

1                                   A bill to be entitled  
 2           An act relating to insurance agents; amending s.  
 3           626.593, F.S.; revising fee and commission limitations  
 4           for health insurance agents; amending s. 626.785,  
 5           F.S.; clarifying the qualifications for licensure as a  
 6           life agent; increasing the amount of coverage allowed  
 7           for certain life insurance policies covering funeral  
 8           expenses; providing an effective date.

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

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 12           Section 1. Subsection (1) of section 626.593, Florida  
 13   Statutes, is amended to read:

14           626.593 Insurance agent; written contract for  
 15   compensation.—

16           (1) No person licensed as an insurance agent may receive  
 17   any fee or commission or any other thing of value in addition to  
 18   the rates filed pursuant to chapter 627 for examining any ~~group~~  
 19   health insurance or any ~~group~~ health benefit plan for the  
 20   purpose of giving or offering advice, counsel, recommendation,  
 21   or information in respect to terms, conditions, benefits,  
 22   coverage, or premium of any such policy or contract unless such  
 23   compensation is based upon a written contract signed by the  
 24   party to be charged and specifying or clearly defining the  
 25   amount or extent of such compensation and informing the party to  
 26   be charged that any commission received from an insurer will be

27 rebated to the party in accordance with subsection (3). In  
 28 addition, all compensation to be paid to the insurance agent  
 29 must be disclosed in the contract.

30 Section 2. Subsections (1) and (3) of section 626.785,  
 31 Florida Statutes, are amended to read:

32 626.785 Qualifications for license.—

33 (1) The department shall not grant or issue a license as  
 34 life agent to any individual found by it to be untrustworthy or  
 35 incompetent. In addition, to obtain a license, each individual  
 36 must meet all of, ~~or who does not meet~~ the following  
 37 qualifications:

38 (a) Must be a natural person of at least 18 years of age.

39 (b) Must be a United States citizen or legal alien who  
 40 possesses work authorization from the United States Bureau of  
 41 Citizenship and Immigration Services and a bona fide resident of  
 42 this state.

43 (c) Must not be an employee of the United States  
 44 Department of Veterans Affairs or state service office, as  
 45 referred to in s. 626.788.

46 (d) Must not be a funeral director or direct disposer, or  
 47 an employee or representative thereof, or have an office in, or  
 48 in connection with, a funeral establishment, except that a  
 49 funeral establishment may contract with a life insurance agent  
 50 to sell a preneed contract as defined in s. 497.005.

51 Notwithstanding other provisions of this chapter, such insurance  
 52 agent may sell limited policies of insurance covering the

53 expense of final disposition or burial of an insured in the  
54 amount of \$21,000 ~~\$12,500~~, plus an annual percentage increase  
55 based on the Annual Consumer Price Index compiled by the United  
56 States Department of Labor, beginning with the Annual Consumer  
57 Price Index announced by the United States Department of Labor  
58 for the year 2016 ~~2003~~.

59 (e) Must take and pass any examination for license  
60 required under s. 626.221.

61 (f) Must be qualified as to knowledge, experience, or  
62 instruction in the business of insurance and meet the  
63 requirements relative thereto provided in s. 626.7851.

64 (3) Notwithstanding any other provisions of this chapter,  
65 a funeral director, a direct disposer, or an employee of a  
66 funeral establishment that holds a preneed license ~~certificate~~  
67 ~~of authority~~ pursuant to s. 497.452 may obtain an agent's  
68 license to sell only policies of life insurance covering the  
69 expense of a prearrangement for funeral services or merchandise  
70 so as to provide funds at the time the services and merchandise  
71 are needed. The face amount of insurance covered by any such  
72 policy shall not exceed \$21,000 ~~\$12,500~~, plus an annual  
73 percentage increase based on the Annual Consumer Price Index  
74 compiled by the United States Department of Labor, beginning  
75 with the Annual Consumer Price Index announced by the United  
76 States Department of Labor for 2016 ~~2003~~.

77 Section 3. This act shall take effect July 1, 2016.