in all~~
304 ~~lines of property and casualty insurance set forth in the~~
305 ~~definition of general lines agent under s. 626.015;~~

306 (b)(e) Completed at least 1 year in responsible insurance
307 duties as a substantially full-time bona fide employee in all
308 lines of property and casualty insurance as set forth in the
309 definition of a general lines agent under s. 626.015, but
310 without the education requirement described in paragraph (a) ~~or~~
311 ~~paragraph (b); or~~

312 (c)(d) Completed at least 1 year of responsible insurance



313 duties as a licensed and appointed customer representative,
314 service representative, or personal lines agent ~~or limited~~
315 ~~customer representative in commercial or personal lines of~~
316 ~~property and casualty insurance~~ and 40 hours of coursework
317 ~~classroom courses~~ approved by the department covering the areas
318 of property, casualty, surety, health, and marine insurance; ~~or~~

319 ~~(c) Completed at least 1 year of responsible insurance~~
320 ~~duties as a licensed and appointed service representative in~~
321 ~~commercial or personal lines of property and casualty insurance~~
322 ~~and 80 hours of classroom courses approved by the department~~
323 ~~covering the areas of property, casualty, surety, health, and~~
324 ~~marine insurance.~~

325 (2) Except as provided under subsection (4), an applicant
326 for a license as a personal lines agent, except for a chartered
327 property and casualty underwriter (CPCU), may not be qualified
328 or licensed unless, within the 4 years immediately preceding the
329 date the application for license is filed with the department,
330 the applicant has:

331 (a) Taught or successfully completed 60 hours of
332 coursework in property, casualty, and inland marine insurance
333 approved by the department ~~classroom courses in insurance~~, 3
334 hours of which must be on the subject matter of ethics, ~~at a~~
335 ~~school, college, or extension division thereof, approved by the~~
336 ~~department. To qualify for licensure, the applicant must~~
337 ~~complete a total of 52 hours of classroom courses in insurance;~~

338 ~~(b) Completed a correspondence course in insurance, 3~~



339 ~~hours of which must be on the subject matter of ethics, which is~~
340 ~~regularly offered by accredited institutions of higher learning~~
341 ~~in this state or extensions thereof and approved by the~~
342 ~~department, and completed at least 3 months of responsible~~
343 ~~insurance duties as a substantially full-time employee in the~~
344 ~~area of property and casualty insurance sold to individuals and~~
345 ~~families for noncommercial purposes;~~

346 (b) ~~(e)~~ Completed at least 6 months of responsible
347 insurance duties as a substantially full-time employee in the
348 area of property and casualty insurance sold to individuals and
349 families for noncommercial purposes, but without the education
350 requirement described in paragraph (a) ~~or paragraph (b)~~; or

351 (c) ~~(d)~~ Completed at least 6 months of responsible
352 insurance duties as a licensed and appointed customer
353 representative, ~~or~~ limited customer representative, or service
354 representative in property and casualty insurance ~~sold to~~
355 ~~individuals and families for noncommercial purposes and 20 hours~~
356 ~~of classroom courses approved by the department which are~~
357 ~~related to property and casualty insurance sold to individuals~~
358 ~~and families for noncommercial purposes;~~

359 ~~(e)~~ Completed at least 6 months of responsible insurance
360 duties as a licensed and appointed service representative in
361 property and casualty insurance sold to individuals and families
362 for noncommercial purposes and 40 hours of classroom courses
363 approved by the department related to property and casualty
364 insurance sold to individuals and families for noncommercial



365 ~~purposes; or~~

366 ~~(f) Completed at least 3 years of responsible duties as a~~
367 ~~licensed and appointed customer representative in property and~~
368 ~~casualty insurance sold to individuals and families for~~
369 ~~noncommercial purposes.~~

370 (3) If an applicant's qualifications as required under
371 subsection (1) or subsection (2) are based in part upon periods
372 of employment in responsible insurance duties, the applicant
373 shall submit with the license application, ~~on a form prescribed~~
374 ~~by the department,~~ an attestation affidavit of his or her
375 employment ~~employer~~ setting forth the period of such employment,
376 ~~that the employment was substantially full-time,~~ and giving a
377 brief abstract of the nature of the duties performed ~~by the~~
378 ~~applicant.~~

379 (4) An individual who was or became qualified to sit for
380 an agent's, ~~customer representative's,~~ or adjuster's examination
381 at or during the time he or she was employed by the department
382 or office and who, while so employed, was employed in
383 responsible insurance duties as a full-time bona fide employee
384 may take an examination if application for such examination is
385 made within 4 years ~~90 days~~ after the date of termination of
386 employment with the department or office.

387 (5) ~~Classroom and correspondence~~ Courses under subsections
388 (1) and (2) must include instruction on the subject matter of
389 unauthorized entities engaging in the business of insurance. ~~The~~
390 ~~scope of the topic of unauthorized entities must include the~~



391 ~~Florida Nonprofit Multiple-Employer Welfare Arrangement Act and~~
392 ~~the Employee Retirement Income Security Act, 29 U.S.C. ss. 1001~~
393 ~~et seq., as it relates to the provision of health insurance by~~
394 ~~employers and the regulation thereof.~~

395 Section 8. Subsections (3) and (7) of section 626.7351,
396 Florida Statutes, are amended to read:

397 626.7351 Qualifications for customer representative's
398 license.—The department shall not grant or issue a license as
399 customer representative to any individual found by it to be
400 untrustworthy or incompetent, or who does not meet each of the
401 following qualifications:

402 (3) Within 4 ~~the 2~~ years ~~next~~ preceding the date that the
403 application for license was filed with the department, the
404 applicant has earned the designation of Accredited Advisor in
405 Insurance (AAI), Associate in General Insurance (AINS), or
406 Accredited Customer Service Representative (ACSR) from the
407 Insurance Institute of America; the designation of Certified
408 Insurance Counselor (CIC) from the Society of Certified
409 Insurance Service Counselors; the designation of Certified
410 Professional Service Representative (CPSR) from the National
411 Foundation for CPSR; the designation of Certified Insurance
412 Service Representative (CISR) from the Society of Certified
413 Insurance Service Representatives; the designation of Certified
414 Insurance Representative (CIR) from All-Lines Training; the
415 designation of Professional Customer Service Representative
416 (PCSR) from the Professional Career Institute; the designation



CS/CS/HB 1133, Engrossed 1

2015

417 of Registered Customer Service Representative (RCSR) from a
418 regionally accredited postsecondary institution in the state
419 whose curriculum is approved by the department and includes
420 comprehensive analysis of basic property and casualty lines of
421 insurance and testing which demonstrates mastery of the subject;
422 or a degree from an accredited institution of higher learning
423 approved by the department when the degree includes a minimum of
424 9 credit hours of insurance instruction, including specific
425 instruction in the areas of property, casualty, and inland
426 marine insurance. The department shall adopt rules establishing
427 standards for the approval of curriculum ~~completed a course in~~
428 ~~insurance, 3 hours of which shall be on the subject matter of~~
429 ~~ethics, approved by the department or has had at least 6 months'~~
430 ~~experience in responsible insurance duties as a substantially~~
431 ~~full-time employee. Courses must include instruction on the~~
432 ~~subject matter of unauthorized entities engaging in the business~~
433 ~~of insurance. The scope of the topic of unauthorized entities~~
434 ~~shall include the Florida Nonprofit Multiple Employer Welfare~~
435 ~~Arrangement Act and the Employee Retirement Income Security Act,~~
436 ~~29 U.S.C. ss. 1001 et seq., as such acts relate to the provision~~
437 ~~of health insurance by employers and the regulation of such~~
438 ~~insurance.~~

439 ~~(7) The applicant has passed any required examination for~~
440 ~~license required under s. 626.221.~~

441 Section 9. Subsection (3) of section 626.7354, Florida
442 Statutes, is amended to read:



443 626.7354 Customer representative's powers; agent's or
444 agency's responsibility.—

445 (3) A customer representative shall be a salaried employee
446 of the agent or agency. His or her compensation ~~shall not~~
447 ~~include commissions and~~ shall not be primarily based on
448 commissions or the production of applications, insurance, or
449 premiums.

450 Section 10. Section 626.748, Florida Statutes, is amended
451 to read:

452 626.748 Agent's records.—Every agent transacting any
453 insurance policy must maintain in his or her office, or have
454 readily accessible by electronic or photographic means, for a
455 period of at least 5 years after policy expiration, such records
456 of policies transacted by him or her as to enable the
457 policyholders and department to obtain all necessary
458 information, including daily reports, applications, change
459 endorsements, or documents signed or initialed by the insured
460 concerning such policies.

461 Section 11. Subsection (1) of section 626.753, Florida
462 Statutes, is amended to read:

463 626.753 Sharing commissions; penalty.—

464 (1) (a) An agent may divide or share in commissions only
465 with other agents appointed and licensed to write the same kind
466 or kinds of insurance, or may divide commissions with a customer
467 representative.

468 (b) This section shall not be construed to prevent the



469 payment or receipt of renewal commissions or other deferred
470 commissions or pensions to or by any person solely because such
471 person has ceased to hold a license to act as an insurance agent
472 or customer representative, and shall not prevent the payment of
473 renewal commissions or other deferred commissions to any
474 incorporated insurance agency solely because any of its
475 stockholders has ceased to hold a license to act as an insurance
476 agent or customer representative.

477 (c) A customer representative may share in commissions
478 with an agent.

479 Section 12. Section 626.7851, Florida Statutes, is amended
480 to read:

481 626.7851 Requirement as to knowledge, experience, or
482 instruction.—An ~~No~~ applicant for a license as a life agent,
483 except for a chartered life underwriter (CLU), shall not be
484 qualified or licensed unless within the 4 years immediately
485 preceding the date the application for a license is filed with
486 the department he or she has:

487 (1) Successfully completed 40 hours of coursework
488 ~~classroom courses~~ in life insurance, annuities, and variable
489 contracts approved by the department, 3 hours of which shall be
490 on the subject matter of ethics, ~~satisfactory to the department~~
491 ~~at a school or college, or extension division thereof, or other~~
492 ~~authorized course of study, approved by the department.~~ Courses
493 must include instruction on the subject matter of unauthorized
494 entities engaging in the business of insurance, ~~to include the~~



CS/CS/HB 1133, Engrossed 1

2015

495 ~~Florida Nonprofit Multiple-Employer Welfare Arrangement Act and~~
496 ~~the Employee Retirement Income Security Act, 29 U.S.C. ss. 1001~~
497 ~~et seq., as it relates to the provision of life insurance by~~
498 ~~employers to their employees and the regulation thereof;~~

499 (2) Successfully completed a minimum of 60 hours of
500 coursework in multiple areas of insurance, which included life
501 insurance, annuities, and variable contracts, approved by the
502 department, 3 hours of which shall be on the subject matter of
503 ethics. Courses must include instruction on the subject matter
504 of unauthorized entities engaging in the business of insurance;

505 (3) Earned or maintained an active designation as
506 Chartered Financial Consultant (ChFC) from the American College
507 of Financial Services; or Fellow, Life Management Institute
508 (FLMI) from the Life Management Institute ~~Successfully completed~~
509 ~~a correspondence course in insurance, 3 hours of which shall be~~
510 ~~on the subject matter of ethics, satisfactory to the department~~
511 ~~and regularly offered by accredited institutions of higher~~
512 ~~learning in this state or by independent programs of study,~~
513 ~~approved by the department. Courses must include instruction on~~
514 ~~the subject matter of unauthorized entities engaging in the~~
515 ~~business of insurance, to include the Florida Nonprofit~~
516 ~~Multiple-Employer Welfare Arrangement Act and the Employee~~
517 ~~Retirement Income Security Act, 29 U.S.C. ss. 1001 et seq., as~~
518 ~~it relates to the provision of life insurance by employers to~~
519 ~~their employees and the regulation thereof;~~

520 (4)-(3) Held an active license in life, or life and health,



521 insurance in another state. This provision may not be used
522 ~~utilized~~ unless the other state grants reciprocal treatment to
523 licensees formerly licensed in the state Florida; or

524 (5)~~(4)~~ Been employed by the department or office for at
525 least 1 year, full time in life ~~or life and health~~ insurance
526 regulatory matters and who was not terminated for cause, and
527 application for examination is made within 4 years ~~90 days~~ after
528 the date of termination of his or her employment with the
529 department or office.

530 Section 13. Section 626.8311, Florida Statutes, is amended
531 to read:

532 626.8311 Requirement as to knowledge, experience, or
533 instruction.~~An~~ ~~No~~ applicant for a license as a health agent,
534 except for a chartered life underwriter (CLU), shall not be
535 qualified or licensed unless within the 4 years immediately
536 preceding the date the application for license is filed with the
537 department he or she has:

538 (1) Successfully completed 40 hours of coursework
539 ~~classroom courses~~ in health insurance, approved by the
540 department, 3 hours of which shall be on the subject matter of
541 ~~ethics, satisfactory to the department at a school or college,~~
542 ~~or extension division thereof, or other authorized course of~~
543 ~~study, approved by the department.~~ Courses must include
544 instruction on the subject matter of unauthorized entities
545 engaging in the business of insurance, to include the Florida
546 Nonprofit Multiple-Employer Welfare Arrangement Act and the



547 Employee Retirement Income Security Act, 29 U.S.C. ss. 1001 et
548 seq., as it relates to the provision of health insurance by
549 employers to their employees and the regulation thereof;

550 (2) Successfully completed a minimum of 60 hours of
551 coursework in multiple areas of insurance, which included health
552 insurance, approved by the department, 3 hours of which shall be
553 on the subject matter of ethics. Courses must include
554 instruction on the subject matter of unauthorized entities
555 engaging in the business of insurance;

556 (3) Earned or maintained an active designation as a
557 Registered Health Underwriter (RHU), Chartered Healthcare
558 Consultant (ChHC), or Registered Employee Benefits Consultant
559 (REBC) from the American College of Financial Services;
560 Certified Employee Benefit Specialist (CEBS) from the Wharton
561 School of the University of Pennsylvania; or Health Insurance
562 Associate (HIA) from America's Health Insurance Plans
563 ~~Successfully completed a correspondence course in insurance, 3~~
564 ~~hours of which shall be on the subject matter of ethics,~~
565 ~~satisfactory to the department and regularly offered by~~
566 ~~accredited institutions of higher learning in this state or by~~
567 ~~independent programs of study, approved by the department.~~
568 ~~Courses must include instruction on the subject matter of~~
569 ~~unauthorized entities engaging in the business of insurance, to~~
570 ~~include the Florida Nonprofit Multiple-Employer Welfare~~
571 ~~Arrangement Act and the Employee Retirement Income Security Act,~~
572 ~~29 U.S.C. ss. 1001 et seq., as it relates to the provision of~~



573 ~~health insurance by employers to their employees and the~~
574 ~~regulation thereof;~~

575 (4)~~(3)~~ Held an active license in health, ~~or life and~~
576 ~~health,~~ insurance in another state. This provision may not be
577 utilized unless the other state grants reciprocal treatment to
578 licensees formerly licensed in Florida; or

579 (5)~~(4)~~ Been employed by the department or office for at
580 least 1 year, full time in health insurance regulatory matters
581 and who was not terminated for cause, and application for
582 examination is made within 4 years ~~90 days~~ after the date of
583 termination of his or her employment with the department or
584 office.

585 Section 14. Paragraph (o) of subsection (1) of section
586 626.9541, Florida Statutes, is amended to read:

587 626.9541 Unfair methods of competition and unfair or
588 deceptive acts or practices defined.—

589 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE
590 ACTS.—The following are defined as unfair methods of competition
591 and unfair or deceptive acts or practices:

592 (o) Illegal dealings in premiums; excess or reduced
593 charges for insurance.—

594 1. Knowingly collecting any sum as a premium or charge for
595 insurance, which is not then provided, or is not in due course
596 to be provided, subject to acceptance of the risk by the
597 insurer, by an insurance policy issued by an insurer as
598 permitted by this code.



599 2. Knowingly collecting as a premium or charge for
600 insurance any sum in excess of or less than the premium or
601 charge applicable to such insurance, in accordance with the
602 applicable classifications and rates as filed with and approved
603 by the office, and as specified in the policy; or, in cases when
604 classifications, premiums, or rates are not required by this
605 code to be so filed and approved, premiums and charges collected
606 from a Florida resident in excess of or less than those
607 specified in the policy and as fixed by the insurer.
608 Notwithstanding any other provision of law, this provision shall
609 not be deemed to prohibit the charging and collection, by
610 surplus lines agents licensed under part VIII of this chapter,
611 of the amount of applicable state and federal taxes, or fees as
612 authorized by s. 626.916(4), in addition to the premium required
613 by the insurer or the charging and collection, by licensed
614 agents, of the exact amount of any discount or other such fee
615 charged by a credit card facility in connection with the use of
616 a credit card, as authorized by subparagraph (q)3., in addition
617 to the premium required by the insurer. This subparagraph shall
618 not be construed to prohibit collection of a premium for a
619 universal life or a variable or indeterminate value insurance
620 policy made in accordance with the terms of the contract.

621 3.a. Imposing or requesting an additional premium for a
622 policy of motor vehicle liability, personal injury protection,
623 medical payment, or collision insurance or any combination
624 thereof or refusing to renew the policy solely because the



625 insured was involved in a motor vehicle accident unless the
626 insurer's file contains information from which the insurer in
627 good faith determines that the insured was substantially at
628 fault in the accident.

629 b. An insurer which imposes and collects such a surcharge
630 or which refuses to renew such policy shall, in conjunction with
631 the notice of premium due or notice of nonrenewal, notify the
632 named insured that he or she is entitled to reimbursement of
633 such amount or renewal of the policy under the conditions listed
634 below and will subsequently reimburse him or her or renew the
635 policy, if the named insured demonstrates that the operator
636 involved in the accident was:

637 (I) Lawfully parked;

638 (II) Reimbursed by, or on behalf of, a person responsible
639 for the accident or has a judgment against such person;

640 (III) Struck in the rear by another vehicle headed in the
641 same direction and was not convicted of a moving traffic
642 violation in connection with the accident;

643 (IV) Hit by a "hit-and-run" driver, if the accident was
644 reported to the proper authorities within 24 hours after
645 discovering the accident;

646 (V) Not convicted of a moving traffic violation in
647 connection with the accident, but the operator of the other
648 automobile involved in such accident was convicted of a moving
649 traffic violation;

650 (VI) Finally adjudicated not to be liable by a court of



651 competent jurisdiction;

652 (VII) In receipt of a traffic citation which was dismissed
653 or nolle prossed; or

654 (VIII) Not at fault as evidenced by a written statement
655 from the insured establishing facts demonstrating lack of fault
656 which are not rebutted by information in the insurer's file from
657 which the insurer in good faith determines that the insured was
658 substantially at fault.

659 c. In addition to the other provisions of this
660 subparagraph, an insurer may not fail to renew a policy if the
661 insured has had only one accident in which he or she was at
662 fault within the current 3-year period. However, an insurer may
663 nonrenew a policy for reasons other than accidents in accordance
664 with s. 627.728. This subparagraph does not prohibit nonrenewal
665 of a policy under which the insured has had three or more
666 accidents, regardless of fault, during the most recent 3-year
667 period.

668 4. Imposing or requesting an additional premium for, or
669 refusing to renew, a policy for motor vehicle insurance solely
670 because the insured committed a noncriminal traffic infraction
671 as described in s. 318.14 unless the infraction is:

672 a. A second infraction committed within an 18-month
673 period, or a third or subsequent infraction committed within a
674 36-month period.

675 b. A violation of s. 316.183, when such violation is a
676 result of exceeding the lawful speed limit by more than 15 miles



677 per hour.

678 5. Upon the request of the insured, the insurer and
679 licensed agent shall supply to the insured the complete proof of
680 fault or other criteria which justifies the additional charge or
681 cancellation.

682 6. No insurer shall impose or request an additional
683 premium for motor vehicle insurance, cancel or refuse to issue a
684 policy, or refuse to renew a policy because the insured or the
685 applicant is a handicapped or physically disabled person, so
686 long as such handicap or physical disability does not
687 substantially impair such person's mechanically assisted driving
688 ability.

689 7. No insurer may cancel or otherwise terminate any
690 insurance contract or coverage, or require execution of a
691 consent to rate endorsement, during the stated policy term for
692 the purpose of offering to issue, or issuing, a similar or
693 identical contract or coverage to the same insured with the same
694 exposure at a higher premium rate or continuing an existing
695 contract or coverage with the same exposure at an increased
696 premium.

697 8. No insurer may issue a nonrenewal notice on any
698 insurance contract or coverage, or require execution of a
699 consent to rate endorsement, for the purpose of offering to
700 issue, or issuing, a similar or identical contract or coverage
701 to the same insured at a higher premium rate or continuing an
702 existing contract or coverage at an increased premium without



703 meeting any applicable notice requirements.

704 9. No insurer shall, with respect to premiums charged for
705 motor vehicle insurance, unfairly discriminate solely on the
706 basis of age, sex, marital status, or scholastic achievement.

707 10. Imposing or requesting an additional premium for motor
708 vehicle comprehensive or uninsured motorist coverage solely
709 because the insured was involved in a motor vehicle accident or
710 was convicted of a moving traffic violation.

711 11. No insurer shall cancel or issue a nonrenewal notice
712 on any insurance policy or contract without complying with any
713 applicable cancellation or nonrenewal provision required under
714 the Florida Insurance Code.

715 12. No insurer shall impose or request an additional
716 premium, cancel a policy, or issue a nonrenewal notice on any
717 insurance policy or contract because of any traffic infraction
718 when adjudication has been withheld and no points have been
719 assessed pursuant to s. 318.14(9) and (10). However, this
720 subparagraph does not apply to traffic infractions involving
721 accidents in which the insurer has incurred a loss due to the
722 fault of the insured.

723 Section 15. Section 627.4553, Florida Statutes, is amended
724 to read:

725 627.4553 Recommendations to surrender.—

726 (1) If an insurance agent recommends the surrender of an
727 annuity or life insurance policy containing a cash value and
728 does not recommend that the proceeds from the surrender be used



729 to fund or purchase another annuity or life insurance policy,
730 before execution of the surrender, the insurance agent, ~~or~~
731 ~~insurance company if no agent is involved,~~ shall provide written
732 ~~, on a form that satisfies the requirements of the rule adopted~~
733 ~~by the department,~~ information relating to the annuity or policy
734 to be surrendered. Such information shall include, but is not
735 limited to, the amount of any estimated surrender charge, the
736 loss of any minimum interest rate guarantees, the possibility
737 ~~amount of any tax consequences resulting from the transaction,~~
738 the amount of any forfeited death benefit, and a description of
739 ~~the value of~~ any other investment performance guarantees being
740 forfeited as a result of the transaction. The agent shall
741 maintain a copy of the information and the date that the
742 information was provided to the owner. This section also applies
743 to a person performing insurance agent activities pursuant to an
744 exemption from licensure under this part.

745 (2) For purposes of this section, the term "surrender"
746 means the voluntary surrender, by the owner's request, of the
747 annuity or life insurance policy before its maturity date, in
748 exchange for the policy's current cash surrender value which
749 results in a surrender or termination of the policy or contract.
750 The term excludes any involuntary termination that is otherwise
751 required by the terms of the policy contract and excludes all
752 transactions other than a surrender, such as maturity, policy
753 loan, lapse for nonpayment of premium, or withdrawal of policy



754 or contract values, annuitization, or exercise of reduced-paid-
755 up or extended-term nonforfeiture options.

756 Section 16. Subsection (2) of section 631.341, Florida
757 Statutes, is amended to read:

758 631.341 Notice of insolvency to policyholders by insurer,
759 general agent, or agent.—

760 (2) Unless, within 15 days subsequent to the date of such
761 notice, all agents referred to in subsection (1) have either
762 replaced or reinsured in a solvent authorized insurer the
763 insurance coverages placed by or through such agent in the
764 delinquent insurer, such agents shall then, by registered or
765 certified mail, or by e-mail with delivery receipt required,
766 send to the last known address of any policyholder a written
767 notice of the insolvency of the delinquent insurer.

768 Section 17. This act shall take effect July 1, 2015.