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Proposed Committee Substitute by the Committee on Fiscal Policy
(Appropriations Subcommittee on General Government)

A bill to be entitled

An act relating to the Division of Insurance Agent and Agency Services; amending s. 626.015, F.S.; revising the definition of "general lines agent," to remove a restriction with respect to agents transacting health insurance; limiting the types of health insurance agents; amending s. 626.0428, F.S.; revising licensure requirements of certain agents in charge of an agency's place of business; amending s. 626.221, F.S.; revising examination requirements and exemptions for applicants for certain agent and adjuster licenses; amending s. 626.241, F.S.; revising the scope of license examinations for agents and adjusters; amending s. 626.2817, F.S.; revising requirements of certain prelicensure education courses for insurance agents and other licensees; amending s. 626.311, F.S.; conforming provisions to changes made by the act; amending s. 626.732, F.S.; revising requirements relating to knowledge, experience, and instruction for applicants for a license as a general lines or personal lines agent; amending s. 626.7351, F.S.; revising qualifications for a customer representative's license; amending s. 626.748, F.S.; requiring agents to maintain certain records for a specified time period after policy expiration; amending ss. 626.7851 and 626.8311, F.S.; revising requirements relating to the knowledge, experience, or



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28 instruction for life agents and health agents,
29 respectively; amending s. 626.931, F.S.; deleting
30 provisions that require surplus lines agents to file a
31 quarterly affidavit with the Florida Surplus Lines
32 Office; amending ss. 626.932, 626.935, and 626.936,
33 F.S.; conforming provisions to changes made by act;
34 amending s. 626.9541, F.S.; providing that certain
35 provisions relating to illegal dealings in premiums
36 are applicable notwithstanding any other provision of
37 law; amending s. 627.4553, F.S.; requiring an
38 insurance agent to provide and retain certain
39 information upon surrender of an annuity contract or
40 life insurance policy under certain circumstances;
41 defining the term "surrender"; amending s. 631.341,
42 F.S.; authorizing certain notices of insolvency to be
43 delivered to policyholders by certain methods;
44 providing an effective date.

45
46 Be It Enacted by the Legislature of the State of Florida:

47
48 Section 1. Paragraph (d) of subsection (5) of section
49 626.015, Florida Statutes, is amended to read:

50 626.015 Definitions.—As used in this part:

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

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

56 Section 2. Paragraph (a) of subsection (4) of section



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57 626.0428, Florida Statutes, is amended to read:

58 626.0428 Agency personnel powers, duties, and limitations.—

59 (4) (a) Each place of business established by an agent or
60 agency, firm, corporation, or association must be in the active
61 full-time charge of a licensed and appointed agent holding the
62 required agent licenses to transact at least two of the lines of
63 insurance being handled at the location. If only one line of
64 insurance is handled at the location, the agent in charge must
65 hold the required agent license to transact that line of
66 insurance.

67 Section 3. Subsection (1) and paragraphs (g) through (l) of
68 subsection (2) of section 626.221, Florida Statutes, are amended
69 to read:

70 626.221 Examination requirement; exemptions.—

71 (1) The department shall not issue any license as agent,
72 ~~customer representative,~~ or adjuster to any individual who has
73 not qualified for, taken, and passed to the satisfaction of the
74 department a written examination of the scope prescribed in s.
75 626.241.

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

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

84 (h) An applicant for license as a general lines agent,
85 personal lines agent, or all-lines customer representative, or



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86 adjuster who has received the designation of chartered property
87 and casualty underwriter (CPCU) from the American Institute for
88 Chartered Property Casualty and Liability Underwriters and has
89 ~~been engaged in the insurance business within the past 4 years,~~
90 except that the applicant may be examined on pertinent
91 provisions of this code.

92 (i) An applicant for license as a general lines agent or an
93 all-lines adjuster who has received a degree in insurance from
94 an accredited institution of higher learning approved by the
95 department, except that the applicant may be examined on
96 pertinent provisions of this code. Qualifying degrees must
97 indicate a minimum of 18 credit hours of insurance instruction,
98 including specific instruction in the areas of property,
99 casualty, health, and commercial insurance ~~customer~~
100 ~~representative who has earned the designation of Accredited~~
101 ~~Advisor in Insurance (AAI) from the Insurance Institute of~~
102 ~~America, the designation of Certified Insurance Counselor (CIC)~~
103 ~~from the Society of Certified Insurance Service Counselors, the~~
104 ~~designation of Accredited Customer Service Representative (ACSR)~~
105 ~~from the Independent Insurance Agents of America, the~~
106 ~~designation of Certified Professional Service Representative~~
107 ~~(CPSR) from the National Foundation for Certified Professional~~
108 ~~Service Representatives, the designation of Certified Insurance~~
109 ~~Service Representative (CISR) from the Society of Certified~~
110 ~~Insurance Service Representatives, or the designation of~~
111 ~~Certified Insurance Representative (CIR) from the National~~
112 ~~Association of Christian Catastrophe Insurance Adjusters. Also,~~
113 ~~an applicant for license as a customer representative who has~~
114 ~~earned an associate degree or bachelor's degree from an~~



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115 ~~accredited college or university and has completed at least 9~~
116 ~~academic hours of property and casualty insurance curriculum, or~~
117 ~~the equivalent, or has earned the designation of Certified~~
118 ~~Customer Service Representative (CCSR) from the Florida~~
119 ~~Association of Insurance Agents, or the designation of~~
120 ~~Registered Customer Service Representative (RCSR) from a~~
121 ~~regionally accredited postsecondary institution in this state,~~
122 ~~or the designation of Professional Customer Service~~
123 ~~Representative (PCSR) from the Professional Career Institute,~~
124 ~~whose curriculum has been approved by the department and which~~
125 ~~includes comprehensive analysis of basic property and casualty~~
126 ~~lines of insurance and testing at least equal to that of~~
127 ~~standard department testing for the customer representative~~
128 ~~license. The department shall adopt rules establishing standards~~
129 ~~for the approval of curriculum.~~

130 (j) An applicant for license as a personal lines agent who has
131 received a degree from an accredited institution of higher
132 learning approved by the department, except that the applicant
133 may be examined on pertinent provisions of this code. Qualifying
134 degrees must indicate a minimum of 9 credit hours of insurance
135 instruction, including specific instruction in the areas of
136 property, casualty, and inland marine insurance. ~~resident or~~

137 (k) An applicant for license as an ~~nonresident~~ all-lines
138 adjuster who has the designation of Accredited Claims Adjuster
139 (ACA) from a regionally accredited postsecondary institution in
140 this state, Associate in Claims (AIC) from the Insurance
141 Institute of America, Professional Claims Adjuster (PCA) from
142 the Professional Career Institute, Professional Property
143 Insurance Adjuster (PPIA) from the HurriClaim Training Academy,



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144 Certified Adjuster (CA) from ALL LINES Training, or Certified
145 Claims Adjuster (CCA) from AE21 Incorporated ~~the Association of~~
146 ~~Property and Casualty Claims Professionals~~ whose curriculum has
147 been approved by the department and which includes comprehensive
148 analysis of basic property and casualty lines of insurance and
149 testing at least equal to that of standard department testing
150 for the all-lines adjuster license. The department shall adopt
151 rules establishing standards for the approval of curriculum.

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

159 (m) An applicant for license as a health agent who has
160 received a degree from an accredited institution of higher
161 learning approved by the department, except that the applicant
162 may be examined on pertinent provisions of this code. Qualifying
163 degrees must indicate a minimum of 9 credit hours of insurance
164 instruction, including specific instruction in the area of
165 health insurance products.

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

168 1. ~~Has successfully completed the prelicensing examination~~
169 ~~requirements in the applicant's previous home state which are~~
170 ~~substantially equivalent to the examination requirements in this~~
171 ~~state, as determined by the department;~~

172 2. ~~Has received the designation of chartered property and~~



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173 ~~easualty underwriter (CPCU) from the American Institute for~~
174 ~~Property and Liability Underwriters and been engaged in the~~
175 ~~insurance business within the past 4 years if applying to~~
176 ~~transfer a general lines agent license; or~~

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

181 ~~(o) (1) An applicant for a license as a nonresident agent if~~
182 ~~the applicant holds a comparable license in another state with~~
183 ~~similar examination requirements as this state;~~

184 ~~1. Has successfully completed prelicensing examination~~
185 ~~requirements in the applicant's home state which are~~
186 ~~substantially equivalent to the examination requirements in this~~
187 ~~state, as determined by the department, as a requirement for~~
188 ~~obtaining a resident license in his or her home state;~~

189 ~~2. Held a general lines agent license, life agent license,~~
190 ~~or health agent license before a written examination was~~
191 ~~required;~~

192 ~~3. Has received the designation of chartered property and~~
193 ~~easualty underwriter (CPCU) from the American Institute for~~
194 ~~Property and Liability Underwriters and has been engaged in the~~
195 ~~insurance business within the past 4 years, if an applicant for~~
196 ~~a nonresident license as a general lines agent; or~~

197 ~~4. Has received the designation of chartered life~~
198 ~~underwriter (CLU) from the American College of Life Underwriters~~
199 ~~and been in the insurance business within the past 4 years, if~~
200 ~~an applicant for a nonresident license as a life agent or health~~
201 ~~agent.~~



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202 Section 4. Subsections (1), (2), (3), and (8) of section
203 626.241, Florida Statutes, are amended to read:

204 626.241 Scope of examination.—

205 (1) Each examination for a license as an agent, ~~customer~~
206 ~~representative~~, or adjuster shall be of such scope as is deemed
207 by the department to be reasonably necessary to test the
208 applicant's ability and competence and knowledge of the kinds of
209 insurance and transactions to be handled under the license
210 applied for, of the duties and responsibilities of such a
211 licensee, and of the pertinent provisions of the laws of this
212 state.

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

217 (3) Examinations given applicants for a life agent's
218 license shall cover life insurance, annuities, and variable
219 contracts ~~annuities~~.

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

223 Section 5. Section 626.2817, Florida Statutes, is amended
224 to read:

225 626.2817 Regulation of course providers, instructors, and
226 school officials, ~~and monitor groups~~ involved in prelicensure
227 education for insurance agents and other licensees.—

228 (1) Any course provider, instructor, or school official, ~~or~~
229 ~~monitor group~~ must be approved by and registered with the
230 department before offering prelicensure education courses for



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231 insurance agents and other licensees.

232 (2) The department shall adopt rules establishing standards
233 for the approval, registration, discipline, or removal from
234 registration of course providers, instructors, and school
235 officials, ~~and monitor groups~~. The standards must be designed to
236 ensure that such persons have the knowledge, competence, and
237 integrity to fulfill the educational objectives of the
238 prelicensure requirements of this chapter and chapter 648 and to
239 assure that insurance agents and licensees are competent to
240 engage in the activities authorized under the license.

241 (3) A course provider shall not grant completion credit to
242 any student who has not completed at least 75 percent of the
243 required course hours of a department approved prelicensure
244 course.

245 (4) The department shall adopt rules to establish a process
246 for determining compliance with the prelicensure requirements of
247 this chapter and chapter 648. The department shall adopt rules
248 prescribing the forms necessary to administer the prelicensure
249 requirements.

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

252 626.311 Scope of license.—

253 (1) Except as to personal lines agents and limited
254 licenses, a general lines agent or customer representative shall
255 qualify for all property, marine, casualty, and surety lines
256 except bail bonds which require a separate license under chapter
257 648. The license of a general lines agent ~~may also~~ covers ~~cover~~
258 health insurance ~~if health insurance is included in the agent's~~
259 ~~appointment by an insurer as to which the licensee is also~~



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260 ~~appointed as agent for property or casualty or surety insurance.~~
261 The license of a customer representative shall provide, in
262 substance, that it covers all of such classes of insurance that
263 his or her appointing general lines agent or agency is currently
264 so authorized to transact under the general lines agent's
265 license and appointments. No such license shall be issued
266 limited to particular classes of insurance except for bail bonds
267 which require a separate license under chapter 648 or for
268 personal lines agents. Personal lines agents are limited to
269 transacting business related to property and casualty insurance
270 sold to individuals and families for noncommercial purposes.

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

273 626.732 Requirement as to knowledge, experience, or
274 instruction.—

275 (1) Except as provided in subsection (4), an applicant for
276 a license as a general lines agent, except for a chartered
277 property and casualty underwriter (CPCU), may not be qualified
278 or licensed unless, within the 4 years immediately preceding the
279 date the application for license is filed with the department,
280 the applicant has:

281 (a) Taught or successfully completed 200 hours of
282 coursework in property, casualty, surety, health, and marine
283 insurance approved by the department ~~classroom courses in~~
284 ~~insurance~~, 3 hours of which must be on the subject matter of
285 ethics, ~~at a school, college, or extension division thereof,~~
286 ~~approved by the department;~~

287 (b) ~~Completed a correspondence course in insurance, 3 hours~~
288 ~~of which must be on the subject matter of ethics, which is~~



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289 ~~regularly offered by accredited institutions of higher learning~~
290 ~~in this state or extensions thereof and approved by the~~
291 ~~department, and have at least 6 months of responsible insurance~~
292 ~~duties as a substantially full-time bona fide employee in all~~
293 ~~lines of property and casualty insurance set forth in the~~
294 ~~definition of general lines agent under s. 626.015;~~

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

301 (c) ~~(d)~~ Completed at least 1 year of responsible insurance
302 duties as a licensed and appointed customer representative,
303 service representative, or personal lines agent ~~or limited~~
304 ~~customer representative in commercial or personal lines of~~
305 ~~property and casualty insurance and 40 hours of coursework~~
306 ~~classroom courses~~ approved by the department covering the areas
307 of property, casualty, surety, health, and marine insurance; ~~or~~

308 ~~(e)~~ Completed at least 1 year of responsible insurance
309 duties as a licensed and appointed service representative in
310 commercial or personal lines of property and casualty insurance
311 and ~~80 hours of classroom courses~~ approved by the department
312 ~~covering the areas of property, casualty, surety, health, and~~
313 ~~marine insurance.~~

314 (2) Except as provided under subsection (4), an applicant
315 for a license as a personal lines agent, except for a chartered
316 property and casualty underwriter (CPCU), may not be qualified
317 or licensed unless, within the 4 years immediately preceding the



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318 date the application for license is filed with the department,
319 the applicant has:

320 (a) Taught or successfully completed 60 hours of coursework
321 in property, casualty, and inland marine insurance approved by
322 the department classroom courses in insurance, 3 hours of which
323 must be on the subject matter of ethics, ~~at a school, college,~~
324 ~~or extension division thereof, approved by the department. To~~
325 ~~qualify for licensure, the applicant must complete a total of 52~~
326 ~~hours of classroom courses in insurance;~~

327 ~~(b) Completed a correspondence course in insurance, 3 hours~~
328 ~~of which must be on the subject matter of ethics, which is~~
329 ~~regularly offered by accredited institutions of higher learning~~
330 ~~in this state or extensions thereof and approved by the~~
331 ~~department, and completed at least 3 months of responsible~~
332 ~~insurance duties as a substantially full-time employee in the~~
333 ~~area of property and casualty insurance sold to individuals and~~
334 ~~families for noncommercial purposes;~~

335 ~~(b)-(c)~~ Completed at least 6 months of responsible insurance
336 duties as a substantially full-time employee in the area of
337 property and casualty insurance sold to individuals and families
338 for noncommercial purposes, but without the education
339 requirement described in paragraph (a) ~~or paragraph (b)~~; or

340 ~~(c)-(d)~~ Completed at least 6 months of responsible insurance
341 duties as a licensed and appointed customer representative, ~~or~~
342 limited customer representative, or service representative in
343 property and casualty insurance ~~sold to individuals and families~~
344 ~~for noncommercial purposes and 20 hours of classroom courses~~
345 ~~approved by the department which are related to property and~~
346 ~~casualty insurance sold to individuals and families for~~



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347 ~~noncommercial purposes;~~

348 ~~(e) Completed at least 6 months of responsible insurance~~
349 ~~duties as a licensed and appointed service representative in~~
350 ~~property and casualty insurance sold to individuals and families~~
351 ~~for noncommercial purposes and 40 hours of classroom courses~~
352 ~~approved by the department related to property and casualty~~
353 ~~insurance sold to individuals and families for noncommercial~~
354 ~~purposes; or~~

355 ~~(f) Completed at least 3 years of responsible duties as a~~
356 ~~licensed and appointed customer representative in property and~~
357 ~~casualty insurance sold to individuals and families for~~
358 ~~noncommercial purposes.~~

359 (3) If an applicant's qualifications as required under
360 subsection (1) or subsection (2) are based in part upon periods
361 of employment in responsible insurance duties, the applicant
362 shall submit with the license application, ~~on a form prescribed~~
363 ~~by the department,~~ an attestation affidavit of his or her
364 employment ~~employer~~ setting forth the period of such employment,
365 ~~that the employment was substantially full-time,~~ and giving a
366 brief abstract of the nature of the duties performed ~~by the~~
367 ~~applicant.~~

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



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376 (5) ~~Classroom and correspondence~~ Courses under subsections
377 (1) and (2) must include instruction on the subject matter of
378 unauthorized entities engaging in the business of insurance. ~~The~~
379 ~~scope of the topic of unauthorized entities must include the~~
380 ~~Florida Nonprofit Multiple-Employer Welfare Arrangement Act and~~
381 ~~the Employee Retirement Income Security Act, 29 U.S.C. ss. 1001~~
382 ~~et seq., as it relates to the provision of health insurance by~~
383 ~~employers and the regulation thereof.~~

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

386 626.7351 Qualifications for customer representative's
387 license.—The department shall not grant or issue a license as
388 customer representative to any individual found by it to be
389 untrustworthy or incompetent, or who does not meet each of the
390 following qualifications:

391 (3) Within 4 ~~the 2~~ years ~~next~~ preceding the date that the
392 application for license was filed with the department, the
393 applicant has earned the designation of Accredited Advisor in
394 Insurance (AAI), Associate in General Insurance (AINS), or
395 Accredited Customer Service Representative (ACSR) from the
396 Insurance Institute of America; the designation of Certified
397 Insurance Counselor (CIC) from the Society of Certified
398 Insurance Service Counselors; the designation of Certified
399 Professional Service Representative (CPSR) from the National
400 Foundation for CPSRs; the designation of Certified Insurance
401 Service Representative (CISR) from the Society of Certified
402 Insurance Service Representatives; the designation of Certified
403 Insurance Representative (CIR) from All-Lines Training; the
404 designation of Professional Customer Service Representative



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405 (PCSR) from the Professional Career Institute; the designation
406 of Registered Customer Service Representative (RCSR) from a
407 regionally accredited postsecondary institution in the state
408 whose curriculum is approved by the department and includes
409 comprehensive analysis of basic property and casualty lines of
410 insurance and testing which demonstrates mastery of the subject;
411 or a degree from an accredited institution of higher learning
412 approved by the department when the degree includes a minimum of
413 9 credit hours of insurance instruction, including specific
414 instruction in the areas of property, casualty, and inland
415 marine insurance. The department shall adopt rules establishing
416 standards for the approval of curriculum ~~completed a course in~~
417 insurance, 3 hours of which shall be on the subject matter of
418 ethics, approved by the department or has had at least 6 months'
419 experience in responsible insurance duties as a substantially
420 full-time employee. Courses must include instruction on the
421 subject matter of unauthorized entities engaging in the business
422 of insurance. The scope of the topic of unauthorized entities
423 shall include the Florida Nonprofit Multiple Employer Welfare
424 Arrangement Act and the Employee Retirement Income Security Act,
425 29 U.S.C. ss. 1001 et seq., as such acts relate to the provision
426 of health insurance by employers and the regulation of such
427 insurance.

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

430 Section 9. Section 626.748, Florida Statutes, is amended to
431 read:

432 626.748 Agent's records.—Every agent transacting any
433 insurance policy must maintain in his or her office, or have



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434 readily accessible by electronic or photographic means, for a
435 period of at least 5 years after policy expiration, such records
436 of policies transacted by him or her as to enable the
437 policyholders and department to obtain all necessary
438 information, including daily reports, applications, change
439 endorsements, or documents signed or initialed by the insured
440 concerning such policies.

441 Section 10. Section 626.7851, Florida Statutes, is amended
442 to read:

443 626.7851 Requirement as to knowledge, experience, or
444 instruction.-An ~~No~~ applicant for a license as a life agent,
445 except for a chartered life underwriter (CLU), may not shall be
446 qualified or licensed unless, within the 4 years immediately
447 preceding the date the application for a license is filed with
448 the department, the applicant ~~he or she~~ has:

449 (1) Successfully completed 40 hours of coursework approved
450 by the department ~~classroom courses in life insurance,~~
451 annuities, and variable contracts. Such coursework, ~~3 hours of~~
452 ~~which shall be on the subject matter of ethics, satisfactory to~~
453 ~~the department at a school or college, or extension division~~
454 ~~thereof, or other authorized course of study, approved by the~~
455 ~~department. Courses must have included~~ include instruction on
456 the subject matter of unauthorized entities engaging in the
457 business of insurance and 3 hours on the subject matter of
458 ethics, ~~to include the Florida Nonprofit Multiple Employer~~
459 ~~Welfare Arrangement Act and the Employee Retirement Income~~
460 ~~Security Act, 29 U.S.C. ss. 1001 et seq., as it relates to the~~
461 ~~provision of life insurance by employers to their employees and~~
462 ~~the regulation thereof;~~



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463 (2) Successfully completed at least 60 hours of coursework
464 approved by the department in multiple areas of insurance,
465 including life insurance, annuities, and variable contracts.
466 Such coursework must have included instruction on the subject
467 matter of unauthorized entities engaging in the business of
468 insurance and 3 hours on the subject matter of ethics;

469 (3) Earned or maintained an active designation as a
470 Chartered Financial Consultant (ChFC) from the American College
471 of Financial Services or a Fellow, Life Management Institute
472 (FLMI) from the Life Management Institute ~~a correspondence~~
473 ~~course in insurance, 3 hours of which shall be on the subject~~
474 ~~matter of ethics, satisfactory to the department and regularly~~
475 ~~offered by accredited institutions of higher learning in this~~
476 ~~state or by independent programs of study, approved by the~~
477 ~~department. Courses must include instruction on the subject~~
478 ~~matter of unauthorized entities engaging in the business of~~
479 ~~insurance, to include the Florida Nonprofit Multiple-Employer~~
480 ~~Welfare Arrangement Act and the Employee Retirement Income~~
481 ~~Security Act, 29 U.S.C. ss. 1001 et seq., as it relates to the~~
482 ~~provision of life insurance by employers to their employees and~~
483 ~~the regulation thereof;~~

484 (4)~~(3)~~ Held an active license in life, ~~or life and health,~~
485 insurance in another state. This provision may not be used
486 ~~utilized~~ unless the other state grants reciprocal treatment to
487 licensees formerly licensed in Florida; or

488 (5)~~(4)~~ Been employed by the department or office for at
489 least 1 year, full time in life ~~or life and health~~ insurance
490 regulatory matters and who was not terminated for cause, and
491 application for examination is made within 4 years ~~90 days~~ after



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492 the date of termination of his or her employment with the
493 department or office.

494 Section 11. Section 626.8311, Florida Statutes, is amended
495 to read:

496 626.8311 Requirement as to knowledge, experience, or
497 instruction.—~~An~~ ~~Ne~~ applicant for a license as a health agent,
498 except for a chartered life underwriter (CLU), may not shall be
499 qualified or licensed unless, within the 4 years immediately
500 preceding the date the application for license is filed with the
501 department, the applicant ~~he or she~~ has:

502 (1) Successfully completed 40 hours of coursework approved
503 by the department ~~classroom courses~~ in health insurance, 3 hours
504 of which must have been ~~shall be~~ on the subject matter of
505 ethics, ~~satisfactory to the department at a school or college,~~
506 ~~or extension division thereof, or other authorized course of~~
507 ~~study, approved by the department.~~ Such coursework ~~Courses~~ must
508 have included ~~include~~ instruction on the subject matter of
509 unauthorized entities engaging in the business of insurance, to
510 include the Florida Nonprofit Multiple-Employer Welfare
511 Arrangement Act and the Employee Retirement Income Security Act,
512 29 U.S.C. ss. 1001 et seq., as it relates to the provision of
513 health insurance by employers to their employees and the
514 regulation thereof;

515 (2) Successfully completed at least 60 hours of coursework
516 approved by the department in multiple areas of insurance,
517 including health insurance. Such coursework must have included
518 instruction on the subject matter of unauthorized entities
519 engaging in the business of insurance and 3 hours on the subject
520 matter of ethics;



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521 (3) Earned or maintained an active designation as a
522 Registered Health Underwriter (RHU), Chartered Healthcare
523 Consultant (ChHC), or Registered Employee Benefits Consultant
524 (REBC) from the American College of Financial Services; a
525 Certified Employee Benefit Specialist (CEBS) from the Wharton
526 School of the University of Pennsylvania; or a Health Insurance
527 Associate (HIA) from America's Health Insurance Plans; a
528 ~~correspondence course in insurance, 3 hours of which shall be on~~
529 ~~the subject matter of ethics, satisfactory to the department and~~
530 ~~regularly offered by accredited institutions of higher learning~~
531 ~~in this state or by independent programs of study, approved by~~
532 ~~the department. Courses must include instruction on the subject~~
533 ~~matter of unauthorized entities engaging in the business of~~
534 ~~insurance, to include the Florida Nonprofit Multiple-Employer~~
535 ~~Welfare Arrangement Act and the Employee Retirement Income~~
536 ~~Security Act, 29 U.S.C. ss. 1001 et seq., as it relates to the~~
537 ~~provision of health insurance by employers to their employees~~
538 ~~and the regulation thereof;~~

539 (4)~~(3)~~ Held an active license in health, ~~or life and~~
540 ~~health,~~ insurance in another state. This provision may not be
541 utilized unless the other state grants reciprocal treatment to
542 licensees formerly licensed in Florida; or

543 (5)~~(4)~~ Been employed by the department or office for at
544 least 1 year, full time in health insurance regulatory matters
545 and who was not terminated for cause, and application for
546 examination is made within 4 years ~~90 days~~ after the date of
547 termination of his or her employment with the department or
548 office.

549 Section 12. Section 626.931, Florida Statutes, is amended



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550 to read:

551 626.931 ~~Agent affidavit and~~ Insurer reporting
552 requirements.-

553 ~~(1) Each surplus lines agent shall on or before the 45th~~
554 ~~day following each calendar quarter file with the Florida~~
555 ~~Surplus Lines Service Office an affidavit, on forms as~~
556 ~~prescribed and furnished by the Florida Surplus Lines Service~~
557 ~~Office, stating that all surplus lines insurance transacted by~~
558 ~~him or her during such calendar quarter has been submitted to~~
559 ~~the Florida Surplus Lines Service Office as required.~~

560 ~~(2) The affidavit of the surplus lines agent shall include~~
561 ~~efforts made to place coverages with authorized insurers and the~~
562 ~~results thereof.~~

563 (1)~~(3)~~ Each foreign insurer accepting premiums shall, on or
564 before the end of the month following each calendar quarter,
565 file with the Florida Surplus Lines Service Office a verified
566 report of all surplus lines insurance transacted by such insurer
567 for insurance risks located in this state during such calendar
568 quarter.

569 (2)~~(4)~~ Each alien insurer accepting premiums shall, on or
570 before June 30 of each year, file with the Florida Surplus Lines
571 Service Office a verified report of all surplus lines insurance
572 transacted by such insurer for insurance risks located in this
573 state during the preceding calendar year.

574 (3)~~(5)~~ The department may waive the filing requirements
575 described in subsections (1) and (2) ~~(3) and (4)~~.

576 (4)~~(6)~~ Each insurer's report and supporting information
577 shall be in a computer-readable format as determined by the
578 Florida Surplus Lines Service Office or shall be submitted on



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579 forms prescribed by the Florida Surplus Lines Service Office and
580 shall show for each applicable agent:

581 (a) A listing of all policies, certificates, cover notes,
582 or other forms of confirmation of insurance coverage or any
583 substitutions thereof or endorsements thereto and the
584 identifying number; and

585 (b) Any additional information required by the department
586 or Florida Surplus Lines Service Office.

587 Section 13. Paragraph (a) of subsection (2) of section
588 626.932, Florida Statutes, is amended to read:

589 626.932 Surplus lines tax.—

590 (2) (a) The surplus lines agent shall make payable to the
591 department the tax related to each calendar quarter's business
592 as reported to the Florida Surplus Lines Service Office, and
593 remit the tax to the Florida Surplus Lines Service Office on or
594 before the 45th day following each calendar quarter ~~at the same~~
595 ~~time as provided for the filing of the quarterly affidavit,~~
596 ~~under s. 626.931.~~ The Florida Surplus Lines Service Office shall
597 forward to the department the taxes and any interest collected
598 pursuant to paragraph (b), within 10 days of receipt.

599 Section 14. Paragraph (d) of subsection (1) of section
600 626.935, Florida Statutes, is amended, and paragraphs (e)
601 through (i) of that subsection are redesignated as paragraphs
602 (d) through (h), to read:

603 626.935 Suspension, revocation, or refusal of surplus lines
604 agent's license.—

605 (1) The department shall deny an application for, suspend,
606 revoke, or refuse to renew the appointment of a surplus lines
607 agent and all other licenses and appointments held by the



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608 licensee under this code, on any of the following grounds:

609 ~~(d) Failure to make and file his or her affidavit or~~
610 ~~reports when due as required by s. 626.931.~~

611 Section 15. Subsection (1) of section 626.936, Florida
612 Statutes, is amended to read:

613 626.936 Failure to file reports or pay tax or service fee;
614 administrative penalty.—

615 (1) Any licensed surplus lines agent who neglects to file a
616 report ~~or an affidavit~~ in the form and within the time required
617 or provided for in the Surplus Lines Law may be fined up to \$50
618 per day for each day the neglect continues, beginning the day
619 after the report ~~or affidavit~~ was due until the date the report
620 ~~or affidavit~~ is received. All sums collected under this section
621 shall be deposited into the Insurance Regulatory Trust Fund.

622 Section 16. Paragraph (o) of subsection (1) of section
623 626.9541, Florida Statutes, is amended to read:

624 626.9541 Unfair methods of competition and unfair or
625 deceptive acts or practices defined.—

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

629 (o) *Illegal dealings in premiums; excess or reduced charges*
630 *for insurance.*—

631 1. Knowingly collecting any sum as a premium or charge for
632 insurance, which is not then provided, or is not in due course
633 to be provided, subject to acceptance of the risk by the
634 insurer, by an insurance policy issued by an insurer as
635 permitted by this code.

636 2. Knowingly collecting as a premium or charge for



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637 insurance any sum in excess of or less than the premium or
638 charge applicable to such insurance, in accordance with the
639 applicable classifications and rates as filed with and approved
640 by the office, and as specified in the policy; or, in cases when
641 classifications, premiums, or rates are not required by this
642 code to be so filed and approved, premiums and charges collected
643 from a Florida resident in excess of or less than those
644 specified in the policy and as fixed by the insurer.

645 Notwithstanding any other provision of law, this provision shall
646 not be deemed to prohibit the charging and collection, by
647 surplus lines agents licensed under part VIII of this chapter,
648 of the amount of applicable state and federal taxes, or fees as
649 authorized by s. 626.916(4), in addition to the premium required
650 by the insurer or the charging and collection, by licensed
651 agents, of the exact amount of any discount or other such fee
652 charged by a credit card facility in connection with the use of
653 a credit card, as authorized by subparagraph (q)3., in addition
654 to the premium required by the insurer. This subparagraph shall
655 not be construed to prohibit collection of a premium for a
656 universal life or a variable or indeterminate value insurance
657 policy made in accordance with the terms of the contract.

658 3.a. Imposing or requesting an additional premium for a
659 policy of motor vehicle liability, personal injury protection,
660 medical payment, or collision insurance or any combination
661 thereof or refusing to renew the policy solely because the
662 insured was involved in a motor vehicle accident unless the
663 insurer's file contains information from which the insurer in
664 good faith determines that the insured was substantially at
665 fault in the accident.



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666 b. An insurer which imposes and collects such a surcharge
667 or which refuses to renew such policy shall, in conjunction with
668 the notice of premium due or notice of nonrenewal, notify the
669 named insured that he or she is entitled to reimbursement of
670 such amount or renewal of the policy under the conditions listed
671 below and will subsequently reimburse him or her or renew the
672 policy, if the named insured demonstrates that the operator
673 involved in the accident was:

674 (I) Lawfully parked;

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

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

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

683 (V) Not convicted of a moving traffic violation in
684 connection with the accident, but the operator of the other
685 automobile involved in such accident was convicted of a moving
686 traffic violation;

687 (VI) Finally adjudicated not to be liable by a court of
688 competent jurisdiction;

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

691 (VIII) Not at fault as evidenced by a written statement
692 from the insured establishing facts demonstrating lack of fault
693 which are not rebutted by information in the insurer's file from
694 which the insurer in good faith determines that the insured was



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695 substantially at fault.

696 c. In addition to the other provisions of this
697 subparagraph, an insurer may not fail to renew a policy if the
698 insured has had only one accident in which he or she was at
699 fault within the current 3-year period. However, an insurer may
700 nonrenew a policy for reasons other than accidents in accordance
701 with s. 627.728. This subparagraph does not prohibit nonrenewal
702 of a policy under which the insured has had three or more
703 accidents, regardless of fault, during the most recent 3-year
704 period.

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

709 a. A second infraction committed within an 18-month period,
710 or a third or subsequent infraction committed within a 36-month
711 period.

712 b. A violation of s. 316.183, when such violation is a
713 result of exceeding the lawful speed limit by more than 15 miles
714 per hour.

715 5. Upon the request of the insured, the insurer and
716 licensed agent shall supply to the insured the complete proof of
717 fault or other criteria which justifies the additional charge or
718 cancellation.

719 6. No insurer shall impose or request an additional premium
720 for motor vehicle insurance, cancel or refuse to issue a policy,
721 or refuse to renew a policy because the insured or the applicant
722 is a handicapped or physically disabled person, so long as such
723 handicap or physical disability does not substantially impair



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724 such person's mechanically assisted driving ability.

725 7. No insurer may cancel or otherwise terminate any
726 insurance contract or coverage, or require execution of a
727 consent to rate endorsement, during the stated policy term for
728 the purpose of offering to issue, or issuing, a similar or
729 identical contract or coverage to the same insured with the same
730 exposure at a higher premium rate or continuing an existing
731 contract or coverage with the same exposure at an increased
732 premium.

733 8. No insurer may issue a nonrenewal notice on any
734 insurance contract or coverage, or require execution of a
735 consent to rate endorsement, for the purpose of offering to
736 issue, or issuing, a similar or identical contract or coverage
737 to the same insured at a higher premium rate or continuing an
738 existing contract or coverage at an increased premium without
739 meeting any applicable notice requirements.

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

743 10. Imposing or requesting an additional premium for motor
744 vehicle comprehensive or uninsured motorist coverage solely
745 because the insured was involved in a motor vehicle accident or
746 was convicted of a moving traffic violation.

747 11. No insurer shall cancel or issue a nonrenewal notice on
748 any insurance policy or contract without complying with any
749 applicable cancellation or nonrenewal provision required under
750 the Florida Insurance Code.

751 12. No insurer shall impose or request an additional
752 premium, cancel a policy, or issue a nonrenewal notice on any



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753 insurance policy or contract because of any traffic infraction
754 when adjudication has been withheld and no points have been
755 assessed pursuant to s. 318.14(9) and (10). However, this
756 subparagraph does not apply to traffic infractions involving
757 accidents in which the insurer has incurred a loss due to the
758 fault of the insured.

759 Section 17. Section 627.4553, Florida Statutes, is amended
760 to read:

761 627.4553 Recommendations to surrender.—

762 (1) If an insurance agent recommends the surrender of an
763 annuity contract or life insurance policy containing a cash
764 value and does not recommend that the proceeds from the
765 surrender be used to fund or purchase another annuity contract
766 or life insurance policy, before execution of the surrender, the
767 insurance agent, ~~or insurance company if no agent is involved,~~
768 shall provide written ~~, on a form that satisfies the~~
769 ~~requirements of the rule adopted by the department,~~ information
770 relating to the contract annuity or policy to be surrendered.
771 Such information must ~~shall~~ include, but is not limited to, the
772 amount of any estimated surrender charge, the loss of any
773 minimum interest rate guarantees, the possibility ~~amount~~ of any
774 tax consequences ~~resulting from the transaction,~~ the estimated
775 amount of any forfeited death benefit, and a description of the
776 ~~value of~~ any other investment performance guarantees being
777 forfeited as a result of the transaction. The agent shall
778 maintain a copy of the information and the date that the
779 information was provided to the owner. This section also applies
780 to a person performing insurance agent activities pursuant to an
781 exemption from licensure under this part.



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782 (2) For purposes of this section, the term "surrender"
783 means the voluntary surrender at the request of the owner of the
784 annuity contract or life insurance policy before its maturity
785 date in exchange for the contract's or policy's current cash
786 surrender value which results in the surrender or termination of
787 the contract or policy. The term excludes any involuntary
788 termination that is otherwise required by the terms of the
789 contract or policy and all transactions other than a surrender,
790 such as the maturity of the contract or policy, a contract or
791 policy loan, a lapse for nonpayment of premium, a withdrawal of
792 the contract or policy values, an annuitization, or the exercise
793 of reduced paid-up or extended-term nonforfeiture options.

794 Section 18. Subsection (2) of section 631.341, Florida
795 Statutes, is amended to read:

796 631.341 Notice of insolvency to policyholders by insurer,
797 general agent, or agent.—

798 (2) Unless, within 15 days subsequent to the date of such
799 notice, all agents referred to in subsection (1) have either
800 replaced or reinsured in a solvent authorized insurer the
801 insurance coverages placed by or through such agent in the
802 delinquent insurer, such agents shall then, by registered or
803 certified mail, or by e-mail with delivery receipt required,
804 send to the last known address of any policyholder a written
805 notice of the insolvency of the delinquent insurer.

806 Section 19. This act shall take effect July 1, 2015.