

**By** the Committees on Fiscal Policy; and Banking and Insurance;  
and Senator Richter

594-04170-15

20151222c2

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 a  
5           restriction with respect to agents transacting health  
6           insurance; limiting the types of health insurance  
7           agents; amending s. 626.0428, F.S.; revising licensure  
8           requirements of certain agents in charge of an  
9           agency's place of business; amending s. 626.221, F.S.;  
10          revising examination requirements and exemptions for  
11          applicants for certain agent and adjuster licenses;  
12          amending s. 626.241, F.S.; revising the scope of  
13          license examinations for agents and adjusters;  
14          amending s. 626.2817, F.S.; revising requirements of  
15          certain prelicensure education courses for insurance  
16          agents and other licensees; amending s. 626.311, F.S.;  
17          conforming provisions to changes made by the act;  
18          amending s. 626.732, F.S.; revising requirements  
19          relating to knowledge, experience, and instruction for  
20          applicants for a license as a general lines or  
21          personal lines agent; amending s. 626.7351, F.S.;  
22          revising qualifications for a customer  
23          representative's license; amending s. 626.7354, F.S.;  
24          revising provisions relating to customer  
25          representative compensation to allow the receipt of  
26          commissions by such representatives if the commissions  
27          do not constitute the primary source of compensation;  
28          amending s. 626.748, F.S.; requiring agents to  
29          maintain certain records for a specified period of

594-04170-15

20151222c2

30 time; amending s. 626.753, F.S.; conforming provisions  
31 to changes made by act; amending ss. 626.7851 and  
32 626.8311, F.S.; revising requirements relating to the  
33 knowledge, experience, or instruction for life agents  
34 and health agents, respectively; amending s. 626.931,  
35 F.S.; deleting provisions that require surplus lines  
36 agents to file a quarterly affidavit with the Florida  
37 Surplus Lines Office; amending ss. 626.932, 626.935,  
38 and 626.936, F.S.; conforming provisions to changes  
39 made by act; amending s. 626.9541, F.S.; providing  
40 that certain provisions relating to illegal dealings  
41 in premiums are applicable notwithstanding any other  
42 provision of law; amending s. 627.4553, F.S.;  
43 requiring an insurance agent to provide and retain  
44 certain information upon surrender of an annuity  
45 contract or life insurance policy under certain  
46 circumstances; defining the term "surrender"; amending  
47 s. 631.341, F.S.; authorizing certain notices of  
48 insolvency to be delivered to policyholders by certain  
49 methods; providing an effective date.

50  
51 Be It Enacted by the Legislature of the State of Florida:

52  
53 Section 1. Paragraph (d) of subsection (5) of section  
54 626.015, Florida Statutes, is amended to read:

55 626.015 Definitions.—As used in this part:

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

58 (d) Health insurance, ~~when transacted by an insurer also~~

594-04170-15

20151222c2

59 ~~represented by the same agent as to property or casualty or~~  
60 ~~surety insurance.~~

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

63 626.0428 Agency personnel powers, duties, and limitations.—

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

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

75 626.221 Examination requirement; exemptions.—

76 (1) The department shall not issue any license as agent,  
77 ~~customer representative,~~ or adjuster to any individual who has  
78 not qualified for, taken, and passed to the satisfaction of the  
79 department a written examination of the scope prescribed in s.  
80 626.241.

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

83 (g) An applicant for a license as a life or health agent  
84 who has received the designation of chartered life underwriter  
85 (CLU) from the American College of Financial Services Life  
86 ~~Underwriters and has been engaged in the insurance business~~  
87 ~~within the past 4 years,~~ except that the applicant may be

594-04170-15

20151222c2

88 examined on pertinent provisions of this code.

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

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

594-04170-15

20151222c2

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

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

142 (k) An applicant for license as an nonresident all-lines  
143 adjuster who has the designation of Accredited Claims Adjuster  
144 (ACA) from a regionally accredited postsecondary institution in  
145 this state, Associate in Claims (AIC) from the Insurance

594-04170-15

20151222c2

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

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

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

171 (n) ~~(\*)~~ An applicant qualifying for a license transfer under  
172 s. 626.292 ~~if the applicant:~~

173 1. ~~Has successfully completed the prelicensing examination~~  
174 ~~requirements in the applicant's previous home state which are~~

594-04170-15

20151222c2

175 ~~substantially equivalent to the examination requirements in this~~  
176 ~~state, as determined by the department;~~

177 ~~2. Has received the designation of chartered property and~~  
178 ~~easualty underwriter (CPCU) from the American Institute for~~  
179 ~~Property and Liability Underwriters and been engaged in the~~  
180 ~~insurance business within the past 4 years if applying to~~  
181 ~~transfer a general lines agent license; or~~

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

186 ~~(o) (l) An applicant for a license as a nonresident agent if~~  
187 ~~the applicant holds a comparable license in another state with~~  
188 ~~similar examination requirements as this state;~~

189 ~~1. Has successfully completed prelicensing examination~~  
190 ~~requirements in the applicant's home state which are~~  
191 ~~substantially equivalent to the examination requirements in this~~  
192 ~~state, as determined by the department, as a requirement for~~  
193 ~~obtaining a resident license in his or her home state;~~

194 ~~2. Held a general lines agent license, life agent license,~~  
195 ~~or health agent license before a written examination was~~  
196 ~~required;~~

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

202 ~~4. Has received the designation of chartered life~~  
203 ~~underwriter (CLU) from the American College of Life Underwriters~~

594-04170-15

20151222c2

204 ~~and been in the insurance business within the past 4 years, if~~  
205 ~~an applicant for a nonresident license as a life agent or health~~  
206 ~~agent.~~

207 Section 4. Subsections (1), (2), (3), and (8) of section  
208 626.241, Florida Statutes, are amended to read:

209 626.241 Scope of examination.—

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

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

222 (3) Examinations given applicants for a life agent's  
223 license shall cover life insurance, annuities, and variable  
224 contracts ~~annuities~~.

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

228 Section 5. Section 626.2817, Florida Statutes, is amended  
229 to read:

230 626.2817 Regulation of course providers, instructors, and  
231 school officials, ~~and monitor groups~~ involved in prelicensure  
232 education for insurance agents and other licensees.—

594-04170-15

20151222c2

233 (1) Any course provider, instructor, or school official, ~~or~~  
234 ~~monitor group~~ must be approved by and registered with the  
235 department before offering prelicensure education courses for  
236 insurance agents and other licensees.

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

246 (3) A course provider shall not grant completion credit to  
247 any student who has not completed at least 75 percent of the  
248 required course hours of a department approved prelicensure  
249 course.

250 (4) The department shall adopt rules to establish a process  
251 for determining compliance with the prelicensure requirements of  
252 this chapter and chapter 648. The department shall adopt rules  
253 prescribing the forms necessary to administer the prelicensure  
254 requirements.

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

257 626.311 Scope of license.—

258 (1) Except as to personal lines agents and limited  
259 licenses, a general lines agent or customer representative shall  
260 qualify for all property, marine, casualty, and surety lines  
261 except bail bonds which require a separate license under chapter

594-04170-15

20151222c2

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

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

278 626.732 Requirement as to knowledge, experience, or  
279 instruction.—

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

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

594-04170-15

20151222c2

291 ~~approved by the department;~~

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

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

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

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

319 (2) Except as provided under subsection (4), an applicant

594-04170-15

20151222c2

320 for a license as a personal lines agent, except for a chartered  
321 property and casualty underwriter (CPCU), may not be qualified  
322 or licensed unless, within the 4 years immediately preceding the  
323 date the application for license is filed with the department,  
324 the applicant has:

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

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

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

345 (c)(d) Completed at least 6 months of responsible insurance  
346 duties as a licensed and appointed customer representative, ~~or~~  
347 limited customer representative, or service representative in  
348 property and casualty insurance ~~sold to individuals and families~~

594-04170-15

20151222c2

349 ~~for noncommercial purposes and 20 hours of classroom courses~~  
350 ~~approved by the department which are related to property and~~  
351 ~~casualty insurance sold to individuals and families for~~  
352 ~~noncommercial purposes;~~

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

360 ~~(f) Completed at least 3 years of responsible duties as a~~  
361 ~~licensed and appointed customer representative in property and~~  
362 ~~casualty insurance sold to individuals and families for~~  
363 ~~noncommercial purposes.~~

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

373 (4) An individual who was or became qualified to sit for an  
374 agent's, ~~customer representative's,~~ or adjuster's examination at  
375 or during the time he or she was employed by the department or  
376 office and who, while so employed, was employed in responsible  
377 insurance duties as a full-time bona fide employee may take an

594-04170-15

20151222c2

378 examination if application for such examination is made within 4  
 379 years ~~90 days~~ after the date of termination of employment with  
 380 the department or office.

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

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

391 626.7351 Qualifications for customer representative's  
 392 license.—The department shall not grant or issue a license as  
 393 customer representative to any individual found by it to be  
 394 untrustworthy or incompetent, or who does not meet each of the  
 395 following qualifications:

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

594-04170-15

20151222c2

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

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

435 Section 9. Subsection (3) of section 626.7354, Florida

594-04170-15

20151222c2

436 Statutes, is amended to read:

437       626.7354 Customer representative's powers; agent's or  
438 agency's responsibility.—

439       (3) A customer representative shall be a salaried employee  
440 of the agent or agency. His or her compensation ~~shall not~~  
441 ~~include commissions and~~ shall not be primarily based on  
442 commissions or the production of applications, insurance, or  
443 premiums.

444       Section 10. Section 626.748, Florida Statutes, is amended  
445 to read:

446       626.748 Agent's records.—Every agent transacting any  
447 insurance policy must maintain in his or her office, or have  
448 readily accessible by electronic or photographic means, for a  
449 period of at least 5 years after policy expiration, such records  
450 of policies transacted by him or her as to enable the  
451 policyholders and department to obtain all necessary  
452 information, including daily reports, applications, change  
453 endorsements, or documents signed or initialed by the insured  
454 concerning such policies.

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

457       626.753 Sharing commissions; penalty.—

458       (1) (a) An agent may divide or share in commissions only  
459 with other agents appointed and licensed to write the same kind  
460 or kinds of insurance or may divide commissions with a customer  
461 representative.

462       (b) This section shall not be construed to prevent the  
463 payment or receipt of renewal commissions or other deferred  
464 commissions or pensions to or by any person solely because such

594-04170-15

20151222c2

465 person has ceased to hold a license to act as an insurance agent  
466 or customer representative, and shall not prevent the payment of  
467 renewal commissions or other deferred commissions to any  
468 incorporated insurance agency solely because any of its  
469 stockholders has ceased to hold a license to act as an insurance  
470 agent or customer representative.

471 (c) A customer representative may share in commissions with  
472 an agent.

473 Section 12. Section 626.7851, Florida Statutes, is amended  
474 to read:

475 626.7851 Requirement as to knowledge, experience, or  
476 instruction.—An ~~No~~ applicant for a license as a life agent,  
477 except for a chartered life underwriter (CLU), may not ~~shall~~ be  
478 qualified or licensed unless, within the 4 years immediately  
479 preceding the date the application for a license is filed with  
480 the department, the applicant ~~he or she~~ has:

481 (1) Successfully completed 40 hours of coursework approved  
482 by the department ~~classroom courses in life insurance,~~  
483 annuities, and variable contracts. Such coursework, ~~3 hours of~~  
484 ~~which shall be on the subject matter of ethics, satisfactory to~~  
485 ~~the department at a school or college, or extension division~~  
486 ~~thereof, or other authorized course of study, approved by the~~  
487 ~~department. Courses must~~ have included ~~include~~ instruction on  
488 the subject matter of unauthorized entities engaging in the  
489 business of insurance and 3 hours on the subject matter of  
490 ethics, ~~to include the Florida Nonprofit Multiple Employer~~  
491 ~~Welfare Arrangement Act and the Employee Retirement Income~~  
492 ~~Security Act, 29 U.S.C. ss. 1001 et seq., as it relates to the~~  
493 ~~provision of life insurance by employers to their employees and~~

594-04170-15

20151222c2

494 ~~the regulation thereof;~~

495 (2) Successfully completed at least 60 hours of coursework  
496 approved by the department in multiple areas of insurance,  
497 including life insurance, annuities, and variable contracts.  
498 Such coursework must have included instruction on the subject  
499 matter of unauthorized entities engaging in the business of  
500 insurance and 3 hours on the subject matter of ethics;

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

516 (4) ~~(3)~~ Held an active license in life, ~~or life and health,~~  
517 insurance in another state. This provision may not be used  
518 ~~utilized~~ unless the other state grants reciprocal treatment to  
519 licensees formerly licensed in Florida; or

520 (5) ~~(4)~~ Been employed by the department or office for at  
521 least 1 year, full time in life ~~or life and health~~ insurance  
522 regulatory matters and who was not terminated for cause, and

594-04170-15

20151222c2

523 application for examination is made within 4 years ~~90 days~~ after  
524 the date of termination of his or her employment with the  
525 department or office.

526 Section 13. Section 626.8311, Florida Statutes, is amended  
527 to read:

528 626.8311 Requirement as to knowledge, experience, or  
529 instruction.—~~An~~ ~~No~~ applicant for a license as a health agent,  
530 except for a chartered life underwriter (CLU), may not ~~shall~~ be  
531 qualified or licensed unless, within the 4 years immediately  
532 preceding the date the application for license is filed with the  
533 department, the applicant ~~he or she~~ has:

534 (1) Successfully completed 40 hours of coursework approved  
535 by the department ~~classroom courses~~ in health insurance, 3 hours  
536 of which must have been ~~shall be~~ on the subject matter of  
537 ethics, ~~satisfactory to the department at a school or college,~~  
538 ~~or extension division thereof, or other authorized course of~~  
539 ~~study, approved by the department.~~ Such coursework ~~Courses~~ must  
540 have included ~~include~~ instruction on the subject matter of  
541 unauthorized entities engaging in the business of insurance, to  
542 include the Florida Nonprofit Multiple-Employer Welfare  
543 Arrangement Act and the Employee Retirement Income Security Act,  
544 29 U.S.C. ss. 1001 et seq., as it relates to the provision of  
545 health insurance by employers to their employees and the  
546 regulation thereof;

547 (2) Successfully completed at least 60 hours of coursework  
548 approved by the department in multiple areas of insurance,  
549 including health insurance. Such coursework must have included  
550 instruction on the subject matter of unauthorized entities  
551 engaging in the business of insurance and 3 hours on the subject

594-04170-15

20151222c2

552 matter of ethics;

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

571 (4)~~(3)~~ Held an active license in health, ~~or life and~~  
572 ~~health,~~ insurance in another state. This provision may not be  
573 utilized unless the other state grants reciprocal treatment to  
574 licensees formerly licensed in Florida; or

575 (5)~~(4)~~ Been employed by the department or office for at  
576 least 1 year, full time in health insurance regulatory matters  
577 and who was not terminated for cause, and application for  
578 examination is made within 4 years ~~90 days~~ after the date of  
579 termination of his or her employment with the department or  
580 office.

594-04170-15

20151222c2

581 Section 14. Section 626.931, Florida Statutes, is amended  
582 to read:

583 626.931 ~~Agent affidavit and Insurer reporting~~  
584 requirements.-

585 ~~(1) Each surplus lines agent shall on or before the 45th~~  
586 ~~day following each calendar quarter file with the Florida~~  
587 ~~Surplus Lines Service Office an affidavit, on forms as~~  
588 ~~prescribed and furnished by the Florida Surplus Lines Service~~  
589 ~~Office, stating that all surplus lines insurance transacted by~~  
590 ~~him or her during such calendar quarter has been submitted to~~  
591 ~~the Florida Surplus Lines Service Office as required.~~

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

595 (1)~~(3)~~ Each foreign insurer accepting premiums shall, on or  
596 before the end of the month following each calendar quarter,  
597 file with the Florida Surplus Lines Service Office a verified  
598 report of all surplus lines insurance transacted by such insurer  
599 for insurance risks located in this state during such calendar  
600 quarter.

601 (2)~~(4)~~ Each alien insurer accepting premiums shall, on or  
602 before June 30 of each year, file with the Florida Surplus Lines  
603 Service Office a verified report of all surplus lines insurance  
604 transacted by such insurer for insurance risks located in this  
605 state during the preceding calendar year.

606 (3)~~(5)~~ The department may waive the filing requirements  
607 described in subsections (1) and (2) ~~(3)~~ and ~~(4)~~.

608 (4)~~(6)~~ Each insurer's report and supporting information  
609 shall be in a computer-readable format as determined by the

594-04170-15

20151222c2

610 Florida Surplus Lines Service Office or shall be submitted on  
611 forms prescribed by the Florida Surplus Lines Service Office and  
612 shall show for each applicable agent:

613 (a) A listing of all policies, certificates, cover notes,  
614 or other forms of confirmation of insurance coverage or any  
615 substitutions thereof or endorsements thereto and the  
616 identifying number; and

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

619 Section 15. Paragraph (a) of subsection (2) of section  
620 626.932, Florida Statutes, is amended to read:

621 626.932 Surplus lines tax.—

622 (2) (a) The surplus lines agent shall make payable to the  
623 department the tax related to each calendar quarter's business  
624 as reported to the Florida Surplus Lines Service Office, and  
625 remit the tax to the Florida Surplus Lines Service Office on or  
626 before the 45th day following each calendar quarter ~~at the same~~  
627 ~~time as provided for the filing of the quarterly affidavit,~~  
628 ~~under s. 626.931.~~ The Florida Surplus Lines Service Office shall  
629 forward to the department the taxes and any interest collected  
630 pursuant to paragraph (b), within 10 days of receipt.

631 Section 16. Paragraph (d) of subsection (1) of section  
632 626.935, Florida Statutes, is amended, and paragraphs (e)  
633 through (i) of that subsection are redesignated as paragraphs  
634 (d) through (h), respectively, to read:

635 626.935 Suspension, revocation, or refusal of surplus lines  
636 agent's license.—

637 (1) The department shall deny an application for, suspend,  
638 revoke, or refuse to renew the appointment of a surplus lines

594-04170-15

20151222c2

639 agent and all other licenses and appointments held by the  
640 licensee under this code, on any of the following grounds:

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

643 Section 17. Subsection (1) of section 626.936, Florida  
644 Statutes, is amended to read:

645 626.936 Failure to file reports or pay tax or service fee;  
646 administrative penalty.—

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

654 Section 18. Paragraph (o) of subsection (1) of section  
655 626.9541, Florida Statutes, is amended to read:

656 626.9541 Unfair methods of competition and unfair or  
657 deceptive acts or practices defined.—

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

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

663 1. Knowingly collecting any sum as a premium or charge for  
664 insurance, which is not then provided, or is not in due course  
665 to be provided, subject to acceptance of the risk by the  
666 insurer, by an insurance policy issued by an insurer as  
667 permitted by this code.

594-04170-15

20151222c2

668           2. Knowingly collecting as a premium or charge for  
669 insurance any sum in excess of or less than the premium or  
670 charge applicable to such insurance, in accordance with the  
671 applicable classifications and rates as filed with and approved  
672 by the office, and as specified in the policy; or, in cases when  
673 classifications, premiums, or rates are not required by this  
674 code to be so filed and approved, premiums and charges collected  
675 from a Florida resident in excess of or less than those  
676 specified in the policy and as fixed by the insurer.

677 Notwithstanding any other provision of law, this provision shall  
678 not be deemed to prohibit the charging and collection, by  
679 surplus lines agents licensed under part VIII of this chapter,  
680 of the amount of applicable state and federal taxes, or fees as  
681 authorized by s. 626.916(4), in addition to the premium required  
682 by the insurer or the charging and collection, by licensed  
683 agents, of the exact amount of any discount or other such fee  
684 charged by a credit card facility in connection with the use of  
685 a credit card, as authorized by subparagraph (q)3., in addition  
686 to the premium required by the insurer. This subparagraph shall  
687 not be construed to prohibit collection of a premium for a  
688 universal life or a variable or indeterminate value insurance  
689 policy made in accordance with the terms of the contract.

690           3.a. Imposing or requesting an additional premium for a  
691 policy of motor vehicle liability, personal injury protection,  
692 medical payment, or collision insurance or any combination  
693 thereof or refusing to renew the policy solely because the  
694 insured was involved in a motor vehicle accident unless the  
695 insurer's file contains information from which the insurer in  
696 good faith determines that the insured was substantially at

594-04170-15

20151222c2

697 fault in the accident.

698       b. An insurer which imposes and collects such a surcharge  
699 or which refuses to renew such policy shall, in conjunction with  
700 the notice of premium due or notice of nonrenewal, notify the  
701 named insured that he or she is entitled to reimbursement of  
702 such amount or renewal of the policy under the conditions listed  
703 below and will subsequently reimburse him or her or renew the  
704 policy, if the named insured demonstrates that the operator  
705 involved in the accident was:

706       (I) Lawfully parked;

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

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

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

715       (V) Not convicted of a moving traffic violation in  
716 connection with the accident, but the operator of the other  
717 automobile involved in such accident was convicted of a moving  
718 traffic violation;

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

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

723       (VIII) Not at fault as evidenced by a written statement  
724 from the insured establishing facts demonstrating lack of fault  
725 which are not rebutted by information in the insurer's file from

594-04170-15

20151222c2

726 which the insurer in good faith determines that the insured was  
727 substantially at fault.

728 c. In addition to the other provisions of this  
729 subparagraph, an insurer may not fail to renew a policy if the  
730 insured has had only one accident in which he or she was at  
731 fault within the current 3-year period. However, an insurer may  
732 nonrenew a policy for reasons other than accidents in accordance  
733 with s. 627.728. This subparagraph does not prohibit nonrenewal  
734 of a policy under which the insured has had three or more  
735 accidents, regardless of fault, during the most recent 3-year  
736 period.

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

741 a. A second infraction committed within an 18-month period,  
742 or a third or subsequent infraction committed within a 36-month  
743 period.

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

747 5. Upon the request of the insured, the insurer and  
748 licensed agent shall supply to the insured the complete proof of  
749 fault or other criteria which justifies the additional charge or  
750 cancellation.

751 6. No insurer shall impose or request an additional premium  
752 for motor vehicle insurance, cancel or refuse to issue a policy,  
753 or refuse to renew a policy because the insured or the applicant  
754 is a handicapped or physically disabled person, so long as such

594-04170-15

20151222c2

755 handicap or physical disability does not substantially impair  
756 such person's mechanically assisted driving ability.

757 7. No insurer may cancel or otherwise terminate any  
758 insurance contract or coverage, or require execution of a  
759 consent to rate endorsement, during the stated policy term for  
760 the purpose of offering to issue, or issuing, a similar or  
761 identical contract or coverage to the same insured with the same  
762 exposure at a higher premium rate or continuing an existing  
763 contract or coverage with the same exposure at an increased  
764 premium.

765 8. No insurer may issue a nonrenewal notice on any  
766 insurance contract or coverage, or require execution of a  
767 consent to rate endorsement, for the purpose of offering to  
768 issue, or issuing, a similar or identical contract or coverage  
769 to the same insured at a higher premium rate or continuing an  
770 existing contract or coverage at an increased premium without  
771 meeting any applicable notice requirements.

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

775 10. Imposing or requesting an additional premium for motor  
776 vehicle comprehensive or uninsured motorist coverage solely  
777 because the insured was involved in a motor vehicle accident or  
778 was convicted of a moving traffic violation.

779 11. No insurer shall cancel or issue a nonrenewal notice on  
780 any insurance policy or contract without complying with any  
781 applicable cancellation or nonrenewal provision required under  
782 the Florida Insurance Code.

783 12. No insurer shall impose or request an additional

594-04170-15

20151222c2

784 premium, cancel a policy, or issue a nonrenewal notice on any  
785 insurance policy or contract because of any traffic infraction  
786 when adjudication has been withheld and no points have been  
787 assessed pursuant to s. 318.14(9) and (10). However, this  
788 subparagraph does not apply to traffic infractions involving  
789 accidents in which the insurer has incurred a loss due to the  
790 fault of the insured.

791 Section 19. Section 627.4553, Florida Statutes, is amended  
792 to read:

793 627.4553 Recommendations to surrender.—

794 (1) If an insurance agent recommends the surrender of an  
795 annuity contract or life insurance policy containing a cash  
796 value and does not recommend that the proceeds from the  
797 surrender be used to fund or purchase another annuity contract  
798 or life insurance policy, before execution of the surrender, the  
799 insurance agent, ~~or insurance company if no agent is involved,~~  
800 shall provide written ~~, on a form that satisfies the~~  
801 ~~requirements of the rule adopted by the department,~~ information  
802 relating to the contract annuity or policy to be surrendered.  
803 Such information must ~~shall~~ include, but is not limited to, the  
804 amount of any estimated surrender charge, the loss of any  
805 minimum interest rate guarantees, the possibility ~~amount~~ of any  
806 tax consequences ~~resulting from the transaction,~~ the estimated  
807 amount of any forfeited death benefit, and a description of the  
808 ~~value of~~ any other investment performance guarantees being  
809 forfeited as a result of the transaction. The agent shall  
810 maintain a copy of the information and the date that the  
811 information was provided to the owner. This section also applies  
812 to a person performing insurance agent activities pursuant to an

594-04170-15

20151222c2

813 exemption from licensure under this part.

814 (2) For purposes of this section, the term "surrender"  
815 means the voluntary surrender at the request of the owner of the  
816 annuity contract or life insurance policy before its maturity  
817 date in exchange for the contract's or policy's current cash  
818 surrender value which results in the surrender or termination of  
819 the contract or policy. The term excludes any involuntary  
820 termination that is otherwise required by the terms of the  
821 contract or policy and all transactions other than a surrender,  
822 such as the maturity of the contract or policy, a contract or  
823 policy loan, a lapse for nonpayment of premium, a withdrawal of  
824 the contract or policy values, an annuitization, or the exercise  
825 of reduced paid-up or extended-term nonforfeiture options.

826 Section 20. Subsection (2) of section 631.341, Florida  
827 Statutes, is amended to read:

828 631.341 Notice of insolvency to policyholders by insurer,  
829 general agent, or agent.—

830 (2) Unless, within 15 days subsequent to the date of such  
831 notice, all agents referred to in subsection (1) have either  
832 replaced or reinsured in a solvent authorized insurer the  
833 insurance coverages placed by or through such agent in the  
834 delinquent insurer, such agents shall then, by registered or  
835 certified mail, or by e-mail with delivery receipt required,  
836 send to the last known address of any policyholder a written  
837 notice of the insolvency of the delinquent insurer.

838 Section 21. This act shall take effect July 1, 2015.