

By Senator Brandes

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1                   A bill to be entitled  
2       An act relating to the Department of Financial  
3       Services; amending s. 48.151, F.S.; authorizing the  
4       Department of Financial Services to create an  
5       Internet-based transmission system to accept service  
6       of process; amending s. 110.1315, F.S.; removing a  
7       requirement that the Executive Office of the Governor  
8       review and approve a certain alternative retirement  
9       income security program provided by the department;  
10      amending s. 112.215, F.S.; authorizing the Chief  
11      Financial Officer, with the approval of the State  
12      Board of Administration, to include specified  
13      employees other than state employees in a deferred  
14      compensation plan; conforming a provision to a change  
15      made by the act; amending s. 137.09, F.S.; removing a  
16      requirement that the department approve certain bonds  
17      of county officers; amending s. 215.97, F.S.; revising  
18      definitions; raising the amount of a certain audit  
19      threshold; revising applicability to remove for-profit  
20      organizations; exempting a specified higher education  
21      entity from certain audit requirements; revising the  
22      requirements for state-funded contracts or agreements  
23      between a state awarding agency and a higher education  
24      entity; providing an exception; providing  
25      applicability; conforming provisions to changes made  
26      by the act; amending s. 322.142, F.S.; authorizing the  
27      Department of Highway Safety and Motor Vehicles to  
28      provide certain driver license images to the  
29      department for the purpose of investigating

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30 allegations of insurance code misconduct; amending s.  
31 374.983, F.S.; naming the Board of Commissioners of  
32 the Florida Inland Navigation District, rather than  
33 the Chief Financial Officer, as the entity that  
34 receives and approves certain surety bonds of  
35 commissioners; amending s. 509.211, F.S.; revising  
36 certain standards for carbon monoxide detector devices  
37 in specified spaces or rooms of public lodging  
38 establishments; deleting a provision authorizing the  
39 State Fire Marshal of the department to exempt a  
40 device from such standards; amending s. 624.307, F.S.;  
41 conforming provisions to changes made by the act;  
42 specifying requirements for the Chief Financial  
43 Officer in providing notice of electronic transmission  
44 of process documents; amending s. 624.423, F.S.;  
45 authorizing the department to create an Internet-based  
46 transmission system for accepting service of process;  
47 defining the term "insurer"; reenacting and amending  
48 s. 624.502, F.S.; specifying fees to be paid by a  
49 plaintiff to the department or Office of Insurance  
50 Regulation for certain service of process on  
51 authorized and unauthorized insurers; amending s.  
52 626.907, F.S.; requiring a service fee for certain  
53 service of process made by the Chief Financial  
54 Officer; specifying the determination of a defendant's  
55 last known principal place of business; amending s.  
56 627.706, F.S.; specifying a circumstance under which  
57 an insurer is not required to provide coverage for  
58 sinkhole losses; requiring a related inspection of

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59 property only if the location of the risk meets  
60 certain underwriting guidelines; amending s. 627.7074,  
61 F.S.; providing an additional ground for disqualifying  
62 a neutral evaluator for disputed sinkhole insurance  
63 claims; amending s. 633.102, F.S.; redefining the term  
64 "fire service provider"; amending s. 633.208, F.S.;  
65 revising applicability of the Life Safety Code to  
66 exclude one-family and two-family dwellings, rather  
67 than only such dwellings that are newly constructed;  
68 amending s. 633.408, F.S.; requiring an individual to  
69 pass a certain examination by a specified time as part  
70 of certain firefighter certifications; specifying the  
71 duration of certain firefighter certifications;  
72 amending s. 633.412, F.S.; authorizing, rather than  
73 requiring, the Division of State Fire Marshal to  
74 suspend or revoke all issued certificates if an  
75 individual's certificate is suspended or revoked;  
76 amending s. 633.414, F.S.; conforming provisions to  
77 changes made by the act; revising alternative  
78 requirements for renewing specified certifications;  
79 providing that a fire investigator certificate is  
80 valid for a specified period of time; specifying  
81 requirements for renewal; providing grounds for denial  
82 of, or disciplinary action against, certifications for  
83 a firefighter or volunteer firefighter; amending s.  
84 633.426, F.S.; revising a definition; providing a date  
85 after which an individual is ineligible for  
86 certification or renewal under specified  
87 circumstances; providing an effective date.

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

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91 Section 1. Subsection (3) of section 48.151, Florida  
92 Statutes, is amended to read:

93 48.151 Service on statutory agents for certain persons.—

94 (3) The Chief Financial Officer or his or her assistant or  
95 deputy or another person in charge of the office is the agent  
96 for service of process on all insurers applying for authority to  
97 transact insurance in this state, all licensed nonresident  
98 insurance agents, all nonresident disability insurance agents  
99 licensed pursuant to s. 626.835, any unauthorized insurer under  
100 s. 626.906 or s. 626.937, domestic reciprocal insurers,  
101 fraternal benefit societies under chapter 632, warranty  
102 associations under chapter 634, prepaid limited health service  
103 organizations under chapter 636, and persons required to file  
104 statements under s. 628.461. As an alternative to service of  
105 process made by mail or personal service on the Chief Financial  
106 Officer, on his or her assistant or deputy, or on another person  
107 in charge of the office, the Department of Financial Services  
108 may create an Internet-based transmission system to accept  
109 service of process by electronic transmission of documents.

110 Section 2. Subsection (1) of section 110.1315, Florida  
111 Statutes, is amended to read:

112 110.1315 Alternative retirement benefits; other-personal-  
113 services employees.—

114 (1) ~~Upon review and approval by the Executive Office of the~~  
115 ~~Governor,~~ The Department of Financial Services shall provide an  
116 alternative retirement income security program for eligible

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117 temporary and seasonal employees of the state who are  
118 compensated from appropriations for other personal services. The  
119 Department of Financial Services may contract with a private  
120 vendor or vendors to administer the program under a defined-  
121 contribution plan under ss. 401(a) and 403(b) or s. 457 of the  
122 Internal Revenue Code, and the program must provide retirement  
123 benefits as required under s. 3121(b)(7)(F) of the Internal  
124 Revenue Code. The Department of Financial Services may develop a  
125 request for proposals and solicit qualified vendors to compete  
126 for the award of the contract. A vendor shall be selected on the  
127 basis of the plan that best serves the interest of the  
128 participating employees and the state. The proposal must comply  
129 with all necessary federal and state laws and rules.

130 Section 3. Paragraph (a) of subsection (4) and subsection  
131 (12) of section 112.215, Florida Statutes, are amended to read:

132 112.215 Government employees; deferred compensation  
133 program.—

134 (4) (a) The Chief Financial Officer, with the approval of  
135 the State Board of Administration, shall establish such plan or  
136 plans of deferred compensation for state employees and may  
137 include persons employed by a state university, a special  
138 district, or a water management district, as those terms are  
139 defined in s. 189.012, including all such investment vehicles or  
140 products incident thereto, as may be available through, or  
141 offered by, qualified companies or persons, and may approve one  
142 or more such plans for implementation by and on behalf of the  
143 state and its agencies and employees.

144 (12) The Chief Financial Officer may adopt any rule  
145 necessary to administer and implement this act with respect to

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146 deferred compensation plans for state employees and persons  
147 employed by a state university, a special district, or a water  
148 management district, as those terms are defined in s. 189.012.

149 Section 4. Section 137.09, Florida Statutes, is amended to  
150 read:

151 137.09 Justification and approval of bonds.—Each surety  
152 upon every bond of any county officer shall make affidavit that  
153 he or she is a resident of the county for which the officer is  
154 to be commissioned, and that he or she has sufficient visible  
155 property therein unencumbered and not exempt from sale under  
156 legal process to make good his or her bond. Every such bond  
157 shall be approved by the board of county commissioners ~~and by~~  
158 ~~the Department of Financial Services~~ when the board is ~~they and~~  
159 ~~it are~~ satisfied in its ~~their~~ judgment that the bond ~~same~~ is  
160 legal, sufficient, and proper to be approved.

161 Section 5. Subsection (2), paragraph (e) of subsection (4),  
162 and subsection (8) of section 215.97, Florida Statutes, are  
163 amended, present subsections (9), (10), and (11) of that section  
164 are redesignated as subsections (10), (11), and (12),  
165 respectively, and a new subsection (9) is added to that section,  
166 to read:

167 215.97 Florida Single Audit Act.—

168 (2) ~~Definitions~~; As used in this section, the term:

169 (a) "Audit threshold" means the threshold amount used to  
170 determine when a state single audit or project-specific audit of  
171 a nonstate entity shall be conducted in accordance with this  
172 section. Each nonstate entity that expends a total amount of  
173 state financial assistance equal to or in excess of \$750,000  
174 ~~\$500,000~~ in any fiscal year of such nonstate entity shall be

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175 required to have a state single audit, or a project-specific  
176 audit, for such fiscal year in accordance with the requirements  
177 of this section. Every 2 years the Auditor General, after  
178 consulting with the Executive Office of the Governor, the  
179 Department of Financial Services, and all state awarding  
180 agencies, shall review the threshold amount for requiring audits  
181 under this section and may adjust such threshold amount  
182 consistent with the purposes of this section.

183 (b) "Auditing standards" means the auditing standards as  
184 stated in the rules of the Auditor General as applicable to ~~for-~~  
185 ~~profit organizations,~~ nonprofit organizations, or local  
186 governmental entities.

187 (c) "Catalog of State Financial Assistance" means a  
188 comprehensive listing of state projects. The Catalog of State  
189 Financial Assistance shall be issued by the Department of  
190 Financial Services after conferring with the Executive Office of  
191 the Governor and all state awarding agencies. The Catalog of  
192 State Financial Assistance shall include for each listed state  
193 project: the responsible state awarding agency; standard state  
194 project number identifier; official title; legal authorization;  
195 and description of the state project, including objectives,  
196 restrictions, application and awarding procedures, and other  
197 relevant information determined necessary.

198 (d) "Coordinating agency" means the state awarding agency  
199 that provides the predominant amount of state financial  
200 assistance expended by a recipient, as determined by the  
201 recipient's Schedule of Expenditures of State Financial  
202 Assistance. To provide continuity, the determination of the  
203 predominant amount of state financial assistance shall be based

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204 upon state financial assistance expended in the recipient's  
205 fiscal years ending in 2006, 2009, and 2012, and every third  
206 year thereafter.

207 (e) "Financial reporting package" means the nonstate  
208 entities' financial statements, Schedule of Expenditures of  
209 State Financial Assistance, auditor's reports, management  
210 letter, auditee's written responses or corrective action plan,  
211 correspondence on followup of prior years' corrective actions  
212 taken, and such other information determined by the Auditor  
213 General to be necessary and consistent with the purposes of this  
214 section.

215 (f) "Federal financial assistance" means financial  
216 assistance from federal sources passed through the state and  
217 provided to nonstate organizations to carry out a federal  
218 program. The term ~~"Federal financial assistance"~~ includes all  
219 types of federal assistance as defined in applicable United  
220 States Office of Management and Budget circulars.

221 (g) "Higher education entity" means a Florida College  
222 System institution as defined in s. 1000.21 or a state  
223 university as defined in s. 1000.21 ~~"For-profit organization"~~  
224 ~~means any organization or sole proprietor that is not a~~  
225 ~~governmental entity or a nonprofit organization.~~

226 (h) "Independent auditor" means an independent certified  
227 public accountant licensed under chapter 473.

228 (i) "Internal control over state projects" means a process,  
229 effected by a nonstate entity's management and other personnel,  
230 designed to provide reasonable assurance regarding the  
231 achievement of objectives in the following categories:

232 1. Effectiveness and efficiency of operations.



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233 2. Reliability of financial operations.

234 3. Compliance with applicable laws and regulations.

235 (j) "Local governmental entity" means a county as a whole,  
236 municipality, or special district or any other entity excluding  
237 a district school board or charter school, ~~Florida College~~  
238 ~~System institution, or public university,~~ however styled, which  
239 independently exercises any type of governmental function within  
240 the state.

241 (k) "Major state project" means any state project meeting  
242 the criteria as stated in the rules of the Department of  
243 Financial Services. Such criteria shall be established after  
244 consultation with all state awarding agencies and shall consider  
245 the amount of state project expenditures and expenses or  
246 inherent risks. Each major state project shall be audited in  
247 accordance with the requirements of this section.

248 (l) "Nonprofit organization" means any corporation, trust,  
249 association, cooperative, or other organization that:

250 1. Is operated primarily for scientific, educational  
251 service, charitable, or similar purpose in the public interest.

252 2. Is not organized primarily for profit.

253 3. Uses net proceeds to maintain, improve, or expand the  
254 operations of the organization.

255 4. Has no part of its income or profit distributable to its  
256 members, directors, or officers.

257 (m) "Nonstate entity" means a local governmental entity,  
258 higher education entity, or nonprofit organization, ~~or for-~~  
259 ~~profit organization~~ that receives state financial assistance.

260 (n) "Recipient" means a nonstate entity that receives state  
261 financial assistance directly from a state awarding agency.

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262 (o) "Schedule of Expenditures of State Financial  
263 Assistance" means a document prepared in accordance with the  
264 rules of the Department of Financial Services and included in  
265 each financial reporting package required by this section.

266 (p) "State awarding agency" means a state agency, as  
267 defined in s. 216.011, that is primarily responsible for the  
268 operations and outcomes of a state project, regardless of the  
269 state agency that actually provides state financial assistance  
270 to a nonstate entity.

271 (q) "State financial assistance" means state resources, not  
272 including federal financial assistance and state matching on  
273 federal programs, provided to a nonstate entity to carry out a  
274 state project. The term "State financial assistance" includes  
275 the types of state resources stated in the rules of the  
276 Department of Financial Services established in consultation  
277 with all state awarding agencies. State financial assistance may  
278 be provided directly by state awarding agencies or indirectly by  
279 nonstate entities. The term "State financial assistance" does  
280 not include procurement contracts used to buy goods or services  
281 from vendors and contracts to operate state-owned and  
282 contractor-operated facilities.

283 (r) "State matching" means state resources provided to a  
284 nonstate entity to meet federal financial participation matching  
285 requirements.

286 (s) "State program" means a set of special purpose  
287 activities undertaken to realize identifiable goals and  
288 objectives in order to achieve a state agency's mission and  
289 legislative intent requiring accountability for state resources.

290 (t) "State project" means a state program that provides

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291 state financial assistance to a nonstate organization and that  
292 must be assigned a state project number identifier in the  
293 Catalog of State Financial Assistance.

294 (u) "State Projects Compliance Supplement" means a document  
295 issued by the Department of Financial Services, in consultation  
296 with all state awarding agencies. The State Projects Compliance  
297 Supplement shall identify state projects, the significant  
298 compliance requirements, eligibility requirements, matching  
299 requirements, suggested audit procedures, and other relevant  
300 information determined necessary.

301 (v) "State project-specific audit" means an audit of one  
302 state project performed in accordance with the requirements of  
303 subsection (11) ~~(10)~~.

304 (w) "State single audit" means an audit of a nonstate  
305 entity's financial statements and state financial assistance.  
306 Such audits shall be conducted in accordance with the auditing  
307 standards as stated in the rules of the Auditor General.

308 (x) "Subrecipient" means a nonstate entity that receives  
309 state financial assistance through another nonstate entity.

310 (y) "Vendor" means a dealer, distributor, merchant, or  
311 other seller providing goods or services that are required for  
312 the conduct of a state project. These goods or services may be  
313 for an organization's own use or for the use of beneficiaries of  
314 the state project.

315 (4) The Department of Financial Services shall:

316 (e) Make enhancements to the state's accounting system to  
317 provide for the:

318 1. Recording of state financial assistance and federal  
319 financial assistance appropriations and expenditures within the

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320 state awarding agencies' operating funds.

321 2. Recording of state project number identifiers, as  
322 provided in the Catalog of State Financial Assistance, for state  
323 financial assistance.

324 3. Establishment and recording of an identification code  
325 for each financial transaction, including awarding state  
326 agencies' disbursements of state financial assistance and  
327 federal financial assistance, as to the corresponding type or  
328 organization that is a party to the transaction, such as ~~(e.g.,~~  
329 ~~other governmental agencies and, nonprofit organizations, and~~  
330 ~~for-profit organizations)~~, and disbursements of federal  
331 financial assistance, as to whether the party to the transaction  
332 is or is not a nonstate entity.

333 (8) Each recipient or subrecipient of state financial  
334 assistance shall comply with the following:

335 (a) Each nonstate entity that meets the audit threshold  
336 requirements, in any fiscal year of the nonstate entity, stated  
337 in the rules of the Auditor General, shall have a state single  
338 audit conducted for such fiscal year in accordance with the  
339 requirements of this act and with additional requirements  
340 established in rules of the Department of Financial Services and  
341 rules of the Auditor General. If only one state project is  
342 involved in a nonstate entity's fiscal year, the nonstate entity  
343 may elect to have only a state project-specific audit.

344 (b) Each nonstate entity that does not meet the audit  
345 threshold requirements, in any fiscal year of the nonstate  
346 entity, stated in this law or the rules of the Auditor General  
347 is exempt for such fiscal year from the state single audit  
348 requirements of this section. However, such nonstate entity must

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349 meet terms and conditions specified in the written agreement  
350 with the state awarding agency or nonstate entity.

351 (c) If a nonstate entity has extremely limited or no  
352 required activities related to the administration of a state  
353 project, and only acts as a conduit of state financial  
354 assistance, none of the requirements of this section apply to  
355 the conduit nonstate entity. However, the nonstate entity that  
356 is provided state financial assistance by the conduit nonstate  
357 entity is subject to the requirements of this section.

358 (d) Regardless of the amount of the state financial  
359 assistance, this section does not exempt a nonstate entity from  
360 compliance with provisions of law relating to maintaining  
361 records concerning state financial assistance to such nonstate  
362 entity or allowing access and examination of those records by  
363 the state awarding agency, the nonstate entity, the Department  
364 of Financial Services, or the Auditor General.

365 (e) Audits conducted pursuant to this section shall be  
366 performed annually.

367 (f) Audits conducted pursuant to this section shall be  
368 conducted by independent auditors in accordance with auditing  
369 standards stated in rules of the Auditor General.

370 (g) Upon completion of the audit required by this section,  
371 a copy of the recipient's financial reporting package shall be  
372 filed with the state awarding agency and the Auditor General.  
373 Upon completion of the audit required by this section, a copy of  
374 the subrecipient's financial reporting package shall be filed  
375 with the nonstate entity that provided the state financial  
376 assistance and the Auditor General. The financial reporting  
377 package shall be filed in accordance with the rules of the

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378 Auditor General.

379 (h) All financial reporting packages prepared pursuant to  
380 this section shall be available for public inspection.

381 (i) If an audit conducted pursuant to this section  
382 discloses any significant audit findings relating to state  
383 financial assistance, including material noncompliance with  
384 individual state project compliance requirements or reportable  
385 conditions in internal controls of the nonstate entity, the  
386 nonstate entity shall submit as part of the financial reporting  
387 package to the state awarding agency or nonstate entity a plan  
388 for corrective action to eliminate such audit findings or a  
389 statement describing the reasons that corrective action is not  
390 necessary.

391 (j) An audit conducted in accordance with this section is  
392 in addition to any audit of federal awards required by the  
393 federal Single Audit Act and other federal laws and regulations.  
394 To the extent that such federally required audits provide the  
395 state awarding agency or nonstate entity with information it  
396 requires to carry out its responsibilities under state law or  
397 other guidance, the state awarding agency or nonstate entity  
398 shall rely upon and use that information.

399 (k) Unless prohibited by law, the costs of audits pursuant  
400 to this section are allowable charges to state projects.  
401 However, any charges to state projects should be limited to  
402 those incremental costs incurred as a result of the audit  
403 requirements of this section in relation to other audit  
404 requirements. The nonstate entity should allocate such  
405 incremental costs to all state projects for which it expended  
406 state financial assistance.

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407 (l) Audit costs may not be charged to state projects when  
408 audits required by this section have not been made or have been  
409 made but not in accordance with this section. If a nonstate  
410 entity fails to have an audit conducted consistent with this  
411 section, a state awarding agency or nonstate entity may take  
412 appropriate corrective action to enforce compliance.

413 (m) This section does not prohibit the state awarding  
414 agency or nonstate entity from including terms and conditions in  
415 the written agreement which require additional assurances that  
416 state financial assistance meets the applicable requirements of  
417 laws, regulations, and other compliance rules.

418 (n) A state awarding agency or nonstate entity that  
419 conducts or arranges for audits of state financial assistance  
420 that are in addition to the audits conducted under this act,  
421 including audits of nonstate entities that do not meet the audit  
422 threshold requirements, shall, consistent with other applicable  
423 law, arrange for funding the full cost of such additional  
424 audits.

425 (o) A higher education entity is exempt from the  
426 requirements in paragraph (2) (a) and this subsection ~~A contract~~  
427 ~~involving the State University System or the Florida College~~  
428 ~~System funded by state financial assistance may be in the form~~  
429 ~~of:~~

430 1. ~~A fixed price contract that entitles the provider to~~  
431 ~~receive full compensation for the fixed contract amount upon~~  
432 ~~completion of all contract deliverables;~~

433 2. ~~A fixed rate per unit contract that entitles the~~  
434 ~~provider to receive compensation for each contract deliverable~~  
435 ~~provided;~~

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436 ~~3. A cost reimbursable contract that entitles the provider~~  
437 ~~to receive compensation for actual allowable costs incurred in~~  
438 ~~performing contract deliverables; or~~

439 ~~4. A combination of the contract forms described in~~  
440 ~~subparagraphs 1., 2., and 3.~~

441 (9) This subsection applies to any contract or agreement  
442 between a state awarding agency and a higher education entity  
443 that is funded by state financial assistance.

444 (a) The contract or agreement must comply with ss.  
445 215.971(1) and 216.3475 and must be in the form of one or a  
446 combination of the following:

447 1. A fixed-price contract that entitles the provider to  
448 receive compensation for the fixed contract amount upon  
449 completion of all contract deliverables.

450 2. A fixed-rate-per-unit contract that entitles the  
451 provider to receive compensation for each contract deliverable  
452 provided.

453 3. A cost-reimbursable contract that entitles the provider  
454 to receive compensation for actual allowable costs incurred in  
455 performing contract deliverables.

456 (b) If a higher education entity has extremely limited or  
457 no required activities related to the administration of a state  
458 project and acts only as a conduit of state financial  
459 assistance, none of the requirements of this section apply to  
460 the conduit higher education entity. However, the subrecipient  
461 that is provided state financial assistance by the conduit  
462 higher education entity is subject to this subsection.

463 (c) Regardless of the amount of the state financial  
464 assistance, this subsection does not exempt a higher education



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465 entity from compliance with provisions of law that relate to  
466 maintaining records concerning state financial assistance to the  
467 higher education entity or that allow access and examination of  
468 those records by the state awarding agency, the higher education  
469 entity, the Department of Financial Services, or the Auditor  
470 General.

471 (d) This subsection does not prohibit the state awarding  
472 agency from including terms and conditions in the contract or  
473 agreement which require additional assurances that the state  
474 financial assistance meets the applicable requirements of laws,  
475 regulations, and other compliance rules.

476 Section 6. Subsection (4) of section 322.142, Florida  
477 Statutes, is amended to read:

478 322.142 Color photographic or digital imaged licenses.—

479 (4) The department may maintain a film negative or print  
480 file. The department shall maintain a record of the digital  
481 image and signature of the licensees, together with other data  
482 required by the department for identification and retrieval.  
483 Reproductions from the file or digital record are exempt from  
484 the provisions of s. 119.07(1) and may be made and issued only:

485 (a) For departmental administrative purposes;

486 (b) For the issuance of duplicate licenses;

487 (c) In response to law enforcement agency requests;

488 (d) To the Department of Business and Professional  
489 Regulation and the Department of Health pursuant to an  
490 interagency agreement for the purpose of accessing digital  
491 images for reproduction of licenses issued by the Department of  
492 Business and Professional Regulation or the Department of  
493 Health;

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494 (e) To the Department of State pursuant to an interagency  
495 agreement to facilitate determinations of eligibility of voter  
496 registration applicants and registered voters in accordance with  
497 ss. 98.045 and 98.075;

498 (f) To the Department of Revenue pursuant to an interagency  
499 agreement for use in establishing paternity and establishing,  
500 modifying, or enforcing support obligations in Title IV-D cases;

501 (g) To the Department of Children and Families pursuant to  
502 an interagency agreement to conduct protective investigations  
503 under part III of chapter 39 and chapter 415;

504 (h) To the Department of Children and Families pursuant to  
505 an interagency agreement specifying the number of employees in  
506 each of that department's regions to be granted access to the  
507 records for use as verification of identity to expedite the  
508 determination of eligibility for public assistance and for use  
509 in public assistance fraud investigations;

510 (i) To the Agency for Health Care Administration pursuant  
511 to an interagency agreement for the purpose of authorized  
512 agencies verifying photographs in the Care Provider Background  
513 Screening Clearinghouse authorized under s. 435.12;

514 (j) To the Department of Financial Services pursuant to an  
515 interagency agreement to facilitate the location of owners of  
516 unclaimed property, the validation of unclaimed property claims,  
517 ~~and~~ the identification of fraudulent or false claims, and the  
518 investigation of allegations of violation of the insurance code  
519 by a licensee or other person;

520 (k) To district medical examiners pursuant to an  
521 interagency agreement for the purpose of identifying a deceased  
522 individual, determining cause of death, and notifying next of

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523 kin of any investigations, including autopsies and other  
524 laboratory examinations, authorized in s. 406.11; or

525 (1) To the following persons for the purpose of identifying  
526 a person as part of the official work of a court:

527 1. A justice or judge of this state;

528 2. An employee of the state courts system who works in a  
529 position that is designated in writing for access by the Chief  
530 Justice of the Supreme Court or a chief judge of a district or  
531 circuit court, or by his or her designee; or

532 3. A government employee who performs functions on behalf  
533 of the state courts system in a position that is designated in  
534 writing for access by the Chief Justice or a chief judge, or by  
535 his or her designee.

536 Section 7. Subsection (2) of section 374.983, Florida  
537 Statutes, is amended to read:

538 374.983 Governing body.—

539 (2) The present board of commissioners of the district  
540 shall continue to hold office until their respective terms shall  
541 expire. Thereafter the members of the board shall continue to be  
542 appointed by the Governor for a term of 4 years and until their  
543 successors shall be duly appointed. Specifically, commencing on  
544 January 10, 1997, the Governor shall appoint the commissioners  
545 from Broward, Indian River, Martin, St. Johns, and Volusia  
546 Counties and on January 10, 1999, the Governor shall appoint the  
547 commissioners from Brevard, Miami-Dade, Duval, Flagler, Palm  
548 Beach, and St. Lucie Counties. The Governor shall appoint the  
549 commissioner from Nassau County for an initial term that  
550 coincides with the period remaining in the current terms of the  
551 commissioners from Broward, Indian River, Martin, St. Johns, and

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552 Volusia Counties. Thereafter, the commissioner from Nassau  
 553 County shall be appointed to a 4-year term. Each new appointee  
 554 must be confirmed by the Senate. Whenever a vacancy occurs among  
 555 the commissioners, the person appointed to fill such vacancy  
 556 shall hold office for the unexpired portion of the term of the  
 557 commissioner whose place he or she is selected to fill. Each  
 558 commissioner under this act before he or she assumes office  
 559 shall be required to give a good and sufficient surety bond in  
 560 the sum of \$10,000 payable to the Governor and his or her  
 561 successors in office, conditioned upon the faithful performance  
 562 of the duties of his or her office, such bond to be approved by  
 563 and filed with the board of commissioners of the district ~~Chief~~  
 564 ~~Financial Officer~~. Any and all premiums upon such surety bonds  
 565 shall be paid by the board of commissioners of such district as  
 566 a necessary expense of the district.

567 Section 8. Subsection (4) of section 509.211, Florida  
 568 Statutes, is amended to read:

569 509.211 Safety regulations.—

570 (4) Every enclosed space or room that contains a boiler  
 571 regulated under chapter 554 which is fired by the direct  
 572 application of energy from the combustion of fuels and that is  
 573 located in any portion of a public lodging establishment that  
 574 also contains sleeping rooms shall be equipped with one or more  
 575 carbon monoxide detector ~~sensor~~ devices that bear the  
 576 certification mark from a testing and certification organization  
 577 accredited in accordance with ISO/IEC Guide 65, General  
 578 Requirements for Bodies Operating Product Certification Systems,  
 579 ~~label of a nationally recognized testing laboratory~~ and that  
 580 have been tested and listed as complying with the most recent

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581 Underwriters Laboratories, Inc., Standard 2075 ~~2034~~, or its  
582 equivalent, ~~unless it is determined that carbon monoxide hazards~~  
583 ~~have otherwise been adequately mitigated as determined by the~~  
584 ~~Division of State Fire Marshal of the Department of Financial~~  
585 ~~Services~~. Such devices shall be integrated with the public  
586 lodging establishment's fire detection system. Any such  
587 installation or determination shall be made in accordance with  
588 rules adopted by the Division of State Fire Marshal.

589 Section 9. Subsection (9) of section 624.307, Florida  
590 Statutes, is amended to read:

591 624.307 General powers; duties.—

592 (9) Upon receiving service of legal process issued in any  
593 civil action or proceeding in this state against any regulated  
594 person or any unauthorized insurer under s. 626.906 or s.  
595 626.937 which is required to appoint the Chief Financial Officer  
596 as its attorney to receive service of all legal process, the  
597 Chief Financial Officer, as attorney, may, in lieu of sending  
598 the process by registered or certified mail, send the process or  
599 make it available by any other verifiable means, including, but  
600 not limited to, making the documents available by electronic  
601 transmission from a secure website established by the department  
602 to the person last designated by the regulated person or the  
603 unauthorized insurer to receive the process. When process  
604 documents are made available electronically, the Chief Financial  
605 Officer shall send a notice of receipt of service of process to  
606 the person last designated by the regulated person or  
607 unauthorized insurer to receive legal process. The notice shall  
608 state the date and manner in which the copy of the process was  
609 made available to the regulated person or unauthorized insurer

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610 being served and contain a hyperlink to obtain a copy of the  
611 process.

612 Section 10. Section 624.423, Florida Statutes, is amended  
613 to read:

614 624.423 Serving process.—

615 (1) Service of process upon the Chief Financial Officer as  
616 process agent of the insurer ~~(under s. 624.422)~~ shall be made by  
617 serving a copy of the process upon the Chief Financial Officer  
618 or upon her or his assistant, deputy, or other person in charge  
619 of her or his office. As an alternative to service of process  
620 made by mail or personal service on the Chief Financial Officer,  
621 on her or his assistant or deputy, or on another person in  
622 charge of her or his office, the department may create an  
623 Internet-based transmission system to accept service of process  
624 by electronic transmission of documents. Upon receiving such  
625 service, the Chief Financial Officer shall retain a record copy  
626 and promptly forward one copy of the process by registered or  
627 certified mail or by other verifiable means, as provided under  
628 s. 624.307(9), to the person last designated by the insurer to  
629 receive the same, as provided under s. 624.422(2). For purposes  
630 of this section, records may be retained as paper or electronic  
631 copies.

632 (2) ~~If where~~ process is served upon the Chief Financial  
633 Officer as an insurer's process agent, the insurer ~~is shall~~ not  
634 ~~be~~ required to answer or plead except within 20 days after the  
635 date upon which the Chief Financial Officer sends or makes  
636 available by other verifiable means ~~mailed~~ a copy of the process  
637 served upon her or him as required by subsection (1).

638 (3) Process served upon the Chief Financial Officer and

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639 sent or made available in accordance with this section and s.  
640 624.307(9) copy thereof forwarded as in this section provided  
641 shall for all purposes constitute valid and binding service  
642 thereof upon the insurer.

643 (4) As used in this section, the term "insurer" includes  
644 any unauthorized insurer under s. 626.906 or s. 626.937.

645 Section 11. Notwithstanding the expiration date contained  
646 in section 41 of chapter 2015-222, Laws of Florida, section  
647 624.502, Florida Statutes, as amended by chapter 2013-41, Laws  
648 of Florida, is reenacted and amended to read:

649 624.502 Service of process fee.—In all instances as  
650 provided in any section of the insurance code and s. 48.151(3)  
651 in which service of process is authorized to be made upon the  
652 Chief Financial Officer or the director of the office, the  
653 plaintiff shall pay to the department or office a fee of \$15 for  
654 such service of process on an authorized insurer or \$25 for such  
655 service of process on an unauthorized insurer, which fee shall  
656 be deposited into the Administrative Trust Fund.

657 Section 12. Subsection (1) of section 626.907, Florida  
658 Statutes, is amended to read:

659 626.907 Service of process; judgment by default.—

660 (1) Service of process upon an insurer or person  
661 representing or aiding such insurer pursuant to s. 626.906 shall  
662 be made by delivering to and leaving with the Chief Financial  
663 Officer or some person in apparent charge of his or her office  
664 two copies thereof and the service fee as required in s.  
665 624.502. The Chief Financial Officer shall forthwith mail by  
666 registered mail one of the copies of such process to the  
667 defendant at the defendant's last known principal place of

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668 business as provided by the party submitting the documents and  
669 shall keep a record of all process so served upon him or her.  
670 The service of process is sufficient, provided notice of such  
671 service and a copy of the process are sent within 10 days  
672 thereafter by registered mail by plaintiff or plaintiff's  
673 attorney to the defendant at the defendant's last known  
674 principal place of business, and the defendant's receipt, or  
675 receipt issued by the post office with which the letter is  
676 registered, showing the name of the sender of the letter and the  
677 name and address of the person to whom the letter is addressed,  
678 and the affidavit of the plaintiff or plaintiff's attorney  
679 showing a compliance herewith are filed with the clerk of the  
680 court in which the action is pending on or before the date the  
681 defendant is required to appear, or within such further time as  
682 the court may allow.

683 Section 13. Paragraph (b) of subsection (1) of section  
684 627.706, Florida Statutes, is amended to read:

685 627.706 Sinkhole insurance; catastrophic ground cover  
686 collapse; definitions.—

687 (1)

688 (b) The insurer shall make available, for an appropriate  
689 additional premium, coverage for sinkhole losses on any  
690 structure, including the contents of personal property contained  
691 therein, to the extent provided in the form to which the  
692 coverage attaches, unless the location of the risk does not meet  
693 the underwriting guidelines for sinkhole coverage filed by the  
694 insurer with the office. If the risk meets the underwriting  
695 guidelines for sinkhole coverage filed with the office, the  
696 insurer may require an inspection of the property before



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697 issuance of sinkhole loss coverage. Such inspection is not  
698 required if the location of the risk does not meet the insurer's  
699 underwriting guidelines for sinkhole coverage. A policy for  
700 residential property insurance may include a deductible amount  
701 applicable to sinkhole losses equal to 1 percent, 2 percent, 5  
702 percent, or 10 percent of the policy dwelling limits, with  
703 appropriate premium discounts offered with each deductible  
704 amount.

705 Section 14. Paragraph (a) of subsection (7) of section  
706 627.7074, Florida Statutes, is amended to read:

707 627.7074 Alternative procedure for resolution of disputed  
708 sinkhole insurance claims.—

709 (7) Upon receipt of a request for neutral evaluation, the  
710 department shall provide the parties a list of certified neutral  
711 evaluators. The department shall allow the parties to submit  
712 requests to disqualify evaluators on the list for cause.

713 (a) The department shall disqualify neutral evaluators for  
714 cause based only on any of the following grounds:

715 1. A familial relationship within the third degree exists  
716 between the neutral evaluator and either party or a  
717 representative of either party.

718 2. The proposed neutral evaluator has, in a professional  
719 capacity, previously represented either party or a  
720 representative of either party in the same or a substantially  
721 related matter.

722 3. The proposed neutral evaluator has, in a professional  
723 capacity, represented another person in the same or a  
724 substantially related matter and that person's interests are  
725 materially adverse to the interests of the parties. The term

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726 "substantially related matter" means participation by the  
727 neutral evaluator on the same claim, property, or adjacent  
728 property.

729 4. The proposed neutral evaluator has, within the preceding  
730 5 years, worked as an employer or employee of any party to the  
731 case.

732 5. The proposed neutral evaluator has, within the preceding  
733 5 years, worked for the entity that performed the testing as  
734 prescribed in s. 627.7072.

735 Section 15. Subsection (13) of section 633.102, Florida  
736 Statutes, is amended to read:

737 633.102 Definitions.—As used in this chapter, the term:

738 (13) "Fire service provider" means a municipality or  
739 county, the state, the division, or any political subdivision of  
740 the state, including authorities and special districts, which  
741 employs ~~employing~~ firefighters or uses ~~utilizing~~ volunteer  
742 firefighters to provide fire extinguishment or fire prevention  
743 services for the protection of life and property. The term  
744 includes any organization under contract or other agreement with  
745 such entity to provide such services.

746 Section 16. Subsection (8) of section 633.208, Florida  
747 Statutes, is amended to read:

748 633.208 Minimum firesafety standards.—

749 (8) The provisions of the Life Safety Code, as contained in  
750 the Florida Fire Prevention Code, do not apply to ~~newly~~  
751 ~~constructed~~ one-family and two-family dwellings. However, fire  
752 sprinkler protection may be permitted by local government in  
753 lieu of other fire protection-related development requirements  
754 for such structures. While local governments may adopt fire

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755 sprinkler requirements for one- and two-family dwellings under  
756 this subsection, it is the intent of the Legislature that the  
757 economic consequences of the fire sprinkler mandate on home  
758 owners be studied before the enactment of such a requirement.  
759 After the effective date of this act, any local government that  
760 desires to adopt a fire sprinkler requirement on one- or two-  
761 family dwellings must prepare an economic cost and benefit  
762 report that analyzes the application of fire sprinklers to one-  
763 or two-family dwellings or any proposed residential subdivision.  
764 The report must consider the tradeoffs and specific cost savings  
765 and benefits of fire sprinklers for future owners of property.  
766 The report must include an assessment of the cost savings from  
767 any reduced or eliminated impact fees if applicable, the  
768 reduction in special fire district tax, insurance fees, and  
769 other taxes or fees imposed, and the waiver of certain  
770 infrastructure requirements including the reduction of roadway  
771 widths, the reduction of water line sizes, increased fire  
772 hydrant spacing, increased dead-end roadway length, and a  
773 reduction in cul-de-sac sizes relative to the costs from fire  
774 sprinkling. A failure to prepare an economic report shall result  
775 in the invalidation of the fire sprinkler requirement to any  
776 one- or two-family dwelling or any proposed subdivision. In  
777 addition, a local jurisdiction or utility may not charge any  
778 additional fee, above what is charged to a non-fire sprinklered  
779 dwelling, on the basis that a one- or two-family dwelling unit  
780 is protected by a fire sprinkler system.

781 Section 17. Paragraph (b) of subsection (4) and subsection  
782 (8) of section 633.408, Florida Statutes, are amended, and  
783 subsection (9) is added to that section, to read:

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784 633.408 Firefighter and volunteer firefighter training and  
785 certification.—

786 (4) The division shall issue a firefighter certificate of  
787 compliance to an individual who does all of the following:

788 (b) Passes the Minimum Standards Course examination within  
789 6 months after completing the Minimum Standards Course.

790 (8) (a) Pursuant to s. 590.02(1)(e), the division shall  
791 establish a structural fire training program of not less than  
792 206 hours. The division shall issue to a person satisfactorily  
793 complying with this training program and who has successfully  
794 passed an examination as prescribed by the division and who has  
795 met the requirements of s. 590.02(1)(e), a Forestry Certificate  
796 of Compliance.

797 (b) An individual who holds a current and valid Forestry  
798 Certificate of Compliance is entitled to the same rights,  
799 privileges, and benefits provided for by law as a firefighter.

800 (9) A Certificate of Compliance or a Certificate of  
801 Completion issued under this section expires 4 years after the  
802 date of issuance unless renewed as provided in s. 633.414.

803 Section 18. Subsection (2) of section 633.412, Florida  
804 Statutes, is amended to read:

805 633.412 Firefighters; qualifications for certification.—

806 (2) If the division suspends or revokes an individual's  
807 certificate, the division may, in accordance with standards  
808 provided by rule, ~~must~~ suspend or revoke all other certificates  
809 issued to the individual by the division pursuant to this part.

810 Section 19. Section 633.414, Florida Statutes, is amended  
811 to read:

812 633.414 Retention of firefighter, volunteer firefighter,

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813 and fire investigator certifications ~~certification.~~-

814 (1) In order for a firefighter to retain her or his  
815 Firefighter Certificate of Compliance, every 4 years he or she  
816 must meet the requirements for renewal provided in this chapter  
817 and by rule, which must include at least one of the following:

818 (a) Be active as a firefighter.~~†~~

819 (b) Maintain a current and valid fire service instructor  
820 certificate, instruct at least 40 hours during the 4-year  
821 period, and provide proof of such instruction to the division,  
822 which proof must be registered in an electronic database  
823 designated by the division.~~†~~

824 (c) Within 6 months before the 4-year period expires,  
825 successfully complete a Firefighter Retention Refresher Course  
826 consisting of a minimum of 40 hours of training to be prescribed  
827 by rule.~~† or~~

828 (d) Within 6 months before the 4-year period expires,  
829 successfully retake and pass the Minimum Standards Course  
830 examination pursuant to s. 633.408.

831 (2) In order for a volunteer firefighter to retain her or  
832 his Volunteer Firefighter Certificate of Completion, every 4  
833 years he or she must:

834 (a) Be active as a volunteer firefighter; or

835 (b) Successfully complete a refresher course consisting of  
836 a minimum of 40 hours of training to be prescribed by rule.

837 (3) A fire investigator certificate is valid for a period  
838 of 4 years after the date of issuance. Renewal of certification  
839 is subject to completion of an application for renewal and  
840 meeting all of the requirements for renewal imposed under this  
841 chapter and by rule, which must include completion of up to 40

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842 hours of continuing education during the preceding 4-year  
843 period.

844 (4)~~(3)~~ Subsection (1) does not apply to state-certified  
845 firefighters or volunteer firefighters who are certified and  
846 employed full-time, as determined by the fire service provider,  
847 as firesafety inspectors or fire investigators, regardless of  
848 their her or his employment status as firefighters or volunteer  
849 firefighters ~~a firefighter~~.

850 (5)~~(4)~~ For the purposes of this section, the term "active"  
851 means being employed as a firefighter or providing service as a  
852 volunteer firefighter for a cumulative period of 6 months within  
853 a 4-year period.

854 (6)~~(5)~~ The 4-year period begins upon the issuance of the  
855 certificate or termination of employment:

856 (a) If the individual is certified on or after July 1,  
857 2013, on the date the certificate is issued or upon termination  
858 of employment or service with a fire department.

859 (b) If the individual is certified before July 1, 2013, on  
860 July 1, 2014, or upon termination of employment or service  
861 thereafter.

862 (7) A certificate for a firefighter, volunteer firefighter,  
863 or fire investigator expires if he or she fails to meet the  
864 requirements of this section.

865 (8) The State Fire Marshal may deny, refuse to renew,  
866 suspend, or revoke the certificate of a firefighter or volunteer  
867 firefighter if the State Fire Marshal finds that any of the  
868 following grounds exists:

869 (a) Any cause for which issuance of a certificate could  
870 have been denied if it had then existed and had been known to

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871 the division.

872 (b) A violation of any provision of this chapter or any  
 873 rule or order of the State Fire Marshal.

874 (c) Falsification of a record relating to any certificate  
 875 issued by the division.

876 Section 20. Subsections (1) and (2) of section 633.426,  
 877 Florida Statutes, are amended to read:

878 633.426 Disciplinary action; standards for revocation of  
 879 certification.—

880 (1) For purposes of this section, the term:

881 (a) "Certificate" means any of the certificates issued  
 882 under s. 633.406.

883 (b) "Certification" or "certified" means ~~the act of holding~~  
 884 a certificate that is current and valid and that meets the  
 885 requirements for renewal of certification pursuant to this  
 886 chapter and the rules adopted under it ~~certificate.~~

887 (c) "Convicted" means a finding of guilt, or the acceptance  
 888 of a plea of guilty or nolo contendere, in any federal or state  
 889 court or a court in any other country, without regard to whether  
 890 a judgment of conviction has been entered by the court having  
 891 jurisdiction of the case.

892 (2) An individual is ineligible to apply for certification  
 893 or for renewal of certification after July 1, 2013, if the  
 894 individual has, ~~at any time,~~ been:

895 (a) Convicted of a misdemeanor relating to the  
 896 certification or to perjury or false statements.

897 (b) Convicted of a felony or a crime punishable by  
 898 imprisonment of 1 year or more under the law of the United  
 899 States or of any state thereof, or under the law of any other

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900 country.

901 (c) Dishonorably discharged from any of the Armed Forces of  
902 the United States.

903 Section 21. This act shall take effect July 1, 2016.