



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 chapter 626, F.S., relating to licensing
26 procedures; amending s. 626.112, F.S.; requiring



27 | umpires to be licensed and appointed; requiring
28 | licensure as an adjuster when serving as an appraiser
29 | under certain conditions; amending s. 626.171, F.S.;
30 | requiring applicants for licensure as an umpire to
31 | submit fingerprints to the department; amending s.
32 | 626.207, F.S.; excluding applicants for licensure as
33 | umpires from application of s. 112.011, F.S., relating
34 | to disqualification from license or public employment;
35 | amending s. 626.2815, F.S.; requiring specified
36 | continuing education for licensure as an umpire;
37 | amending s. 626.451, F.S.; providing requirements
38 | relating to the appointment of an umpire; amending s.
39 | 626.461, F.S.; providing that an umpire appointment
40 | continues in effect, subject to renewal or earlier
41 | written notice of termination, until the person's
42 | license is revoked or otherwise terminated; amending
43 | s. 626.521, F.S.; authorizing the department to obtain
44 | a credit and character report for certain umpire
45 | applicants; amending s. 626.541, F.S.; requiring an
46 | umpire to provide certain information to the
47 | department when doing business under a different
48 | business name or when information in the licensure
49 | application changes; amending s. 626.601, F.S.;
50 | authorizing the department to investigate improper
51 | conduct of any licensed umpire; amending s. 626.611,
52 | F.S.; requiring the department to refuse, suspend, or



53 | revoke an umpire's license under certain
54 | circumstances; amending s. 626.621, F.S.; authorizing
55 | the department to refuse, suspend, or revoke an
56 | umpire's license under certain circumstances; amending
57 | s. 626.641, F.S.; prohibiting an umpire from owning,
58 | controlling, or being employed by other licensees
59 | during the period the umpire's license is suspended or
60 | revoked; amending ss. 626.7845, 626.8305, and
61 | 626.8411, F.S.; conforming provisions to changes made
62 | by the act; amending s. 626.8443, F.S.; prohibiting a
63 | title insurance agent from owning, controlling, or
64 | being employed by an umpire during the period the
65 | agent's license is suspended or revoked; amending s.
66 | 626.854, F.S.; providing limitations on fees charged
67 | by a public adjuster during an appraisal; creating s.
68 | 626.8791, F.S.; establishing required notice in a
69 | contract for appraisal services; amending s. 626.9957,
70 | F.S.; conforming a cross-reference; creating part XIV
71 | of chapter 626, F.S., relating to property insurance
72 | appraisal umpires; creating s. 626.9961, F.S.;
73 | providing a short title; creating s. 626.9962, F.S.;
74 | providing legislative findings; creating s. 626.9963,
75 | F.S.; providing that the part supplements part I of
76 | chapter 626, F.S., the "Licensing Procedure Law;
77 | creating s. 626.9964, F.S.; providing definitions;
78 | creating s. 626.9965, F.S.; providing qualifications



79 | for license as an umpire; creating s. 626.9966, F.S.;

80 | authorizing the department to refuse, suspend, or

81 | revoke an umpire's license under certain

82 | circumstances; creating s. 626.9967, F.S.; providing

83 | ethical standards for property insurance appraisal

84 | umpires; creating s. 626.9968, F.S.; providing for

85 | disqualification of an umpire under certain

86 | circumstances; repealing s. 627.70151, F.S., relating

87 | to appraisal conflicts of interest; providing an

88 | appropriation and authorizing positions; providing

89 | applicability; providing an effective date.

90 |

91 | Be It Enacted by the Legislature of the State of Florida:

92 |

93 | Section 1. Section 624.04, Florida Statutes, is amended to

94 | read:

95 | 624.04 "Person" defined.—"Person" includes an individual,

96 | insurer, company, association, organization, Lloyds, society,

97 | reciprocal insurer or interinsurance exchange, partnership,

98 | syndicate, business trust, corporation, agent, general agent,

99 | broker, service representative, adjuster, property insurance

100 | appraisal umpire, and every legal entity.

101 | Section 2. Subsection (2) of section 624.303, Florida

102 | Statutes, is amended to read:

103 | 624.303 Seal; certified copies as evidence.—

104 | (2) All certificates executed by the department or office,



105 other than licenses of agents, property insurance appraisal
106 umpires, ~~or~~ adjusters, or similar licenses or permits, shall
107 bear its respective seal.

108 Section 3. Paragraphs (b) and (c) of subsection (4) of
109 section 624.311, Florida Statutes, are amended to read:

110 624.311 Records; reproductions; destruction.—

111 (4) To facilitate the efficient use of floor space and
112 filing equipment in its offices, the department, commission, and
113 office may each destroy the following records and documents
114 pursuant to chapter 257:

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

123 (c) All agent, adjuster, property insurance appraisal
124 umpire, and similar license files and records, including
125 original license qualification records and records of
126 disciplinary proceedings 5 years after a licensee has ceased to
127 be qualified for a license;

128 Section 4. Subsection (1) of section 624.317, Florida
129 Statutes, is amended to read:

130 624.317 Investigation of agents, adjusters, property



131 insurance appraisal umpires administrators, service companies,
132 and others.—If it has reason to believe that any person has
133 violated or is violating any provision of this code, or upon the
134 written complaint signed by any interested person indicating
135 that any such violation may exist:

136 (1) The department shall conduct such investigation as it
137 deems necessary of the accounts, records, documents, and
138 transactions pertaining to or affecting the insurance affairs of
139 any general agent, surplus lines agent, adjuster, property
140 insurance appraisal umpire, managing general agent, insurance
141 agent, insurance agency, customer representative, service
142 representative, or other person subject to its jurisdiction,
143 subject to the requirements of s. 626.601.

144 Section 5. Paragraph (c) of subsection (19) and subsection
145 (28) of section 624.501, Florida Statutes, are amended, and
146 subsection (29) is added to that section, to read:

147 624.501 Filing, license, appointment, and miscellaneous
148 fees.—The department, commission, or office, as appropriate,
149 shall collect in advance, and persons so served shall pay to it
150 in advance, fees, licenses, and miscellaneous charges as
151 follows:

152 (19) Miscellaneous services:

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



157 (28) Late filing of appointment renewals for agents,
 158 adjusters, property insurance appraisal umpires, and other
 159 insurance representatives, each appointment
 160 \$20.00

161 (29) Property insurance appraisal umpires:

162 (a) Property insurance appraisal umpire's appointment and
 163 biennial renewal or continuation thereof, each
 164 appointment.....\$60.00

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

167 Section 6. Paragraph (e) of subsection (1) of section
 168 624.523, Florida Statutes, is amended to read:

169 624.523 Insurance Regulatory Trust Fund.—

170 (1) There is created in the State Treasury a trust fund
 171 designated "Insurance Regulatory Trust Fund" to which shall be
 172 credited all payments received on account of the following
 173 items:

174 (e) All payments received on account of items provided for
 175 under respective provisions of s. 624.501, as follows:

- 176 1. Subsection (1) (certificate of authority of insurer).
- 177 2. Subsection (2) (charter documents of insurer).
- 178 3. Subsection (3) (annual license tax of insurer).
- 179 4. Subsection (4) (annual statement of insurer).
- 180 5. Subsection (5) (application fee for insurance
 181 representatives).
- 182 6. The "appointment fee" portion of any appointment



183 provided for under paragraphs (6) (a) and (b) (insurance
184 representatives, property, marine, casualty and surety
185 insurance, and agents).

186 7. Paragraph (6) (c) (nonresident agents).

187 8. Paragraph (6) (d) (service representatives).

188 9. The "appointment fee" portion of any appointment
189 provided for under paragraph (7) (a) (life insurance agents,
190 original appointment, and renewal or continuation of
191 appointment).

192 10. Paragraph (7) (b) (nonresident agent license).

193 11. The "appointment fee" portion of any appointment
194 provided for under paragraph (8) (a) (health insurance agents,
195 agent's appointment, and renewal or continuation fee).

196 12. Paragraph (8) (b) (nonresident agent appointment).

197 13. The "appointment fee" portion of any appointment
198 provided for under subsections (9) and (10) (limited licenses
199 and fraternal benefit society agents).

200 14. Subsection (11) (surplus lines agent).

201 15. Subsection (12) (adjusters' appointment).

202 16. Subsection (13) (examination fee).

203 17. Subsection (14) (temporary license and appointment as
204 agent or adjuster).

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

206 19. Subsection (16) (additional license continuation
207 fees).

208 20. Subsection (17) (filing application for permit to form



- 209 insurer).
- 210 21. Subsection (18) (license fee of rating organization).
- 211 22. Subsection (19) (miscellaneous services).
- 212 23. Subsection (20) (insurance agencies).
- 213 24. Subsection (29) (property insurance appraisal umpires'
- 214 appointment).

215 Section 7. Subsections (16) through (19) of section

216 626.015, Florida Statutes, are renumbered as subsections (17)

217 through (20), respectively, and a new subsection (16) is added

218 to that section, to read:

219 626.015 Definitions.—As used in this part:

220 (16) "Property insurance appraisal umpire" or "umpire"

221 means a property insurance appraisal umpire as defined in s.

222 626.9964.

223 Section 8. Subsection (1) of section 626.016, Florida

224 Statutes, is amended to read:

225 626.016 Powers and duties of department, commission, and

226 office.—

227 (1) The powers and duties of the Chief Financial Officer

228 and the department specified in this part apply only with

229 respect to insurance agents, insurance agencies, managing

230 general agents, ~~insurance~~ adjusters, umpires, reinsurance

231 intermediaries, viatical settlement brokers, customer

232 representatives, service representatives, and agencies.

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

234 Statutes, is amended to read:



235 626.022 Scope of part.—

236 (1) This part applies as to insurance agents, service
237 representatives, adjusters, umpires, and insurance agencies; as
238 to any and all kinds of insurance; and as to stock insurers,
239 mutual insurers, reciprocal insurers, and all other types of
240 insurers, except that:

241 (a) It does not apply as to reinsurance, except that ss.
242 626.011-626.022, ss. 626.112-626.181, ss. 626.191-626.211, ss.
243 626.291-626.301, s. 626.331, ss. 626.342-626.521, ss. 626.541-
244 626.591, and ss. 626.601-626.711 shall apply as to reinsurance
245 intermediaries as defined in s. 626.7492.

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

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

250 (d) This part does not apply to a certified public
251 accountant licensed under chapter 473 who is acting within the
252 scope of the practice of public accounting, as defined in s.
253 473.302, provided that the activities of the certified public
254 accountant are limited to advising a client of the necessity of
255 obtaining insurance, the amount of insurance needed, or the line
256 of coverage needed, and provided that the certified public
257 accountant does not directly or indirectly receive or share in
258 any commission or referral fee.

259 Section 10. Subsections (6) through (9) of section
260 626.112, Florida Statutes, are renumbered as subsections (9)



261 through (12), respectively, subsection (1) is amended, and new
262 subsections (6), (7), and (8) are added to that section, to
263 read:

264 626.112 License and appointment required; agents, customer
265 representatives, adjusters, umpires, insurance agencies, service
266 representatives, managing general agents.—

267 (1) (a) No person may be, act as, or advertise or hold
268 himself or herself out to be an insurance agent, insurance
269 adjuster, or customer representative unless he or she is
270 currently licensed by the department and appointed by an
271 appropriate appointing entity or person.

272 (b) Except as provided in subsection (9) ~~(6)~~ or in
273 applicable department rules, and in addition to other conduct
274 described in this chapter with respect to particular types of
275 agents, a license as an insurance agent, service representative,
276 customer representative, or limited customer representative is
277 required in order to engage in the solicitation of insurance.
278 For purposes of this requirement, as applicable to any of the
279 license types described in this section, the solicitation of
280 insurance is the attempt to persuade any person to purchase an
281 insurance product by:

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

284 2. Distributing an invitation to contract to prospective
285 purchasers;

286 3. Making general or specific recommendations as to



287 insurance products;

288 4. Completing orders or applications for insurance
289 products;

290 5. Comparing insurance products, advising as to insurance
291 matters, or interpreting policies or coverages; or

292 6. Offering or attempting to negotiate on behalf of
293 another person a viatical settlement contract as defined in s.
294 626.9911.

295
296 However, an employee leasing company licensed pursuant to
297 chapter 468 which is seeking to enter into a contract with an
298 employer that identifies products and services offered to
299 employees may deliver proposals for the purchase of employee
300 leasing services to prospective clients of the employee leasing
301 company setting forth the terms and conditions of doing
302 business; classify employees as permitted by s. 468.529; collect
303 information from prospective clients and other sources as
304 necessary to perform due diligence on the prospective client and
305 to prepare a proposal for services; provide and receive
306 enrollment forms, plans, and other documents; and discuss or
307 explain in general terms the conditions, limitations, options,
308 or exclusions of insurance benefit plans available to the client
309 or employees of the employee leasing company were the client to
310 contract with the employee leasing company. Any advertising
311 materials or other documents describing specific insurance
312 coverages must identify and be from a licensed insurer or its



313 licensed agent or a licensed and appointed agent employed by the
314 employee leasing company. The employee leasing company may not
315 advise or inform the prospective business client or individual
316 employees of specific coverage provisions, exclusions, or
317 limitations of particular plans. As to clients for which the
318 employee leasing company is providing services pursuant to s.
319 468.525(4), the employee leasing company may engage in
320 activities permitted by ss. 626.7315, 626.7845, and 626.8305,
321 subject to the restrictions specified in those sections. If a
322 prospective client requests more specific information concerning
323 the insurance provided by the employee leasing company, the
324 employee leasing company must refer the prospective business
325 client to the insurer or its licensed agent or to a licensed and
326 appointed agent employed by the employee leasing company.

327 (6) No person shall be, act as, or represent or hold
328 himself or herself out to be a property insurance appraisal
329 umpire unless he or she holds a currently effective property
330 insurance appraisal umpire license and appointment.

331 (7) No person shall be, act as, or represent or hold
332 himself or herself out to be a property insurance appraiser who
333 is eligible to represent an insured on a personal residential or
334 commercial residential property insurance claim unless he or she
335 holds a currently effective adjuster license and appointment or
336 is exempt from licensure under s. 626.860. A licensed adjuster
337 who holds an active appointment with an insurance company may
338 not serve as an appraiser for an insured.



339 (8) No person who is a convicted felon or disqualified
340 under s. 626.207 may act or serve as a property insurance
341 appraisal umpire or property insurance appraiser.

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

344 626.171 Application for license as an agent, customer
345 representative, adjuster, umpire, service representative,
346 managing general agent, or reinsurance intermediary.-

347 (1) The department may not issue a license as agent,
348 customer representative, adjuster, umpire, service
349 representative, managing general agent, or reinsurance
350 intermediary to any person except upon written application filed
351 with the department, meeting the qualifications for the license
352 applied for as determined by the department, and payment in
353 advance of all applicable fees. The application must be made
354 under the oath of the applicant and be signed by the applicant.
355 An applicant may permit a third party to complete, submit, and
356 sign an application on the applicant's behalf, but is
357 responsible for ensuring that the information on the application
358 is true and correct and is accountable for any misstatements or
359 misrepresentations. The department shall accept the uniform
360 application for nonresident agent licensing. The department may
361 adopt revised versions of the uniform application by rule.

362 (4) An applicant for a license as an agent, customer
363 representative, adjuster, umpire, service representative,
364 managing general agent, or reinsurance intermediary must submit



365 a set of the individual applicant's fingerprints, or, if the
366 applicant is not an individual, a set of the fingerprints of the
367 sole proprietor, majority owner, partners, officers, and
368 directors, to the department and must pay the fingerprint
369 processing fee set forth in s. 624.501. Fingerprints shall be
370 used to investigate the applicant's qualifications pursuant to
371 s. 626.201. The fingerprints shall be taken by a law enforcement
372 agency, designated examination center, or other department-
373 approved entity. The department shall require all designated
374 examination centers to have fingerprinting equipment and to take
375 fingerprints from any applicant or prospective applicant who
376 pays the applicable fee. The department may not approve an
377 application for licensure as an agent, customer service
378 representative, adjuster, umpire, service representative,
379 managing general agent, or reinsurance intermediary if
380 fingerprints have not been submitted.

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

383 626.207 Disqualification of applicants and licensees;
384 penalties against licensees; rulemaking authority.—

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

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



391 626.2815 Continuing education requirements.—

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

396 (2) Except as otherwise provided in this section, this
397 section applies to individuals licensed to transact ~~engage in~~
398 ~~the sale of~~ insurance or adjust ~~adjustment of~~ insurance claims
399 in this state for all lines of insurance for which an
400 examination is required for licensing and to individuals
401 licensed to serve as an umpire ~~each insurer, employer, or~~
402 ~~appointing entity, including, but not limited to, those created~~
403 ~~or existing pursuant to s. 627.351.~~ This section does not apply
404 to an individual who holds a license for the sale of any line of
405 insurance for which an examination is not required by the laws
406 of this state or who holds a limited license as a crop or hail
407 and multiple-peril crop insurance agent. Licensees who are
408 unable to comply with the continuing education requirements due
409 to active duty in the military may submit a written request for
410 a waiver to the department.

411 Section 14. Subsections (1), (3), (5), and (6) of section
412 626.451, Florida Statutes, are amended to read:

413 626.451 Appointment of agent or other representative.—

414 (1) Each appointing entity or person designated by the
415 department to administer the appointment process appointing an
416 agent, adjuster, umpire, service representative, customer



417 representative, or managing general agent in this state shall
418 file the appointment with the department or office and, at the
419 same time, pay the applicable appointment fee and taxes. Every
420 appointment shall be subject to the prior issuance of the
421 appropriate agent's, adjuster's, umpire's, service
422 representative's, customer representative's, or managing general
423 agent's license.

424 (3) By authorizing the effectuation of the appointment of
425 an agent, adjuster, umpire, service representative, customer
426 representative, or managing general agent the appointing entity
427 is thereby certifying to the department that it is willing to be
428 bound by the acts of the agent, adjuster, umpire, service
429 representative, customer representative, or managing general
430 agent, within the scope of the licensee's employment or
431 appointment.

432 (5) Any law enforcement agency or state attorney's office
433 that is aware that an agent, adjuster, umpire, service
434 representative, customer representative, or managing general
435 agent has pleaded guilty or nolo contendere to or has been found
436 guilty of a felony shall notify the department or office of such
437 fact.

438 (6) Upon the filing of an information or indictment
439 against an agent, adjuster, umpire, service representative,
440 customer representative, or managing general agent, the state
441 attorney shall immediately furnish the department or office a
442 certified copy of the information or indictment.



443 Section 15. Section 626.461, Florida Statutes, is amended
444 to read:

445 626.461 Continuation of appointment of agent or other
446 representative.—Subject to renewal or continuation by the
447 appointing entity, the appointment of the agent, adjuster,
448 umpire, service representative, customer representative, or
449 managing general agent shall continue in effect until the
450 person's license is revoked or otherwise terminated, unless
451 written notice of earlier termination of the appointment is
452 filed with the department or person designated by the department
453 to administer the appointment process by either the appointing
454 entity or the appointee.

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

457 626.521 Character, credit reports.—

458 (3) As to an applicant for an adjuster's, umpire's, or
459 reinsurance intermediary's license who is to be self-employed,
460 the department may secure, at the cost of the applicant, a full
461 detailed credit and character report made by an established and
462 reputable independent reporting service relative to the
463 applicant.

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

466 626.541 Firm, corporate, and business names; officers;
467 associates; notice of changes.—

468 (1) Any licensed agent, ~~or~~ adjuster, or umpire doing



469 business under a firm or corporate name or under any business
470 name other than his or her own individual name shall, within 30
471 days after initially transacting ~~the initial transaction of~~
472 insurance or engaging in insurance activities under such
473 business name, file with the department, on forms adopted and
474 furnished by the department, a written statement of the firm,
475 corporate, or business name being so used, the address of any
476 office or offices or places of business making use of such name,
477 and the name and social security number of each officer and
478 director of the corporation and of each individual associated in
479 such firm or corporation as to the insurance transactions
480 thereof or in the use of such business name.

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

483 626.601 Improper conduct; inquiry; fingerprinting.—

484 (1) The department or office may, upon its own motion or
485 upon a written complaint signed by any interested person and
486 filed with the department or office, inquire into any alleged
487 improper conduct of any licensed, approved, or certified
488 licensee, insurance agency, agent, adjuster, umpire, service
489 representative, managing general agent, customer representative,
490 title insurance agent, title insurance agency, mediator, neutral
491 evaluator, navigator, continuing education course provider,
492 instructor, school official, or monitor group under this code.
493 The department or office may thereafter initiate an
494 investigation of any such individual or entity if it has



495 reasonable cause to believe that the individual or entity has
496 violated any provision of the insurance code. During the course
497 of its investigation, the department or office shall contact the
498 individual or entity being investigated unless it determines
499 that contacting such individual or entity could jeopardize the
500 successful completion of the investigation or cause injury to
501 the public.

502

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

505 626.611 Grounds for compulsory refusal, suspension, or
506 revocation of agent's, title agency's, adjuster's, umpire's,
507 customer representative's, service representative's, or managing
508 general agent's license or appointment.—

509 (1) The department shall deny an application for, suspend,
510 revoke, or refuse to renew or continue the license or
511 appointment of any applicant, agent, title agency, adjuster,
512 umpire, customer representative, service representative, or
513 managing general agent, and it shall suspend or revoke the
514 eligibility to hold a license or appointment of any such person,
515 if it finds that as to the applicant, licensee, or appointee any
516 one or more of the following applicable grounds exist:

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

519 (b) Material misstatement, misrepresentation, or fraud in
520 obtaining the license or appointment or in attempting to obtain



521 the license or appointment.

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

524 (d) If the license or appointment is willfully used, or to
525 be used, to circumvent any of the requirements or prohibitions
526 of this code.

527 (e) Willful misrepresentation of any insurance policy or
528 annuity contract or willful deception with regard to any such
529 policy or contract, done either in person or by any form of
530 dissemination of information or advertising.

531 (f) If, as an adjuster, or agent licensed and appointed to
532 adjust claims under this code, he or she has materially
533 misrepresented to an insured or other interested party the terms
534 and coverage of an insurance contract with intent and for the
535 purpose of effecting settlement of claim for loss or damage or
536 benefit under such contract on less favorable terms than those
537 provided in and contemplated by the contract.

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

540 (h) Demonstrated lack of reasonably adequate knowledge and
541 technical competence to engage in the transactions authorized by
542 the license or appointment.

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

545 (j) Misappropriation, conversion, or unlawful withholding
546 of moneys belonging to insurers or insureds or beneficiaries or



547 | to others and received in conduct of business under the license
548 | or appointment.

549 | (k) Unlawfully rebating, attempting to unlawfully rebate,
550 | or unlawfully dividing or offering to divide his or her
551 | commission with another.

552 | (l) Having obtained or attempted to obtain, or having used
553 | or using, a license or appointment as agent or customer
554 | representative for the purpose of soliciting or handling
555 | "controlled business" as defined in s. 626.730 with respect to
556 | general lines agents, s. 626.784 with respect to life agents,
557 | and s. 626.830 with respect to health agents.

558 | (m) Willful failure to comply with, or willful violation
559 | of, any proper order or rule of the department or willful
560 | violation of any provision of this code.

561 | (n) Having been found guilty of or having pleaded guilty
562 | or nolo contendere to a felony or a crime punishable by
563 | imprisonment of 1 year or more under the law of the United
564 | States of America or of any state thereof or under the law of
565 | any other country which involves moral turpitude, without regard
566 | to whether a judgment of conviction has been entered by the
567 | court having jurisdiction of such cases.

568 | (o) Fraudulent or dishonest practice in submitting or
569 | aiding or abetting any person in the submission of an
570 | application for workers' compensation coverage under chapter 440
571 | containing false or misleading information as to employee
572 | payroll or classification for the purpose of avoiding or



573 reducing the amount of premium due for such coverage.

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

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

578 1. Commission of a fraudulent or dishonest act.

579 2. No longer meeting the requirements for initial
580 licensure.

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

587 4. Dealing in bad faith with viators.

588 Section 20. Section 626.621, Florida Statutes, is amended
589 to read:

590 626.621 Grounds for discretionary refusal, suspension, or
591 revocation of agent's, adjuster's, umpire's, customer
592 representative's, service representative's, or managing general
593 agent's license or appointment.—The department may, in its
594 discretion, deny an application for, suspend, revoke, or refuse
595 to renew or continue the license or appointment of any
596 applicant, agent, adjuster, umpire, customer representative,
597 service representative, or managing general agent, and it may
598 suspend or revoke the eligibility to hold a license or



599 appointment of any such person, if it finds that as to the
600 applicant, licensee, or appointee any one or more of the
601 following applicable grounds exist under circumstances for which
602 such denial, suspension, revocation, or refusal is not mandatory
603 under s. 626.611:

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

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

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

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

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

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

622 (7) Willful overinsurance of any property or health
623 insurance risk.

624 (8) Having been found guilty of or having pleaded guilty



625 or nolo contendere to a felony or a crime punishable by
626 imprisonment of 1 year or more under the law of the United
627 States of America or of any state thereof or under the law of
628 any other country, without regard to whether a judgment of
629 conviction has been entered by the court having jurisdiction of
630 such cases.

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

632 (10) Cheating on an examination required for licensure or
633 violating test center or examination procedures published
634 orally, in writing, or electronically at the test site by
635 authorized representatives of the examination program
636 administrator. Communication of test center and examination
637 procedures must be clearly established and documented.

638 (11) Failure to inform the department in writing within 30
639 days after pleading guilty or nolo contendere to, or being
640 convicted or found guilty of, any felony or a crime punishable
641 by imprisonment of 1 year or more under the law of the United
642 States or of any state thereof, or under the law of any other
643 country without regard to whether a judgment of conviction has
644 been entered by the court having jurisdiction of the case.

645 (12) Knowingly aiding, assisting, procuring, advising, or
646 abetting any person in the violation of or to violate a
647 provision of the insurance code or any order or rule of the
648 department, commission, or office.

649 (13) Has been the subject of or has had a license, permit,
650 appointment, registration, or other authority to conduct



651 business subject to any decision, finding, injunction,
652 suspension, prohibition, revocation, denial, judgment, final
653 agency action, or administrative order by any court of competent
654 jurisdiction, administrative law proceeding, state agency,
655 federal agency, national securities, commodities, or option
656 exchange, or national securities, commodities, or option
657 association involving a violation of any federal or state
658 securities or commodities law or any rule or regulation adopted
659 thereunder, or a violation of any rule or regulation of any
660 national securities, commodities, or options exchange or
661 national securities, commodities, or options association.

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

667 (15) Directly or indirectly accepting any compensation,
668 inducement, or reward from an inspector for the referral of the
669 owner of the inspected property to the inspector or inspection
670 company. This prohibition applies to an inspection intended for
671 submission to an insurer in order to obtain property insurance
672 coverage or establish the applicable property insurance premium.

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

675 626.641 Duration of suspension or revocation.—

676 (4) During the period of suspension or revocation of a



677 license or appointment, and until the license is reinstated or,
678 if revoked, a new license issued, the former licensee or
679 appointee may not engage in or attempt or profess to engage in
680 any transaction or business for which a license or appointment
681 is required under this code or directly or indirectly own,
682 control, or be employed in any manner by an agent, agency,
683 adjuster, ~~or~~ adjusting firm, or umpire.

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

686 626.7845 Prohibition against unlicensed transaction of
687 life insurance.—

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

691 (a) Solicit insurance or annuities or procure
692 applications;

693 (b) In this state, engage or hold himself or herself out
694 as engaging in the business of analyzing or abstracting
695 insurance policies or of counseling or advising or giving
696 opinions to persons relative to insurance or insurance contracts
697 other than:

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

699 2. As to the counseling and advising of labor unions,
700 associations, trustees, employers, or other business entities,
701 the subsidiaries and affiliates of each, relative to their
702 interests and those of their members or employees under



703 insurance benefit plans; or

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

707 Section 23. Section 626.8305, Florida Statutes, is amended
708 to read:

709 626.8305 Prohibition against the unlicensed transaction of
710 health insurance.—Except as provided in s. 626.112(9)
711 ~~626.112(6)~~, with respect to any line of authority specified in
712 s. 626.015(6), no individual shall, unless licensed as a health
713 agent:

714 (1) Solicit insurance or procure applications; or

715 (2) In this state, engage or hold himself or herself out
716 as engaging in the business of analyzing or abstracting
717 insurance policies or of counseling or advising or giving
718 opinions to persons relative to insurance contracts other than:

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

720 (b) As to the counseling and advising of labor unions,
721 associations, trustees, employers, or other business entities,
722 the subsidiaries and affiliates of each, relative to their
723 interests and those of their members or employees under
724 insurance benefit plans.

725 Section 24. Paragraph (a) of subsection (2) of section
726 626.8411, Florida Statutes, is amended to read:

727 626.8411 Application of Florida Insurance Code provisions
728 to title insurance agents or agencies.—



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

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

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

735 626.8443 Duration of suspension or revocation.—

736 (4) During the period of suspension or after revocation of
 737 the license and appointment, the former licensee shall not
 738 engage in or attempt to profess to engage in any transaction or
 739 business for which a license or appointment is required under
 740 this code or directly or indirectly own, control, or be employed
 741 in any manner by any insurance agent or agency, ~~or~~ adjuster, ~~or~~
 742 adjusting firm, or umpire.

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

745 626.854 "Public adjuster" defined; prohibitions.—The
 746 Legislature finds that it is necessary for the protection of the
 747 public to regulate public insurance adjusters and to prevent the
 748 unauthorized practice of law.

749 (11)

750 (d) If a public adjuster enters into a contract with an
 751 insured or a claimant to perform an appraisal, as defined in s.
 752 626.9964, the public adjuster may not charge, agree to, or
 753 accept from any source compensation, payment, commission, fee,
 754 or any other thing of value in excess of the limitations set



755 forth in paragraph (b) for the appraisal services or, if also
756 serving as adjuster on the claim, a combination of adjuster and
757 appraisal services.

758 Section 27. Section 626.8791, Florida Statutes, is created
759 to read:

760 626.8791 Contracts for appraisal services; required
761 notice.—A contract between an adjuster and an insured or
762 claimant to perform an appraisal must contain the following
763 language in at least 14-point boldfaced, uppercase type: "THERE
764 IS NO LEGAL REQUIREMENT THAT AN APPRAISER CHARGE A CLIENT A SET
765 FEE OR A PERCENTAGE OF MONEY RECOVERED IN A CASE. YOU, THE
766 CLIENT, HAVE THE RIGHT TO TALK WITH YOUR APPRAISER ABOUT THE
767 PROPOSED FEE AND TO BARGAIN ABOUT THE RATE OR PERCENTAGE AS IN
768 ANY OTHER CONTRACT. IF YOU DO NOT REACH AN AGREEMENT WITH ONE
769 APPRAISER YOU MAY TALK WITH OTHER APPRAISERS."

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

772 626.9957 Conduct prohibited; denial, revocation, or
773 suspension of registration.—

774 (1) As provided in s. 626.112, only a person licensed as
775 an insurance agent or customer representative may engage in the
776 solicitation of insurance. A person who engages in the
777 solicitation of insurance as described in s. 626.112(1) without
778 such license is subject to the penalties provided under s.
779 626.112(12) ~~626.112(9)~~.

780 Section 29. Part XIV of chapter 626, Florida Statutes,



781 consisting of sections 626.9961 through 626.9968, is created to
782 read:

783 PART XIV

784 PROPERTY INSURANCE APPRAISAL UMPIRES

785 626.9961 Short title.—This part may be referred to as the
786 "Property Insurance Appraisal Umpire Law."

787 626.9962 Legislative findings.—The Legislature finds it
788 necessary to regulate persons that hold themselves out to the
789 public as qualified to provide services as property insurance
790 appraisal umpires in order to protect the public safety and
791 welfare and to avoid economic injury to the residents of this
792 state. This part applies only to property insurance appraisal
793 umpires as defined in this part.

794 626.9963 Part supplements licensing law.—This part is
795 supplementary to part I, the "Licensing Procedures Law."

796 626.9964 Definitions.—As used in this part, the term:

797 (1) "Appraisal" means, for purposes of licensure under
798 this part only, a process of alternative dispute resolution used
799 in a personal residential or commercial residential property
800 insurance claim.

801 (2) "Competent" means sufficiently qualified and capable
802 of performing an appraisal.

803 (3) "Department" means the Department of Financial
804 Services.

805 (4) "Property insurance appraisal umpire" or "umpire"
806 means a person selected by the appraisers representing the



807 insurer and the insured, or, if the appraisers cannot agree, by
808 the court, who is charged with resolving issues that the
809 appraisers are unable to agree upon during the course of an
810 appraisal.

811 (5) "Property insurance appraiser" or "appraiser" means
812 the person selected by an insurer or insured to perform an
813 appraisal.

814 626.9965 Qualification for license as a property insurance
815 appraisal umpire.—

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

819 (a) A retired county, circuit, or appellate judge.

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

822 (c) Licensed as a general contractor, building contractor,
823 or residential contractor pursuant to part I of chapter 489.

824 (d) Licensed or registered as an architect to engage in
825 the practice of architecture pursuant to part I of chapter 481.

826 (e) A member of The Florida Bar.

827 (f) Licensed as an adjuster pursuant to part VI of chapter
828 626, which license includes the property and casualty lines of
829 insurance. An adjuster must have been licensed for at least 5
830 years as an adjuster before he or she may be licensed as an
831 umpire.

832 (2) An applicant may be licensed to practice in this state



833 as an umpire if the applicant:

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

835 (b) Is a United States citizen or legal alien who

836 possesses work authorization from the United States Bureau of
837 Citizenship and Immigration;

838 (c) Is of good moral character;

839 (d) Has paid the applicable fees specified in s. 624.501;

840 and

841 (e) Has, before the date of the application for licensure,
842 satisfactorily completed education courses approved by the
843 department covering:

844 1. At least 19 hours of insurance claims estimating; and

845 2. At least 5 hours of insurance law, ethics for insurance
846 professionals, disciplinary trends, and case studies.

847

848 A retired county, circuit, or appellate judge who is a member in
849 good standing of The Florida Bar is exempt from the continuing
850 education requirements of s. 626.2815 and the education courses
851 required by this subsection.

852 (3) The department may not reject an application solely
853 because the applicant is or is not a member of a given appraisal
854 organization.

855 626.9966 Grounds for refusal, suspension, or revocation of
856 an umpire license or appointment.—The department may deny an
857 application for license or appointment under this part; suspend,
858 revoke, or refuse to renew or continue a license or appointment



859 of an umpire; or suspend or revoke eligibility for licensure or
860 appointment as an umpire if the department finds that one or
861 more of the following applicable grounds exist:

862 (1) Violating a duty imposed upon him or her by law or by
863 the terms of the umpire agreement; aiding, assisting, or
864 conspiring with any other person engaged in any such misconduct
865 and in furtherance thereof; or forming the intent, design, or
866 scheme to engage in such misconduct and committing an overt act
867 in furtherance of such intent, design, or scheme. An umpire
868 commits a violation of this part regardless of whether the
869 victim or intended victim of the misconduct has sustained any
870 damage or loss; the damage or loss has been settled and paid
871 after the discovery of misconduct; or the victim or intended
872 victim is an insurer or customer or a person in a confidential
873 relationship with the umpire or is an identified member of the
874 general public.

875 (2) Having a registration, license, or certification to
876 practice or conduct any regulated profession, business, or
877 vocation revoked, suspended, or encumbered; or having an
878 application for such registration, licensure, or certification
879 to practice or conduct any regulated profession, business, or
880 vocation denied, by this or any other state, any nation, or any
881 possession or district of the United States.

882 (3) Making or filing a report or record, written or oral,
883 which the umpire knows to be false; willfully failing to file a
884 report or record required by state or federal law; willfully



885 impeding or obstructing such filing; or inducing another person
886 to impede or obstruct such filing.

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

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

893 (6) Failure of an umpire, without good cause, to
894 communicate within 10 business days after a request for
895 communication from an appraiser.

896 (7) Violation of any ethical standard for umpires
897 specified in s. 626.9967.

898 626.9967 Ethical standards for property insurance
899 appraisal umpires.—

900 (1) FEES AND EXPENSES.—

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

903 (b) In determining fees, an umpire:

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

906 2. May not charge, agree to, or accept as compensation or
907 reimbursement any payment, commission, or fee that is based on a
908 percentage of the value of the claim or that is contingent upon
909 a specified outcome.

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



911 costs. An umpire may not charge for the cost of an expert unless
912 the umpire has disclosed the amount of the expert's fee to the
913 appraiser for the insurer and the appraiser for the insured
914 before incurring the cost for the expert's services.

915 4. May not charge a fee of more than \$500 if the amount
916 reported by the appraiser for the insurer or by the appraiser
917 for the insured does not exceed \$2,500.

918 (c) An appraiser may assign the duty of paying the
919 umpire's fee to, and the umpire is entitled to receive payment
920 directly from, the insurer and the insured only if the insurer
921 and the insured acknowledge and accept that duty and agree in
922 writing to be responsible for payment.

923 (2) MAINTENANCE OF RECORDS.—An umpire shall maintain
924 records necessary to support charges for services and expenses,
925 and, upon request, shall provide an accounting of all applicable
926 charges to the insurer and insured. An umpire shall retain
927 original or true copies of any contracts engaging his or her
928 services, appraisal reports, and supporting data assembled and
929 formulated by the umpire in preparing appraisal reports for at
930 least 5 years. The umpire shall make the records available to
931 the department for inspection and copying within 7 business days
932 after a request. If an appraisal has been the subject of, or has
933 been admitted as evidence in, a lawsuit, reports and records
934 related to the appraisal must be retained for at least 2 years
935 after the date that the trial ends.

936 (3) ADVERTISING.—An umpire may not engage in marketing



937 | practices that contain false or misleading information. An
938 | umpire shall ensure that any advertisement of his or her
939 | qualifications, services to be rendered, or the appraisal
940 | process are accurate and honest. An umpire may not make claims
941 | of achieving specific outcomes or promises implying favoritism
942 | for the purpose of obtaining business.

943 | (4) INTEGRITY AND IMPARTIALITY.—

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

948 | 2. An umpire shall conduct the appraisal process in a
949 | manner that advances the fair and efficient resolution of issues
950 | that arise.

951 | 3. An umpire shall deliberate and decide all issues within
952 | the scope of the appraisal, but may not render a decision on any
953 | other issues. An umpire shall decide all matters justly,
954 | exercising independent judgment. An umpire may not delegate his
955 | or her duties to any other person. An umpire who considers the
956 | opinion of an expert does not violate this paragraph.

957 | (b) An umpire may not engage in any business, provide any
958 | service, or perform any act that would compromise his or her
959 | integrity or impartiality.

960 | (5) SKILL AND EXPERIENCE.—An umpire shall decline or
961 | withdraw from an appraisal or request appropriate assistance
962 | when the facts and circumstances of the appraisal prove to be



963 beyond his or her skill or experience.

964 (6) GIFTS AND SOLICITATION.—An umpire or any individual or
965 entity acting on behalf of an umpire may not solicit, accept,
966 give, or offer to give, directly or indirectly, any gift, favor,
967 loan, or other item of value in excess of \$25 to any individual
968 who participates in the appraisal, for the purpose of
969 solicitation or otherwise attempting to procure future work from
970 any person who participates in the appraisal, or as an
971 inducement to entering into an appraisal with an umpire. This
972 subsection does not prevent an umpire from accepting other
973 appraisals where the appraisers agree upon the umpire or the
974 court appoints the umpire.

975 (7) EX PARTE COMMUNICATION.—In any property insurance
976 appraisal, ex parte communication between an umpire and an
977 appraiser is prohibited. However, an appraiser may communicate
978 with another appraiser if an umpire is not present or does not
979 receive the ex parte communication.

980 626.9968 Conflicts of interest.—An insurer or a
981 policyholder may challenge an umpire's impartiality and
982 disqualify the proposed umpire only if:

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

985 (2) The umpire has previously represented a party in a
986 professional capacity in the same claim or matter involving the
987 same property;

988 (3) The umpire has represented another person in a



989 professional capacity in the same or a substantially related
990 matter that includes the claim, the same property or an adjacent
991 property, and the other person's interests are materially
992 adverse to the interests of a party;

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

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

996 Section 30. Section 627.70151, Florida Statutes, is
997 repealed.

998 Section 31. For the 2016-2017 fiscal year, the sums of
999 \$24,000 in recurring funds from the Insurance Regulatory Trust
1000 Fund and \$73,107 in recurring funds and \$39,230 in nonrecurring
1001 funds from the Administrative Trust Fund are appropriated to the
1002 Department of Financial Services, and one full-time equivalent
1003 position with associated salary rate of 47,291 is authorized,
1004 for the purpose of implementing this act.

1005 Section 32. This act applies to all appraisals requested
1006 on or after October 1, 2016.

1007 Section 33. This act shall take effect October 1, 2016.