

By the Committees on Banking and Insurance; and Regulated Industries; and Senator Richter

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1 A bill to be entitled
2 An act relating to property insurance appraisers and
3 property insurance appraisal umpires; amending s.
4 624.04, F.S.; revising the definition of the term
5 "person"; amending s. 624.303, F.S.; exempting
6 certificates issued to property insurance appraisal
7 umpires from the requirement to bear a seal of the
8 Department of Financial Services; amending s. 624.311,
9 F.S.; providing a schedule for destruction of property
10 insurance appraisal umpire licensing files and
11 records; amending s. 624.317, F.S.; authorizing the
12 department to investigate property insurance appraisal
13 umpires for violations of the insurance code; amending
14 s. 624.501, F.S.; authorizing specified licensing fees
15 for property insurance appraisal umpires; amending s.
16 624.523, F.S.; requiring fees associated with property
17 insurance appraisal umpires' appointments to be
18 deposited into the Insurance Regulatory Trust Fund;
19 amending s. 626.015, F.S.; providing a definition;
20 amending s. 626.016, F.S.; revising the scope of the
21 Chief Financial Officer's powers and duties and the
22 department's enforcement jurisdiction to include
23 umpires; amending s. 626.022, F.S.; including property
24 insurance appraisal umpire licensing in the scope of
25 part I of ch. 626, F.S., relating to licensing
26 procedures; amending s. 626.112, F.S.; requiring
27 umpires to be licensed and appointed; providing that
28 certain retired judges are not required to be licensed
29 to be umpires; requiring licensure as an adjuster when
30 serving as an appraiser under certain conditions;
31 providing that only a self-appointed insurance

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32 adjuster may serve as an appraiser; prohibiting
33 persons convicted of a certain felony or crime or
34 certain disqualified persons from engaging in certain
35 activities; defining the term "convicted"; amending s.
36 626.171, F.S.; requiring applicants for licensure as
37 an umpire to submit fingerprints to the department;
38 amending s. 626.207, F.S.; excluding applicants for
39 licensure as umpires from application of s. 112.011,
40 F.S., relating to disqualification from license or
41 public employment; amending s. 626.2815, F.S.;
42 requiring specified continuing education for licensure
43 as an umpire; amending s. 626.451, F.S.; providing
44 requirements relating to the appointment of an umpire;
45 amending s. 626.461, F.S.; providing that an umpire
46 appointment continues in effect, subject to renewal or
47 earlier written notice of termination, until the
48 person's license is revoked or otherwise terminated;
49 amending s. 626.521, F.S.; authorizing the department
50 to obtain a credit and character report for certain
51 umpire applicants; amending s. 626.541, F.S.;
52 requiring an umpire to provide certain information to
53 the department when doing business under a different
54 business name or when information in the licensure
55 application changes; amending s. 626.601, F.S.;
56 authorizing the department or office to investigate
57 improper conduct of any licensed umpire; amending s.
58 626.611, F.S.; requiring the department to refuse,
59 suspend, or revoke an umpire's license under certain
60 circumstances; amending s. 626.621, F.S.; authorizing

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61 the department to refuse, suspend, or revoke an
62 umpire's license under certain circumstances; amending
63 s. 626.641, F.S.; prohibiting an umpire from owning,
64 controlling, or being employed by other licensees
65 during the period the umpire's license is suspended or
66 revoked; amending ss. 626.7845, 626.8305, and
67 626.8411, F.S.; conforming provisions to changes made
68 by the act; amending s. 626.8443, F.S.; prohibiting a
69 title insurance agent from owning, controlling, or
70 being employed by an umpire during the period the
71 agent's license is suspended or revoked; amending s.
72 626.854, F.S.; providing limitations on fees charged
73 by a public adjuster during an appraisal; creating s.
74 626.8791, F.S.; establishing required notice in a
75 contract for appraisal services; amending s. 626.9957,
76 F.S.; conforming a cross-reference; creating part XIV
77 of ch. 626, F.S., relating to property insurance
78 appraisal umpires; creating s. 626.9961, F.S.;
79 providing a short title; creating s. 626.9962, F.S.;
80 providing legislative purpose; creating s. 626.9963,
81 F.S.; providing that the part supplements part I of
82 ch. 626, F.S., the "Licensing Procedure Law"; creating
83 s. 626.9964, F.S.; providing definitions; creating s.
84 626.9965, F.S.; providing qualifications for license
85 as an umpire; creating s. 626.9966, F.S.; authorizing
86 the department to refuse, suspend, or revoke an
87 umpire's license under certain circumstances; creating
88 s. 626.9967, F.S.; providing ethical standards for
89 property insurance appraisal umpires; creating s.

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90 626.9968, F.S.; providing for disqualification of an
91 umpire under certain circumstances; repealing s.
92 627.70151, F.S., relating to appraisal conflicts of
93 interest; providing an appropriation and authorizing
94 positions; providing applicability; providing an
95 effective date.

96

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

98

99 Section 1. Section 624.04, Florida Statutes, is amended to
100 read:

101 624.04 "Person" defined.—"Person" includes an individual,
102 insurer, company, association, organization, Lloyds, society,
103 reciprocal insurer or interinsurance exchange, partnership,
104 syndicate, business trust, corporation, agent, general agent,
105 broker, service representative, adjuster, property insurance
106 appraisal umpire, and every legal entity.

107 Section 2. Subsection (2) of section 624.303, Florida
108 Statutes, is amended to read:

109 624.303 Seal; certified copies as evidence.—

110 (2) All certificates executed by the department or office,
111 other than licenses of agents, property insurance appraisal
112 umpires, ~~or~~ adjusters, or similar licenses or permits, shall
113 bear its respective seal.

114 Section 3. Subsection (4) of section 624.311, Florida
115 Statutes, is amended to read:

116 624.311 Records; reproductions; destruction.—

117 (4) To facilitate the efficient use of floor space and
118 filing equipment in its offices, the department, commission, and

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119 office may each destroy the following records and documents
120 pursuant to chapter 257:

121 (a) General closed correspondence files over 3 years old;

122 (b) Agent, adjuster, property insurance appraisal umpire,
123 and similar license files, including license files of the
124 Division of State Fire Marshal, over 2 years old; except that
125 the department or office shall preserve by reproduction or
126 otherwise a copy of the original records upon the basis of which
127 each such licensee qualified for her or his initial license,
128 except a competency examination, and of any disciplinary
129 proceeding affecting the licensee;

130 (c) All agent, adjuster, property insurance appraisal
131 umpire, and similar license files and records, including
132 original license qualification records and records of
133 disciplinary proceedings 5 years after a licensee has ceased to
134 be qualified for a license;

135 (d) Insurer certificate of authority files over 2 years
136 old, except that the office shall preserve by reproduction or
137 otherwise a copy of the initial certificate of authority of each
138 insurer;

139 (e) All documents and records which have been photographed
140 or otherwise reproduced as provided in subsection (3), if such
141 reproductions have been filed and an audit of the department or
142 office has been completed for the period embracing the dates of
143 such documents and records; and

144 (f) All other records, documents, and files not expressly
145 provided for in paragraphs (a)-(e).

146 Section 4. Section 624.317, Florida Statutes, is amended to
147 read:

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148 624.317 Investigation of agents, adjusters, property
149 insurance appraisal umpires, administrators, service companies,
150 and others.—If it has reason to believe that any person has
151 violated or is violating any provision of this code, or upon the
152 written complaint signed by any interested person indicating
153 that any such violation may exist:

154 (1) The department shall conduct such investigation as it
155 deems necessary of the accounts, records, documents, and
156 transactions pertaining to or affecting the insurance affairs of
157 any general agent, surplus lines agent, adjuster, property
158 insurance appraisal umpire, managing general agent, insurance
159 agent, insurance agency, customer representative, service
160 representative, or other person subject to its jurisdiction,
161 subject to the requirements of s. 626.601.

162 (2) The office shall conduct such investigation as it deems
163 necessary of the accounts, records, documents, and transactions
164 pertaining to or affecting the insurance affairs of any:

165 (a) Administrator, service company, or other person subject
166 to its jurisdiction.

167 (b) Person having a contract or power of attorney under
168 which she or he enjoys in fact the exclusive or dominant right
169 to manage or control an insurer.

170 (c) Person engaged in or proposing to be engaged in the
171 promotion or formation of:

172 1. A domestic insurer;

173 2. An insurance holding corporation; or

174 3. A corporation to finance a domestic insurer or in the
175 production of the domestic insurer's business.

176 Section 5. Paragraph (c) of subsection (19) and subsection

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177 (28) of section 624.501, Florida Statutes, are amended, and
178 subsection (29) is added to that section, to read:

179 624.501 Filing, license, appointment, and miscellaneous
180 fees.—The department, commission, or office, as appropriate,
181 shall collect in advance, and persons so served shall pay to it
182 in advance, fees, licenses, and miscellaneous charges as
183 follows:

184 (19) Miscellaneous services:

185 (c) For preparing lists of agents, adjusters, property
186 insurance appraisal umpires, and other insurance
187 representatives, and for other miscellaneous services, such
188 reasonable charge as may be fixed by the office or department.

189 (28) Late filing of appointment renewals for agents,
190 adjusters, property insurance appraisal umpires, and other
191 insurance representatives, each appointment.....\$20.00

192 (29) Property insurance appraisal umpires:

193 (a) Property insurance appraisal umpire’s appointment and
194 biennial renewal or continuation thereof, each appointment
195\$60.00

196 (b) Fee to cover the actual cost of a credit report when
197 the report must be secured by the department.

198 Section 6. Paragraph (e) of subsection (1) of section
199 624.523, Florida Statutes, is amended to read:

200 624.523 Insurance Regulatory Trust Fund.—

201 (1) There is created in the State Treasury a trust fund
202 designated “Insurance Regulatory Trust Fund” to which shall be
203 credited all payments received on account of the following
204 items:

205 (e) All payments received on account of items provided for

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- 206 under respective provisions of s. 624.501, as follows:
- 207 1. Subsection (1) (certificate of authority of insurer).
 - 208 2. Subsection (2) (charter documents of insurer).
 - 209 3. Subsection (3) (annual license tax of insurer).
 - 210 4. Subsection (4) (annual statement of insurer).
 - 211 5. Subsection (5) (application fee for insurance
 - 212 representatives).
 - 213 6. The "appointment fee" portion of any appointment
 - 214 provided for under paragraphs (6) (a) and (b) (insurance
 - 215 representatives, property, marine, casualty and surety
 - 216 insurance, and agents).
 - 217 7. Paragraph (6) (c) (nonresident agents).
 - 218 8. Paragraph (6) (d) (service representatives).
 - 219 9. The "appointment fee" portion of any appointment
 - 220 provided for under paragraph (7) (a) (life insurance agents,
 - 221 original appointment, and renewal or continuation of
 - 222 appointment).
 - 223 10. Paragraph (7) (b) (nonresident agent license).
 - 224 11. The "appointment fee" portion of any appointment
 - 225 provided for under paragraph (8) (a) (health insurance agents,
 - 226 agent's appointment, and renewal or continuation fee).
 - 227 12. Paragraph (8) (b) (nonresident agent appointment).
 - 228 13. The "appointment fee" portion of any appointment
 - 229 provided for under subsections (9) and (10) (limited licenses
 - 230 and fraternal benefit society agents).
 - 231 14. Subsection (11) (surplus lines agent).
 - 232 15. Subsection (12) (adjusters' appointment).
 - 233 16. Subsection (13) (examination fee).
 - 234 17. Subsection (14) (temporary license and appointment as

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235 agent or adjuster).

236 18. Subsection (15) (reissuance, reinstatement, etc.).

237 19. Subsection (16) (additional license continuation fees).

238 20. Subsection (17) (filing application for permit to form
239 insurer).

240 21. Subsection (18) (license fee of rating organization).

241 22. Subsection (19) (miscellaneous services).

242 23. Subsection (20) (insurance agencies).

243 24. Subsection (29) (property insurance appraisal umpires'
244 appointment).

245 Section 7. Subsections (16) through (19) of section
246 626.015, Florida Statutes, are renumbered as subsections (17)
247 through (20), respectively, and a new subsection (16) is added
248 to that section, to read:

249 626.015 Definitions.—As used in this part:

250 (16) "Property insurance appraisal umpire" or "umpire"
251 means a property insurance appraisal umpire as defined in s.
252 626.9964.

253 Section 8. Subsection (1) of section 626.016, Florida
254 Statutes, is amended to read:

255 626.016 Powers and duties of department, commission, and
256 office.—

257 (1) The powers and duties of the Chief Financial Officer
258 and the department specified in this part apply only with
259 respect to insurance agents, insurance agencies, managing
260 general agents, ~~insurance~~ adjusters, umpires, reinsurance
261 intermediaries, viatical settlement brokers, customer
262 representatives, service representatives, and agencies.

263 Section 9. Subsection (1) of section 626.022, Florida

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264 Statutes, is amended to read:

265 626.022 Scope of part.—

266 (1) This part applies as to insurance agents, service
267 representatives, adjusters, umpires, and insurance agencies; as
268 to any and all kinds of insurance; and as to stock insurers,
269 mutual insurers, reciprocal insurers, and all other types of
270 insurers, except that:

271 (a) It does not apply as to reinsurance, except that ss.
272 626.011-626.022, ss. 626.112-626.181, ss. 626.191-626.211, ss.
273 626.291-626.301, s. 626.331, ss. 626.342-626.521, ss. 626.541-
274 626.591, and ss. 626.601-626.711 shall apply as to reinsurance
275 intermediaries as defined in s. 626.7492.

276 (b) The applicability of this chapter as to fraternal
277 benefit societies shall be as provided in chapter 632.

278 (c) It does not apply to a bail bond agent, as defined in
279 s. 648.25, except as provided in chapter 648 or chapter 903.

280 (d) This part does not apply to a certified public
281 accountant licensed under chapter 473 who is acting within the
282 scope of the practice of public accounting, as defined in s.
283 473.302, provided that the activities of the certified public
284 accountant are limited to advising a client of the necessity of
285 obtaining insurance, the amount of insurance needed, or the line
286 of coverage needed, and provided that the certified public
287 accountant does not directly or indirectly receive or share in
288 any commission or referral fee.

289 Section 10. Section 626.112, Florida Statutes, is amended
290 to read:

291 626.112 License and appointment required; agents, customer
292 representatives, adjusters, umpires, insurance agencies, service

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293 representatives, managing general agents.-

294 (1) (a) No person may be, act as, or advertise or hold
295 himself or herself out to be an insurance agent, insurance
296 adjuster, or customer representative unless he or she is
297 currently licensed by the department and appointed by an
298 appropriate appointing entity or person.

299 (b) Except as provided in subsection (9) ~~(6)~~ or in
300 applicable department rules, and in addition to other conduct
301 described in this chapter with respect to particular types of
302 agents, a license as an insurance agent, service representative,
303 customer representative, or limited customer representative is
304 required in order to engage in the solicitation of insurance.
305 For purposes of this requirement, as applicable to any of the
306 license types described in this section, the solicitation of
307 insurance is the attempt to persuade any person to purchase an
308 insurance product by:

309 1. Describing the benefits or terms of insurance coverage,
310 including premiums or rates of return;

311 2. Distributing an invitation to contract to prospective
312 purchasers;

313 3. Making general or specific recommendations as to
314 insurance products;

315 4. Completing orders or applications for insurance
316 products;

317 5. Comparing insurance products, advising as to insurance
318 matters, or interpreting policies or coverages; or

319 6. Offering or attempting to negotiate on behalf of another
320 person a viatical settlement contract as defined in s. 626.9911.

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322 However, an employee leasing company licensed pursuant to
323 chapter 468 which is seeking to enter into a contract with an
324 employer that identifies products and services offered to
325 employees may deliver proposals for the purchase of employee
326 leasing services to prospective clients of the employee leasing
327 company setting forth the terms and conditions of doing
328 business; classify employees as permitted by s. 468.529; collect
329 information from prospective clients and other sources as
330 necessary to perform due diligence on the prospective client and
331 to prepare a proposal for services; provide and receive
332 enrollment forms, plans, and other documents; and discuss or
333 explain in general terms the conditions, limitations, options,
334 or exclusions of insurance benefit plans available to the client
335 or employees of the employee leasing company were the client to
336 contract with the employee leasing company. Any advertising
337 materials or other documents describing specific insurance
338 coverages must identify and be from a licensed insurer or its
339 licensed agent or a licensed and appointed agent employed by the
340 employee leasing company. The employee leasing company may not
341 advise or inform the prospective business client or individual
342 employees of specific coverage provisions, exclusions, or
343 limitations of particular plans. As to clients for which the
344 employee leasing company is providing services pursuant to s.
345 468.525(4), the employee leasing company may engage in
346 activities permitted by ss. 626.7315, 626.7845, and 626.8305,
347 subject to the restrictions specified in those sections. If a
348 prospective client requests more specific information concerning
349 the insurance provided by the employee leasing company, the
350 employee leasing company must refer the prospective business

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351 client to the insurer or its licensed agent or to a licensed and
352 appointed agent employed by the employee leasing company.

353 (2) No agent or customer representative shall solicit or
354 otherwise transact as agent or customer representative, or
355 represent or hold himself or herself out to be an agent or
356 customer representative as to, any kind or kinds of insurance as
357 to which he or she is not then licensed and appointed.

358 (3) No person shall act as an adjuster as to any class of
359 business for which he or she is not then licensed and appointed.

360 (4) No person shall be, act as, or represent or hold
361 himself or herself out to be a service representative unless he
362 or she then holds a currently effective service representative
363 license and appointment. This subsection does not apply as to
364 similar representatives or employees of casualty insurers whose
365 duties are restricted to health insurance.

366 (5) No person shall be, act as, or represent or hold
367 himself or herself out to be a managing general agent unless he
368 or she then holds a currently effective managing general agent
369 license and appointment.

370 (6) No person shall be, act as, or represent or hold
371 himself or herself out to be a property insurance appraisal
372 umpire unless he or she holds a currently effective license and
373 appointment as a property insurance appraisal umpire. Retired
374 county, circuit, or appellate judges who are members in good
375 standing with The Florida Bar are not required to obtain the
376 license required by this subsection.

377 (7) No person shall be, act as, or represent or hold
378 himself or herself out to be a property insurance appraiser who
379 is eligible to represent an insured on a personal residential or

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380 commercial residential property insurance claim unless he or she
381 holds a currently effective license as an adjuster or is exempt
382 from licensure under s. 626.860. Only a self-appointed insurance
383 adjuster may serve as an appraiser.

384 (8) A person who is disqualified under s. 626.207 or has
385 been convicted of a felony or a crime punishable by imprisonment
386 of 1 year or more under the law of the United States or of any
387 state thereof or under the law of any other country, or
388 dishonorably discharged from any of the Armed Forces of the
389 United States may not act or serve as a property insurance
390 appraisal umpire or a property insurance appraiser. For purposes
391 of this subsection, "convicted" means a finding of guilt or the
392 acceptance of a plea of guilty or nolo contendere, in any
393 federal or state court or a court in any other country, without
394 regard to whether a judgment of conviction has been entered by
395 the court having jurisdiction of the case.

396 (9)~~(6)~~ An individual employed by a life or health insurer
397 as an officer or other salaried representative may solicit and
398 effect contracts of life insurance or annuities or of health
399 insurance, without being licensed as an agent, when and only
400 when he or she is accompanied by and solicits for and on the
401 behalf of a licensed and appointed agent.

402 (10) (a)~~(7) (a)~~ An individual, firm, partnership,
403 corporation, association, or other entity shall not act in its
404 own name or under a trade name, directly or indirectly, as an
405 insurance agency unless it complies with s. 626.172 with respect
406 to possessing an insurance agency license for each place of
407 business at which it engages in an activity that may be
408 performed only by a licensed insurance agent. However, an

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409 insurance agency that is owned and operated by a single licensed
410 agent conducting business in his or her individual name and not
411 employing or otherwise using the services of or appointing other
412 licensees shall be exempt from the agency licensing requirements
413 of this subsection.

414 (b) A branch place of business that is established by a
415 licensed agency is considered a branch agency and is not
416 required to be licensed so long as it transacts business under
417 the same name and federal tax identification number as the
418 licensed agency and has designated with the department a
419 licensed agent in charge of the branch location as required by
420 s. 626.0428 and the address and telephone number of the branch
421 location have been submitted to the department for inclusion in
422 the licensing record of the licensed agency within 30 days after
423 insurance transactions begin at the branch location.

424 (c) If an agency is required to be licensed but fails to
425 file an application for licensure in accordance with this
426 section, the department shall impose on the agency an
427 administrative penalty of up to \$10,000.

428 (d) Effective October 1, 2015, the department must
429 automatically convert the registration of an approved registered
430 insurance agency to an insurance agency license.

431 (11)~~(8)~~ No insurance agent, insurance agency, or other
432 person licensed under the Insurance Code may pay any fee or
433 other consideration to an unlicensed person other than an
434 insurance agency for the referral of prospective purchasers to
435 an insurance agent which is in any way dependent upon whether
436 the referral results in the purchase of an insurance product.

437 (12)~~(9)~~ Any person who knowingly transacts insurance or

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438 otherwise engages in insurance activities in this state without
439 a license in violation of this section commits a felony of the
440 third degree, punishable as provided in s. 775.082, s. 775.083,
441 or s. 775.084.

442 Section 11. Subsections (1) and (4) of section 626.171,
443 Florida Statutes, are amended to read:

444 626.171 Application for license as an agent, customer
445 representative, adjuster, umpire, service representative,
446 managing general agent, or reinsurance intermediary.-

447 (1) The department may not issue a license as agent,
448 customer representative, adjuster, umpire, service
449 representative, managing general agent, or reinsurance
450 intermediary to any person except upon written application filed
451 with the department, meeting the qualifications for the license
452 applied for as determined by the department, and payment in
453 advance of all applicable fees. The application must be made
454 under the oath of the applicant and be signed by the applicant.
455 An applicant may permit a third party to complete, submit, and
456 sign an application on the applicant's behalf, but is
457 responsible for ensuring that the information on the application
458 is true and correct and is accountable for any misstatements or
459 misrepresentations. The department shall accept the uniform
460 application for nonresident agent licensing. The department may
461 adopt revised versions of the uniform application by rule.

462 (4) An applicant for a license as an agent, customer
463 representative, adjuster, umpire, service representative,
464 managing general agent, or reinsurance intermediary must submit
465 a set of the individual applicant's fingerprints, or, if the
466 applicant is not an individual, a set of the fingerprints of the

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467 sole proprietor, majority owner, partners, officers, and
468 directors, to the department and must pay the fingerprint
469 processing fee set forth in s. 624.501. Fingerprints shall be
470 used to investigate the applicant's qualifications pursuant to
471 s. 626.201. The fingerprints shall be taken by a law enforcement
472 agency, designated examination center, or other department-
473 approved entity. The department shall require all designated
474 examination centers to have fingerprinting equipment and to take
475 fingerprints from any applicant or prospective applicant who
476 pays the applicable fee. The department may not approve an
477 application for licensure as an agent, customer service
478 representative, adjuster, umpire, service representative,
479 managing general agent, or reinsurance intermediary if
480 fingerprints have not been submitted.

481 Section 12. Subsection (9) of section 626.207, Florida
482 Statutes, is amended to read:

483 626.207 Disqualification of applicants and licensees;
484 penalties against licensees; rulemaking authority.—

485 (9) Section 112.011 does not apply to any applicants for
486 licensure under the Florida Insurance Code, including, but not
487 limited to, agents, agencies, adjusters, adjusting firms,
488 umpires, customer representatives, or managing general agents.

489 Section 13. Subsections (1) and (2) of section 626.2815,
490 Florida Statutes, are amended to read:

491 626.2815 Continuing education requirements.—

492 (1) The purpose of this section is to establish
493 requirements and standards for continuing education courses for
494 individuals licensed to solicit, sell, or adjust insurance or to
495 serve as an umpire in the state.

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496 (2) Except as otherwise provided in this section, this
 497 section applies to individuals licensed to transact ~~engage in~~
 498 ~~the sale of~~ insurance or adjust ~~adjustment of~~ insurance claims
 499 in this state for all lines of insurance for which an
 500 examination is required for licensing and to individuals
 501 licensed to serve as an umpire ~~each insurer, employer, or~~
 502 ~~appointing entity, including, but not limited to, those created~~
 503 ~~or existing pursuant to s. 627.351.~~ This section does not apply
 504 to an individual who holds a license for the sale of any line of
 505 insurance for which an examination is not required by the laws
 506 of this state or who holds a limited license as a crop or hail
 507 and multiple-peril crop insurance agent. Licensees who are
 508 unable to comply with the continuing education requirements due
 509 to active duty in the military may submit a written request for
 510 a waiver to the department.

511 Section 14. Subsections (1), (3), (5), and (6) of section
 512 626.451, Florida Statutes, are amended to read:

513 626.451 Appointment of agent or other representative.—

514 (1) Each appointing entity or person designated by the
 515 department to administer the appointment process appointing an
 516 agent, adjuster, umpire, service representative, customer
 517 representative, or managing general agent in this state shall
 518 file the appointment with the department or office and, at the
 519 same time, pay the applicable appointment fee and taxes. Every
 520 appointment shall be subject to the prior issuance of the
 521 appropriate agent's, adjuster's, umpire's, service
 522 representative's, customer representative's, or managing general
 523 agent's license.

524 (3) By authorizing the effectuation of the appointment of

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525 an agent, adjuster, umpire, service representative, customer
526 representative, or managing general agent the appointing entity
527 is thereby certifying to the department that it is willing to be
528 bound by the acts of the agent, adjuster, umpire, service
529 representative, customer representative, or managing general
530 agent, within the scope of the licensee's employment or
531 appointment.

532 (5) Any law enforcement agency or state attorney's office
533 that is aware that an agent, adjuster, umpire, service
534 representative, customer representative, or managing general
535 agent has pleaded guilty or nolo contendere to or has been found
536 guilty of a felony shall notify the department or office of such
537 fact.

538 (6) Upon the filing of an information or indictment against
539 an agent, adjuster, umpire, service representative, customer
540 representative, or managing general agent, the state attorney
541 shall immediately furnish the department or office a certified
542 copy of the information or indictment.

543 Section 15. Section 626.461, Florida Statutes, is amended
544 to read:

545 626.461 Continuation of appointment of agent or other
546 representative.—Subject to renewal or continuation by the
547 appointing entity, the appointment of the agent, adjuster,
548 umpire, service representative, customer representative, or
549 managing general agent shall continue in effect until the
550 person's license is revoked or otherwise terminated, unless
551 written notice of earlier termination of the appointment is
552 filed with the department or person designated by the department
553 to administer the appointment process by either the appointing

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554 entity or the appointee.

555 Section 16. Subsection (3) of section 626.521, Florida
556 Statutes, is amended to read:

557 626.521 Character, credit reports.—

558 (3) As to an applicant for an adjuster's, umpire's, or
559 reinsurance intermediary's license who is to be self-employed,
560 the department may secure, at the cost of the applicant, a full
561 detailed credit and character report made by an established and
562 reputable independent reporting service relative to the
563 applicant.

564 Section 17. Subsection (1) of section 626.541, Florida
565 Statutes, is amended to read:

566 626.541 Firm, corporate, and business names; officers;
567 associates; notice of changes.—

568 (1) Any licensed agent, ~~or~~ adjuster, or umpire doing
569 business under a firm or corporate name or under any business
570 name other than his or her own individual name shall, within 30
571 days after initially transacting ~~the initial transaction of~~
572 insurance or engaging in insurance activities under such
573 business name, file with the department, on forms adopted and
574 furnished by the department, a written statement of the firm,
575 corporate, or business name being so used, the address of any
576 office or offices or places of business making use of such name,
577 and the name and social security number of each officer and
578 director of the corporation and of each individual associated in
579 such firm or corporation as to the insurance transactions
580 thereof or in the use of such business name.

581 Section 18. Subsection (1) of section 626.601, Florida
582 Statutes, is amended to read:

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583 626.601 Improper conduct; inquiry; fingerprinting.—
584 (1) The department or office may, upon its own motion or
585 upon a written complaint signed by any interested person and
586 filed with the department or office, inquire into any alleged
587 improper conduct of any licensed, approved, or certified
588 licensee, insurance agency, agent, adjuster, umpire, service
589 representative, managing general agent, customer representative,
590 title insurance agent, title insurance agency, mediator, neutral
591 evaluator, navigator, continuing education course provider,
592 instructor, school official, or monitor group under this code.
593 The department or office may thereafter initiate an
594 investigation of any such individual or entity if it has
595 reasonable cause to believe that the individual or entity has
596 violated any provision of the insurance code. During the course
597 of its investigation, the department or office shall contact the
598 individual or entity being investigated unless it determines
599 that contacting such individual or entity could jeopardize the
600 successful completion of the investigation or cause injury to
601 the public.

602 Section 19. Subsection (1) of section 626.611, Florida
603 Statutes, is amended to read:

604 626.611 Grounds for compulsory refusal, suspension, or
605 revocation of agent's, title agency's, adjuster's, umpire's,
606 customer representative's, service representative's, or managing
607 general agent's license or appointment.—

608 (1) The department shall deny an application for, suspend,
609 revoke, or refuse to renew or continue the license or
610 appointment of any applicant, agent, title agency, adjuster,
611 umpire, customer representative, service representative, or

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612 managing general agent, and it shall suspend or revoke the
613 eligibility to hold a license or appointment of any such person,
614 if it finds that as to the applicant, licensee, or appointee any
615 one or more of the following applicable grounds exist:

616 (a) Lack of one or more of the qualifications for the
617 license or appointment as specified in this code.

618 (b) Material misstatement, misrepresentation, or fraud in
619 obtaining the license or appointment or in attempting to obtain
620 the license or appointment.

621 (c) Failure to pass to the satisfaction of the department
622 any examination required under this code.

623 (d) If the license or appointment is willfully used, or to
624 be used, to circumvent any of the requirements or prohibitions
625 of this code.

626 (e) Willful misrepresentation of any insurance policy or
627 annuity contract or willful deception with regard to any such
628 policy or contract, done either in person or by any form of
629 dissemination of information or advertising.

630 (f) If, as an adjuster, or agent licensed and appointed to
631 adjust claims under this code, he or she has materially
632 misrepresented to an insured or other interested party the terms
633 and coverage of an insurance contract with intent and for the
634 purpose of effecting settlement of claim for loss or damage or
635 benefit under such contract on less favorable terms than those
636 provided in and contemplated by the contract.

637 (g) Demonstrated lack of fitness or trustworthiness to
638 engage in the business of insurance.

639 (h) Demonstrated lack of reasonably adequate knowledge and
640 technical competence to engage in the transactions authorized by

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641 the license or appointment.

642 (i) Fraudulent or dishonest practices in the conduct of
643 business under the license or appointment.

644 (j) Misappropriation, conversion, or unlawful withholding
645 of moneys belonging to insurers or insureds or beneficiaries or
646 to others and received in conduct of business under the license
647 or appointment.

648 (k) Unlawfully rebating, attempting to unlawfully rebate,
649 or unlawfully dividing or offering to divide his or her
650 commission with another.

651 (l) Having obtained or attempted to obtain, or having used
652 or using, a license or appointment as agent or customer
653 representative for the purpose of soliciting or handling
654 "controlled business" as defined in s. 626.730 with respect to
655 general lines agents, s. 626.784 with respect to life agents,
656 and s. 626.830 with respect to health agents.

657 (m) Willful failure to comply with, or willful violation
658 of, any proper order or rule of the department or willful
659 violation of any provision of this code.

660 (n) Having been found guilty of or having pleaded guilty or
661 nolo contendere to a felony or a crime punishable by
662 imprisonment of 1 year or more under the law of the United
663 States of America or of any state thereof or under the law of
664 any other country which involves moral turpitude, without regard
665 to whether a judgment of conviction has been entered by the
666 court having jurisdiction of such cases.

667 (o) Fraudulent or dishonest practice in submitting or
668 aiding or abetting any person in the submission of an
669 application for workers' compensation coverage under chapter 440

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670 containing false or misleading information as to employee
671 payroll or classification for the purpose of avoiding or
672 reducing the amount of premium due for such coverage.

673 (p) Sale of an unregistered security that was required to
674 be registered, pursuant to chapter 517.

675 (q) In transactions related to viatical settlement
676 contracts as defined in s. 626.9911:

677 1. Commission of a fraudulent or dishonest act.

678 2. No longer meeting the requirements for initial
679 licensure.

680 3. Having received a fee, commission, or other valuable
681 consideration for his or her services with respect to viatical
682 settlements that involved unlicensed viatical settlement
683 providers or persons who offered or attempted to negotiate on
684 behalf of another person a viatical settlement contract as
685 defined in s. 626.9911 and who were not licensed life agents.

686 4. Dealing in bad faith with viators.

687 Section 20. Section 626.621, Florida Statutes, is amended
688 to read:

689 626.621 Grounds for discretionary refusal, suspension, or
690 revocation of agent's, adjuster's, umpire's, customer
691 representative's, service representative's, or managing general
692 agent's license or appointment.—The department may, in its
693 discretion, deny an application for, suspend, revoke, or refuse
694 to renew or continue the license or appointment of any
695 applicant, agent, adjuster, umpire, customer representative,
696 service representative, or managing general agent, and it may
697 suspend or revoke the eligibility to hold a license or
698 appointment of any such person, if it finds that as to the

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699 applicant, licensee, or appointee any one or more of the
700 following applicable grounds exist under circumstances for which
701 such denial, suspension, revocation, or refusal is not mandatory
702 under s. 626.611:

703 (1) Any cause for which issuance of the license or
704 appointment could have been refused had it then existed and been
705 known to the department.

706 (2) Violation of any provision of this code or of any other
707 law applicable to the business of insurance in the course of
708 dealing under the license or appointment.

709 (3) Violation of any lawful order or rule of the
710 department, commission, or office.

711 (4) Failure or refusal, upon demand, to pay over to any
712 insurer he or she represents or has represented any money coming
713 into his or her hands belonging to the insurer.

714 (5) Violation of the provision against twisting, as defined
715 in s. 626.9541(1)(1).

716 (6) In the conduct of business under the license or
717 appointment, engaging in unfair methods of competition or in
718 unfair or deceptive acts or practices, as prohibited under part
719 IX of this chapter, or having otherwise shown himself or herself
720 to be a source of injury or loss to the public.

721 (7) Willful overinsurance of any property or health
722 insurance risk.

723 (8) Having been found guilty of or having pleaded guilty or
724 nolo contendere to a felony or a crime punishable by
725 imprisonment of 1 year or more under the law of the United
726 States of America or of any state thereof or under the law of
727 any other country, without regard to whether a judgment of

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728 conviction has been entered by the court having jurisdiction of
729 such cases.

730 (9) If a life agent, violation of the code of ethics.

731 (10) Cheating on an examination required for licensure or
732 violating test center or examination procedures published
733 orally, in writing, or electronically at the test site by
734 authorized representatives of the examination program
735 administrator. Communication of test center and examination
736 procedures must be clearly established and documented.

737 (11) Failure to inform the department in writing within 30
738 days after pleading guilty or nolo contendere to, or being
739 convicted or found guilty of, any felony or a crime punishable
740 by imprisonment of 1 year or more under the law of the United
741 States or of any state thereof, or under the law of any other
742 country without regard to whether a judgment of conviction has
743 been entered by the court having jurisdiction of the case.

744 (12) Knowingly aiding, assisting, procuring, advising, or
745 abetting any person in the violation of or to violate a
746 provision of the insurance code or any order or rule of the
747 department, commission, or office.

748 (13) Has been the subject of or has had a license, permit,
749 appointment, registration, or other authority to conduct
750 business subject to any decision, finding, injunction,
751 suspension, prohibition, revocation, denial, judgment, final
752 agency action, or administrative order by any court of competent
753 jurisdiction, administrative law proceeding, state agency,
754 federal agency, national securities, commodities, or option
755 exchange, or national securities, commodities, or option
756 association involving a violation of any federal or state

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757 securities or commodities law or any rule or regulation adopted
758 thereunder, or a violation of any rule or regulation of any
759 national securities, commodities, or options exchange or
760 national securities, commodities, or options association.

761 (14) Failure to comply with any civil, criminal, or
762 administrative action taken by the child support enforcement
763 program under Title IV-D of the Social Security Act, 42 U.S.C.
764 ss. 651 et seq., to determine paternity or to establish, modify,
765 enforce, or collect support.

766 (15) Directly or indirectly accepting any compensation,
767 inducement, or reward from an inspector for the referral of the
768 owner of the inspected property to the inspector or inspection
769 company. This prohibition applies to an inspection intended for
770 submission to an insurer in order to obtain property insurance
771 coverage or establish the applicable property insurance premium.

772 Section 21. Subsection (4) of section 626.641, Florida
773 Statutes, is amended to read:

774 626.641 Duration of suspension or revocation.—

775 (4) During the period of suspension or revocation of a
776 license or appointment, and until the license is reinstated or,
777 if revoked, a new license issued, the former licensee or
778 appointee may not engage in or attempt or profess to engage in
779 any transaction or business for which a license or appointment
780 is required under this code or directly or indirectly own,
781 control, or be employed in any manner by an agent, agency,
782 adjuster, ~~or~~ adjusting firm, or umpire.

783 Section 22. Subsection (2) of section 626.7845, Florida
784 Statutes, is amended to read:

785 626.7845 Prohibition against unlicensed transaction of life

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786 insurance.—

787 (2) Except as provided in s. 626.112(9) ~~626.112(6)~~, with
788 respect to any line of authority specified in s. 626.015(10), no
789 individual shall, unless licensed as a life agent:

790 (a) Solicit insurance or annuities or procure applications;

791 (b) In this state, engage or hold himself or herself out as
792 engaging in the business of analyzing or abstracting insurance
793 policies or of counseling or advising or giving opinions to
794 persons relative to insurance or insurance contracts other than:

795 1. As a consulting actuary advising an insurer; or

796 2. As to the counseling and advising of labor unions,
797 associations, trustees, employers, or other business entities,
798 the subsidiaries and affiliates of each, relative to their
799 interests and those of their members or employees under
800 insurance benefit plans; or

801 (c) In this state, from this state, or with a resident of
802 this state, offer or attempt to negotiate on behalf of another
803 person a viatical settlement contract as defined in s. 626.9911.

804 Section 23. Section 626.8305, Florida Statutes, is amended
805 to read:

806 626.8305 Prohibition against the unlicensed transaction of
807 health insurance.—Except as provided in s. 626.112(9)

808 ~~626.112(6)~~, with respect to any line of authority specified in
809 s. 626.015(6), no individual shall, unless licensed as a health
810 agent:

811 (1) Solicit insurance or procure applications; or

812 (2) In this state, engage or hold himself or herself out as
813 engaging in the business of analyzing or abstracting insurance
814 policies or of counseling or advising or giving opinions to

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815 persons relative to insurance contracts other than:

816 (a) As a consulting actuary advising insurers; or

817 (b) As to the counseling and advising of labor unions,
818 associations, trustees, employers, or other business entities,
819 the subsidiaries and affiliates of each, relative to their
820 interests and those of their members or employees under
821 insurance benefit plans.

822 Section 24. Paragraph (a) of subsection (2) of section
823 626.8411, Florida Statutes, is amended to read:

824 626.8411 Application of Florida Insurance Code provisions
825 to title insurance agents or agencies.—

826 (2) The following provisions of part I do not apply to
827 title insurance agents or title insurance agencies:

828 (a) Section 626.112(10) ~~626.112(7)~~, relating to licensing
829 of insurance agencies.

830 Section 25. Subsection (4) of section 626.8443, Florida
831 Statutes, is amended to read:

832 626.8443 Duration of suspension or revocation.—

833 (4) During the period of suspension or after revocation of
834 the license and appointment, the former licensee shall not
835 engage in or attempt to profess to engage in any transaction or
836 business for which a license or appointment is required under
837 this code or directly or indirectly own, control, or be employed
838 in any manner by any insurance agent or agency, ~~or~~ adjuster, ~~or~~
839 adjusting firm, or umpire.

840 Section 26. Paragraph (d) is added to subsection (11) of
841 section 626.854, Florida Statutes, to read:

842 626.854 "Public adjuster" defined; prohibitions.—The
843 Legislature finds that it is necessary for the protection of the

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844 public to regulate public insurance adjusters and to prevent the
845 unauthorized practice of law.

846 (11)

847 (d) If a public adjuster enters into a contract with an
848 insured or a claimant to perform an appraisal, as defined in s.
849 626.9964, the public adjuster may not charge, agree to, or
850 accept from any source compensation, payment, commission, fee,
851 or any other thing of value in excess of the limitations set
852 forth in paragraph (b) for the appraisal services or, if also
853 -serving as adjuster on the claim, a combination of adjuster and
854 appraisal services.

855 Section 27. Section 626.8791, Florida Statutes, is created
856 to read:

857 626.8791 Contracts for appraisal services; required
858 notice.—A contract between an adjuster and an insured or
859 claimant to perform an appraisal must contain the following
860 language in at least 14-point boldfaced, uppercase type: "THERE
861 IS NO LEGAL REQUIREMENT THAT AN APPRAISER CHARGE A CLIENT A SET
862 FEE OR A PERCENTAGE OF MONEY RECOVERED IN A CASE. YOU, THE
863 CLIENT, HAVE THE RIGHT TO TALK WITH YOUR APPRAISER ABOUT THE
864 PROPOSED FEE AND TO BARGAIN ABOUT THE RATE OR PERCENTAGE AS IN
865 ANY OTHER CONTRACT. IF YOU DO NOT REACH AN AGREEMENT WITH ONE
866 APPRAISER, YOU MAY TALK WITH OTHER APPRAISERS."

867 Section 28. Subsection (1) of section 626.9957, Florida
868 Statutes, is amended to read:

869 626.9957 Conduct prohibited; denial, revocation, or
870 suspension of registration.—

871 (1) As provided in s. 626.112, only a person licensed as an
872 insurance agent or customer representative may engage in the

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873 solicitation of insurance. A person who engages in the
874 solicitation of insurance as described in s. 626.112(1) without
875 such license is subject to the penalties provided under s.
876 626.112(12) ~~626.112(9)~~.

877 Section 29. Part XIV of chapter 626, Florida Statutes,
878 consisting of sections 626.9961 through 626.9968, is created to
879 read:

880 PART XIV

881 PROPERTY INSURANCE APPRAISAL UMPIRES

882 626.9961 Short title.—This part may be referred to as the
883 “Property Insurance Appraisal Umpire Law.”

884 626.9962 Legislative findings.—The Legislature finds it
885 necessary to regulate persons that hold themselves out to the
886 public as qualified to provide services as property insurance
887 appraisal umpires in order to protect the public safety and
888 welfare and to avoid economic injury to the residents of this
889 state. This part applies only to property insurance appraisal
890 umpires as defined in this part.

891 626.9963 Part supplements licensing law.—This part is
892 supplementary to part I, the “Licensing Procedures Law.”

893 626.9964 Definitions.—As used in this part, the term:

894 (1) “Appraisal” means, for purposes of licensure under this
895 part only, a process of alternative dispute resolution used in a
896 personal residential or commercial residential property
897 insurance claim.

898 (2) “Competent” means sufficiently qualified and capable of
899 performing an appraisal.

900 (3) “Department” means the Department of Financial
901 Services.

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902 (4) "Property insurance appraisal umpire" or "umpire" means
903 a person selected by the appraisers representing the insurer and
904 the insured, or, if the appraisers cannot agree, by the court,
905 who is charged with resolving issues that the appraisers are
906 unable to agree upon during the course of an appraisal.

907 (5) "Property insurance appraiser" or "appraiser" means the
908 person selected by an insurer or insured to perform an
909 appraisal.

910 626.9965 Qualification for license as a property insurance
911 appraisal umpire.-

912 (1) The department shall issue a license as an umpire to a
913 person who meets the requirements of subsection (2) and is one
914 of the following:

915 (a) Licensed as an engineer pursuant to chapter 471 or is a
916 retired professional engineer as defined in s. 471.005.

917 (b) Licensed as a general contractor, a building
918 contractor, or a residential contractor pursuant to part I of
919 chapter 489.

920 (c) Licensed or registered as an architect to engage in the
921 practice of architecture pursuant to part I of chapter 481.

922 (d) A member of The Florida Bar.

923 (e) Licensed as an adjuster pursuant to part VI of chapter
924 626, which license includes the property and casualty lines of
925 insurance. An adjuster must have been licensed for at least 5
926 years as an adjuster before he or she may be licensed as an
927 umpire.

928 (2) An applicant may be licensed to practice in this state
929 as an umpire if the applicant:

930 (a) Is a natural person at least 18 years of age;

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931 (b) Is a United States citizen or legal alien who possesses
932 work authorization from the United States Bureau of Citizenship
933 and Immigration;

934 (c) Is of good moral character;

935 (d) Has paid the applicable fees specified in s. 624.501;
936 and

937 (e) Has, before the date of the application for licensure,
938 satisfactorily completed education courses approved by the
939 department covering:

940 1. At least 19 hours of insurance claims estimating; and
941 2. At least 5 hours of insurance law, ethics for insurance
942 professionals, disciplinary trends, and case studies.

943
944 A retired county, circuit, or appellate judge is exempt from the
945 continuing education requirements in s. 626.2815 and this
946 subsection.

947 (3) The department may not reject an application solely
948 because the applicant is or is not a member of a given appraisal
949 organization.

950 626.9966 Grounds for refusal, suspension, or revocation of
951 an umpire license or appointment.—The department may deny an
952 application for license or appointment under this part; suspend,
953 revoke, or refuse to renew or continue a license or appointment
954 of an umpire; or suspend or revoke eligibility for licensure or
955 appointment as an umpire if the department finds that one or
956 more of the following applicable grounds exist:

957 (1) Violating a duty imposed upon him or her by law or by
958 the terms of the umpire agreement; aiding, assisting, or
959 conspiring with any other person engaged in any such misconduct

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960 and in furtherance thereof; or forming the intent, design, or
961 scheme to engage in such misconduct and committing an overt act
962 in furtherance of such intent, design, or scheme. An umpire
963 commits a violation of this part regardless of whether the
964 victim or intended victim of the misconduct has sustained any
965 damage or loss; the damage or loss has been settled and paid
966 after the discovery of misconduct; or the victim or intended
967 victim is an insurer or customer or a person in a confidential
968 relationship with the umpire or is an identified member of the
969 general public.

970 (2) Having a registration, license, or certification to
971 practice or conduct any regulated profession, business, or
972 vocation revoked, suspended, or encumbered; or having an
973 application for such registration, licensure, or certification
974 to practice or conduct any regulated profession, business, or
975 vocation denied, by this or any other state, any nation, or any
976 possession or district of the United States.

977 (3) Making or filing a report or record, written or oral,
978 which the umpire knows to be false; willfully failing to file a
979 report or record required by state or federal law; willfully
980 impeding or obstructing such filing; or inducing another person
981 to impede or obstruct such filing.

982 (4) Agreeing to serve as an umpire if service is contingent
983 upon the umpire reporting a predetermined amount, analysis, or
984 opinion.

985 (5) Agreeing to serve as an umpire, if the fee to be paid
986 for his or her services is contingent upon the opinion,
987 conclusion, or valuation he or she reaches.

988 (6) Failure of an umpire, without good cause, to

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989 communicate within 10 business days after a request for
990 communication from an appraiser.

991 (7) Violation of any ethical standard for umpires specified
992 in s. 626.9967.

993 626.9967 Ethical standards for property insurance appraisal
994 umpires.—

995 (1) FEES AND EXPENSES.—

996 (a) The fees charged by an umpire must be reasonable and
997 consistent with the nature of the case.

998 (b) In determining fees, an umpire:

999 1. Must charge on an hourly basis and may bill only for
1000 actual time spent on or allocated for the appraisal.

1001 2. May not charge, agree to, or accept as compensation or
1002 reimbursement any payment, commission, or fee that is based on a
1003 percentage of the value of the claim or that is contingent upon
1004 a specified outcome.

1005 3. May charge for costs actually incurred, and no other
1006 costs.

1007 4. May not charge more than \$500 if the amount reported by
1008 the appraiser for the insurer or by the appraiser for the
1009 insured does not exceed \$2,500.

1010 (c) An appraiser may assign the duty of paying the umpire's
1011 fee to, and the umpire is entitled to receive payment directly
1012 from, the insurer and the insured only if the insurer and the
1013 insured acknowledge and accept that duty and agree in writing to
1014 be responsible for payment.

1015 (2) MAINTENANCE OF RECORDS.—An umpire shall maintain
1016 records necessary to support charges for services and expenses,
1017 and, upon request, shall provide an accounting of all applicable

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1018 charges to the insurer and insured. An umpire shall retain
1019 original or true copies of any contracts engaging his or her
1020 services, appraisal reports, and supporting data assembled and
1021 formulated by the umpire in preparing appraisal reports for at
1022 least 5 years. The umpire shall make the records available to
1023 the department for inspection and copying within 7 business days
1024 after a request. If an appraisal has been the subject of, or has
1025 been admitted as evidence in, a lawsuit, reports and records
1026 related to the appraisal must be retained for at least 2 years
1027 after the date that the trial ends.

1028 (3) ADVERTISING.—An umpire may not engage in marketing
1029 practices that contain false or misleading information. An
1030 umpire shall ensure that any advertisement of his or her
1031 qualifications, services to be rendered, or the appraisal
1032 process are accurate and honest. An umpire may not make claims
1033 of achieving specific outcomes or promises implying favoritism
1034 for the purpose of obtaining business.

1035 (4) INTEGRITY AND IMPARTIALITY.—

1036 (a)1. An umpire may not accept an appraisal unless he or
1037 she can serve competently, promptly commence the appraisal and,
1038 thereafter, devote the time and attention to its completion in
1039 the manner expected by all persons involved in the appraisal.

1040 2. An umpire shall conduct the appraisal process in a
1041 manner that advances the fair and efficient resolution of issues
1042 that arise.

1043 3. An umpire shall deliberate and decide all issues within
1044 the scope of the appraisal, but may not render a decision on any
1045 other issues. An umpire shall decide all matters justly,
1046 exercising independent judgment. An umpire may not delegate his

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1047 or her duties to any other person. An umpire who considers the
1048 opinion of an expert does not violate this paragraph. However,
1049 the umpire must disclose the expert's fees before retaining the
1050 expert.

1051 (b) An umpire may not engage in any business, provide any
1052 service, or perform any act that would compromise his or her
1053 integrity or impartiality.

1054 (5) SKILL AND EXPERIENCE.—An umpire shall decline or
1055 withdraw from an appraisal or request appropriate assistance
1056 when the facts and circumstances of the appraisal prove to be
1057 beyond his or her skill or experience.

1058 (6) GIFTS AND SOLICITATION.—An umpire or any individual or
1059 entity acting on behalf of an umpire may not solicit, accept,
1060 give, or offer to give, directly or indirectly, any gift, favor,
1061 loan, or other item of value in excess of \$25 to any individual
1062 who participates in the appraisal, for the purpose of
1063 solicitation or otherwise attempting to procure future work from
1064 any person who participates in the appraisal, or as an
1065 inducement to entering into an appraisal with an umpire. This
1066 subsection does not prevent an umpire from accepting other
1067 appraisals where the appraisers agree upon the umpire or the
1068 court appoints the umpire.

1069 (7) EX PARTE COMMUNICATION.—In any property insurance
1070 appraisal, ex parte communication between an umpire and an
1071 appraiser is prohibited. However, an appraiser may communicate
1072 with another appraiser, if an umpire is not present or does not
1073 receive the ex parte communication.

1074 626.9968 Conflicts of interest.—An insurer or a
1075 policyholder may challenge an umpire's impartiality and

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1076 disqualify the proposed umpire only if:

1077 (1) A familial relationship within the third degree exists
1078 between the umpire and a party or a representative of a party;

1079 (2) The umpire has previously represented a party in a
1080 professional capacity in the same claim or matter involving the
1081 same property;

1082 (3) The umpire has represented another person in a
1083 professional capacity in the same or a substantially related
1084 matter that includes the claim, the same property or an adjacent
1085 property, and the other person's interests are materially
1086 adverse to the interests of a party;

1087 (4) The umpire has worked as an employer or employee of a
1088 party within the preceding 5 years; or

1089 (5) The umpire has violated s. 626.9966.

1090 Section 30. Section 627.70151, Florida Statutes, is
1091 repealed.

1092 Section 31. For the 2016-2017 fiscal year, the sums of
1093 \$24,000 in recurring funds from the Insurance Regulatory Trust
1094 Fund and \$73,107 in recurring funds and \$39,230 in nonrecurring
1095 funds from the Administrative Trust Fund are appropriated to the
1096 Department of Financial Services, and one full-time equivalent
1097 position with associated salary rate of 47,291 is authorized,
1098 for the purpose of implementing this act.

1099 Section 32. This act applies to all appraisals requested on
1100 or after October 1, 2016.

1101 Section 33. This act shall take effect October 1, 2016.