

1                   A bill to be entitled  
2           An act relating to the Department of Financial  
3           Services; amending s. 17.575, F.S.; replacing, within  
4           the Division of Treasury, the Treasury Investment  
5           Committee with the Treasury Investment Council;  
6           specifying the composition and term length of members;  
7           specifying duties of the council; providing that  
8           members shall serve without additional compensation or  
9           honorarium but may receive per diem and travel expense  
10          reimbursement; amending s. 215.422, F.S.; providing  
11          applicability of certain requirements relating to  
12          payments, warrants, and invoices to payments made in  
13          relation to certain agreements funded with federal or  
14          state assistance; reordering and amending s. 554.1021,  
15          F.S.; defining and redefining terms; amending s.  
16          554.103, F.S.; requiring, rather than authorizing, the  
17          Department of Financial Services to adopt amendments  
18          and interpretations of a specified code into the State  
19          Boiler Code; revising requirements that installers,  
20          rather than owners, must comply with before installing  
21          a boiler; authorizing the department to adopt rules;  
22          conforming provisions to changes made by the act;  
23          amending s. 554.104, F.S.; deleting a provision  
24          relating to boilers of special design which is  
25          recreated in s. 554.103, F.S.; requiring certification

26 | of boiler inspectors; requiring an application for a  
27 | certification examination; specifying qualifications  
28 | and requirements for the certification examination;  
29 | requiring the department to adopt a specified training  
30 | course; providing authorized methods and requirements  
31 | for the training course; requiring the chief boiler  
32 | inspector to issue a certificate of competency to a  
33 | person meeting certain requirements; providing  
34 | procedures for renewing a certificate; authorizing the  
35 | department to adopt rules; amending s. 554.105, F.S.;  
36 | renaming the chief inspector as the chief boiler  
37 | inspector; revising requirements for the department  
38 | through the state boiler inspection program; amending  
39 | s. 554.106, F.S.; renaming deputy inspectors as deputy  
40 | boiler inspectors; specifying required and authorized  
41 | duties of deputy boiler inspectors; amending s.  
42 | 554.107, F.S.; renaming special inspectors as special  
43 | boiler inspectors; revising entities that may employ  
44 | special boiler inspectors; specifying required  
45 | inspection intervals for special boiler inspectors;  
46 | amending s. 554.108, F.S.; providing an exemption,  
47 | under certain conditions, from inspection  
48 | requirements; specifying duties of an owner or an  
49 | owner's designee to allow an inspector to conduct  
50 | inspections; specifying requirements for boiler

51 inspections and inspection reports; providing a  
52 penalty against an insurance carrier if certain  
53 followup inspections are not conducted; revising  
54 conditions that require a boiler to be shut down;  
55 revising requirements and procedures for a boiler that  
56 must be shut down; providing construction; authorizing  
57 the department to adopt rules; creating s. 554.1081,  
58 F.S.; revising requirements for boiler inspections by  
59 insurance companies and local governmental agencies;  
60 amending s. 554.109, F.S.; conforming provisions to  
61 changes made by the act; revising boilers that are  
62 exempt from regulation under the chapter; revising  
63 requirements for certain exempt boilers and water  
64 heaters; amending s. 554.1101, F.S.; conforming  
65 provisions to changes made by the act; requiring a  
66 boiler insurance company to notify, within a specified  
67 timeframe, the chief boiler inspector under certain  
68 circumstances; requiring a certificateholder to submit  
69 a certain certificate of insurance to the chief boiler  
70 inspector under certain circumstances; amending s.  
71 554.111, F.S.; requiring an application for a boiler  
72 permit to include a specified fee; requiring the chief  
73 boiler inspector to deposit fines into a specified  
74 trust fund; conforming provisions to changes made by  
75 the act; repealing ss. 554.112 and 554.113, F.S.,

76 relating to examinations, and certification of  
77 inspectors and renewals, respectively; amending s.  
78 554.114, F.S.; revising prohibited acts; providing  
79 penalties for a boiler insurance company or authorized  
80 inspection agency that fails to conduct certain  
81 inspections; conforming provisions to changes made by  
82 the act; amending s. 554.115, F.S.; adding authorized  
83 disciplinary actions for the department; adding  
84 specified grounds for disciplinary action against an  
85 owner of a boiler; revising grounds for disciplinary  
86 action against a boiler inspector; deleting a  
87 provision requiring a chief inspector to report  
88 certain persons to the state attorney; deleting a  
89 provision authorizing certain administrative action by  
90 the chief inspector; deleting a provision relating to  
91 the duration of a suspended certificate of compliance;  
92 creating s. 554.1151, F.S.; authorizing the department  
93 to impose specified administrative fines in lieu of or  
94 in addition to certain disciplinary actions;  
95 authorizing procedures for payment of fines by a  
96 certificateholder; requiring a certificate to be  
97 revoked under certain circumstances; amending s.  
98 624.307, F.S.; authorizing the department to expend  
99 funds for professional development of its employees;  
100 amending s. 626.015, F.S.; defining terms; conforming

101 a cross-reference; amending s. 626.207, F.S.; defining  
102 the term "applicant"; revising a list of felonies  
103 subject to a permanent bar from licensure; revising a  
104 condition for when certain disqualifying periods  
105 begin; conforming cross-references; providing an  
106 exception from a permanent bar on or disqualifying  
107 periods for cases of executive clemency; providing  
108 construction; amending s. 626.9954, F.S.; revising a  
109 list of felonies subject to a permanent bar from  
110 licensure; revising conditions for when certain  
111 disqualifying periods begin; conforming cross-  
112 references; providing an exception from a permanent  
113 bar on or disqualifying periods for cases of executive  
114 clemency; providing construction; amending s. 626.221,  
115 F.S.; revising qualifications for exemption from  
116 examinations for applicants for a license as an all-  
117 lines adjuster; amending s. 626.2815, F.S.;  
118 authorizing the department to approve a certain number  
119 of elective continuing education credits for certain  
120 insurance licensees; providing exceptions from a  
121 certain continuing education requirement for such  
122 licensees; amending s. 626.8734, F.S.; providing an  
123 exemption from the nonresident examination requirement  
124 for certain all-lines adjusters; amending s. 626.611,  
125 F.S.; deleting a condition for the involvement of

126 moral turpitude in felonies or certain crimes in  
127 relation to compulsory disciplinary actions by the  
128 department against certain entities' licenses or  
129 appointments; conforming a cross-reference; amending  
130 s. 626.621, F.S.; revising grounds for the  
131 department's discretionary refusal, suspension, or  
132 revocation of the license or appointment of certain  
133 persons; amending s. 626.7845, F.S.; revising an  
134 exception to the prohibition against the unlicensed  
135 transaction of life insurance; conforming a cross-  
136 reference; amending s. 626.8305, F.S.; revising an  
137 exception to the prohibition against the unlicensed  
138 transaction of health insurance; conforming a cross-  
139 reference; amending s. 626.861, F.S.; authorizing  
140 certain insurer employees to adjust specified claim  
141 losses or damage; amending s. 626.9543, F.S.; removing  
142 the scheduled expiration of a requirement for insurers  
143 to permit claims from a Holocaust victim or certain  
144 related persons irrespective of certain conditions;  
145 removing the scheduled expiration of an exception from  
146 statutes of limitations or laches for certain actions  
147 brought by Holocaust victims or certain related  
148 persons; amending s. 633.516, F.S.; authorizing the  
149 Division of State Fire Marshal within the division to  
150 contract for studies of, rather than to make a

151 continuous study of, occupational diseases of  
 152 firefighters; adding persons in other fire-related  
 153 fields to such studies; authorizing the division to  
 154 release confidential information of an individual  
 155 firefighter or a person in another fire-related field  
 156 to certain parties under certain circumstances;  
 157 amending s. 768.28, F.S.; providing exceptions in tort  
 158 claims against a county from requirements that a  
 159 claimant present the written claim to the department  
 160 within a specified timeframe and serve process upon  
 161 the department; amending ss. 288.706, 626.7315, and  
 162 627.351, F.S.; conforming cross-references; providing  
 163 an effective date.

164  
 165 Be It Enacted by the Legislature of the State of Florida:

166  
 167 Section 1. Section 17.575, Florida Statutes, is amended to  
 168 read:

169 17.575 Administration of funds; Treasury Investment  
 170 Council ~~Committee~~.—

171 (1) There is created a Treasury Investment Council  
 172 ~~Committee~~ within the Division of Treasury consisting of at least  
 173 five members, at least three of whom are professionals from the  
 174 private sector, who must possess special knowledge, experience,  
 175 and familiarity in finance, investments, or accounting. The

176 members of the council ~~committee shall~~ be appointed by and  
177 serve at the pleasure of the Chief Financial Officer. Each  
178 member shall serve a term of 4 years from the date of  
179 appointment. The council ~~committee~~ shall annually elect a chair  
180 and vice chair from among its members ~~membership~~.

181 (2) The council shall review the investments required by  
182 s. 17.57; meet with staff of the Division of Treasury at least  
183 biannually; and provide recommendations to the Division of  
184 Treasury and the Chief Financial Officer regarding investment  
185 policy, strategy, and procedures ~~The committee shall administer~~  
186 ~~the Treasury Investment Program consistent with policies~~  
187 ~~approved by the Chief Financial Officer for deposits and~~  
188 ~~investments of public funds. The committee shall also make~~  
189 ~~recommendations regarding investment policy to the Chief~~  
190 ~~Financial Officer.~~

191 (3) Members of the council shall serve without additional  
192 compensation or honorarium, but may receive per diem and  
193 reimbursement for travel expenses as provided in s. 112.061 ~~The~~  
194 ~~committee shall submit an annual report outlining its activities~~  
195 ~~and recommendations to the Chief Financial Officer and the Joint~~  
196 ~~Legislative Auditing Committee. The report shall be submitted on~~  
197 ~~August 15, 2009, and annually thereafter.~~

198 Section 2. Present subsections (14) through (16) of  
199 section 215.422, Florida Statutes, are redesignated as  
200 subsections (15) through (17), respectively, and a new



201 subsection (14) is added to that section, to read:

202 215.422 Payments, warrants, and invoices; processing time  
203 limits; dispute resolution; agency or judicial branch  
204 compliance.-

205 (14) All requirements set forth in this section apply to  
206 payments made in accordance with s. 215.971.

207 Section 3. Section 554.1021, Florida Statutes, is  
208 reordered and amended to read:

209 554.1021 Definitions.-As used in this chapter, the term  
210 ~~ss. 554.1011-554.115:~~

211 (3)~~(1)~~ "Boiler" means a closed vessel in which water or  
212 other liquid is heated, steam or vapor is generated, steam is  
213 superheated, or any combination of these functions is  
214 accomplished, under pressure or vacuum, for use external to  
215 itself, by the direct application of energy from the combustion  
216 of fuels or from electricity or solar energy. The term "boiler"  
217 includes fired units for heating or vaporizing liquids other  
218 than water where these units are separate from processing  
219 systems and are complete within themselves. The varieties of  
220 boilers are as follows:

221 (f)~~(a)~~ "Power boiler" means a boiler in which steam or  
222 other vapor is generated at a pressure of more than 15 psig.

223 (b) "High pressure, high temperature water boiler" means a  
224 water boiler operating at pressures exceeding 160 psig or  
225 temperatures exceeding 250 °F.

226        (a)~~(e)~~ "Heating boiler" means a steam or vapor boiler  
227        operating at pressures not exceeding 15 psig, or a hot water  
228        boiler operating at pressures not exceeding 160 psig or  
229        temperatures not exceeding 250 °F.

230        (c)~~(d)~~ "Hot water supply boiler" means a boiler or a lined  
231        storage water heater supplying heated water for use external to  
232        itself operating at a pressure not exceeding 160 psig or  
233        temperature not exceeding 250 °F.

234        (g)~~(e)~~ "Secondhand boiler" means a boiler that has changed  
235        ownership and location subsequent to its original installation  
236        and use.

237        (d) "Inservice boiler" means a boiler placed in use after  
238        test firing and required inspections have been satisfactorily  
239        completed.

240        (e) "Operating boiler" means a boiler connected and ready  
241        for use.

242        (h) "Secured boiler" means a boiler that has been:

243        1. Physically disconnected from the system, including  
244        disconnection from fuel, water, steam, electricity, and stack;  
245        or

246        2. Locked out and tagged out in accordance with the  
247        Occupational Safety and Health Administration's standard  
248        relating to the control of hazardous energy and lockout or  
249        tagout in 29 C.F.R. s. 1910.147, as adopted by rule of the  
250        department.

251        (9)~~(2)~~ "Public assembly locations" includes ~~include~~  
 252 schools, day care centers, community centers, churches,  
 253 theaters, hospitals, nursing and convalescent homes, stadiums,  
 254 amusement parks, and other locations open to the general public.

255        (5)~~(3)~~ "Certificate inspection" means an inspection whose  
 256 ~~the report of which~~ is used by the chief boiler inspector to  
 257 determine whether or not a certificate of operation may be  
 258 issued.

259        (7)~~(4)~~ "Certificate of operation ~~compliance~~" means a  
 260 document issued to the owner of a boiler which authorizes the  
 261 owner to operate the boiler, subject to any restrictions  
 262 endorsed thereon.

263        (6)~~(5)~~ "Certificate of competency" means a document issued  
 264 to a person who has satisfied the minimum competency  
 265 requirements for boiler inspectors under this chapter ~~ss.~~  
 266 ~~554.1011-554.115.~~

267        (8)~~(6)~~ "Department" means the Department of Financial  
 268 Services.

269        (1)~~(7)~~ "A.S.M.E." means the American Society of Mechanical  
 270 Engineers.

271        (2) "Authorized inspection agency" means:

272        (a) Any county, municipality, town, or other governmental  
 273 subdivision that has adopted into law the Boiler and Pressure  
 274 Vessel Code of the A.S.M.E. and the National Board Inspection  
 275 Code for the construction, installation, inspection,

276 maintenance, and repair of boilers to regulate boilers in public  
277 assembly locations, and whose boiler inspectors hold valid  
278 certificates of competency in accordance with s. 554.104;

279 (b) An insurer authorized by a subsisting certificate of  
280 authority, issued by the Office of Insurance Regulation, to  
281 transact boiler and machinery insurance in this state, and whose  
282 boiler inspectors hold valid certificates of competency in  
283 accordance with s. 554.104; or

284 (c) An inspecting agency accredited in accordance with The  
285 National Board of Boiler and Pressure Vessel Inspector's program  
286 entitled "Accreditation of Authorized Inspection Agencies (AIA)  
287 Performing Inservice or Repair/Alteration Inspection  
288 Activities," document number NB-369, and whose boiler inspectors  
289 hold valid certificates of competency in accordance with s.  
290 554.104. The department shall, by rule, require such authorized  
291 inspection agencies to maintain financial security adequate to  
292 indemnify the owner of the boiler if such agency's negligence or  
293 failure to inspect an uninsured boiler results in a loss. Such  
294 inspection agency may inspect uninsured boilers or, at the  
295 direction of an insurance company, may inspect a boiler insured  
296 by that insurance company.

297 (4) "Boiler insurance company" means a company authorized  
298 by a subsisting certificate of authority, issued by the Office  
299 of Insurance Regulation, to transact boiler and machinery  
300 insurance in this state.

301 Section 4. Section 554.103, Florida Statutes, is amended  
302 to read:

303 554.103 Boiler code.—The department shall adopt by rule a  
304 State Boiler Code for the safe construction, installation,  
305 inspection, maintenance, and repair of boilers in this state.  
306 The rules adopted shall be based upon and shall at all times  
307 follow generally accepted nationwide engineering standards,  
308 formulas, and practices pertaining to boiler construction and  
309 safety.

310 (1) The department shall adopt an existing code for new  
311 construction and installation known as the Boiler and Pressure  
312 Vessel Code of the American Society of Mechanical Engineers,  
313 including all amendments and interpretations ~~approved thereto by~~  
314 ~~the Council on Codes and Standards of A.S.M.E. The department~~  
315 ~~may adopt amendments and interpretations~~ to the A.S.M.E. Boiler  
316 and Pressure Vessel Code approved by the A.S.M.E. Council on  
317 Codes and Standards subsequent to the adoption of the State  
318 Boiler Code, and when so adopted by the department, such  
319 amendments and interpretations ~~shall~~ become a part of the State  
320 Boiler Code.

321 (2) The installer ~~owner~~ of any boiler placed in use in  
322 this state after January 1, 2018, must, before installing the  
323 boiler, apply on a form adopted by rule of the department for a  
324 permit to install the boiler from the chief boiler inspector.  
325 The application must include the boiler's A.S.M.E.

326 manufacturer's data report and other documents required by the  
327 State Boiler Code before the boiler is placed in service. The  
328 installer must contact the chief boiler inspector to schedule an  
329 inspection for each boiler no later than 7 days before the  
330 boiler is placed in service ~~after October 1, 1987, shall submit~~  
331 ~~the A.S.M.E. manufacturer's data report on such boiler to the~~  
332 ~~chief inspector not more than 90 days following the inservice~~  
333 ~~date of the boiler.~~

334 (3) The maximum allowable working pressure of a boiler  
335 carrying the A.S.M.E. code symbol must ~~shall~~ be determined by  
336 the applicable sections of the code under which it was  
337 constructed and stamped. Subject to the concurrence of the chief  
338 boiler inspector, such boiler may be rerated in accordance with  
339 the standards of the State Boiler Code.

340 (4) The maximum allowable working pressure of a boiler  
341 that ~~which~~ does not carry the A.S.M.E. code symbol must ~~shall~~ be  
342 computed in accordance with the standards of the State Boiler  
343 Code.

344 (5) This chapter may not ~~Nothing in ss. 554.1011-554.115~~  
345 ~~shall~~ be construed to in any way prevent the use, sale, or  
346 reinstallation of a boiler if such boiler has been made to  
347 conform to the applicable provisions of the State Boiler Code  
348 governing existing installations and if, upon inspection, the  
349 boiler has been found to be in a safe condition.

350 (6) The department, at its discretion, may authorize the

351 construction, installation, and operation of boilers of special  
352 design or construction which do not meet the specific  
353 requirements of the State Boiler Code, but which are consistent  
354 with the intent of the safety objectives of the code.

355 (7) The department may adopt rules pursuant to ss.  
356 120.536(1) and 120.54 to administer this chapter. Such rules may  
357 include specifying the procedures and forms to be used to obtain  
358 an installation permit, an initial certificate, or a renewal  
359 certificate, and the submission of reports and notices required  
360 under this chapter.

361 Section 5. Section 554.104, Florida Statutes, is amended  
362 to read:

363 554.104 Certification of boiler inspectors required;  
364 application; qualifications; renewal ~~Boilers of special design.-~~  
365 ~~The department, at its discretion, may authorize the~~  
366 ~~construction, installation, and operation of boilers of special~~  
367 ~~design or construction that do not meet the specific~~  
368 ~~requirements of the State Boiler Code but are not inconsistent~~  
369 ~~with the intent of the safety objectives of such code.~~

370 (1) CERTIFICATE REQUIRED.-A person may not be, act as, or  
371 advertise or hold himself or herself out to be an inspector of a  
372 boiler that is subject to regulation by this chapter, unless he  
373 or she currently holds a certificate of competency issued by the  
374 department.

375 (2) APPLICATION.-A person who desires to be certified to

376 inspect boilers that are subject to regulation by this chapter  
377 must apply in writing to the department to take the  
378 certification examination.

379 (3) QUALIFICATIONS.—A person is qualified to take the  
380 certification examination if the person:

381 (a) Has submitted the application for examination together  
382 with the fee required under s. 554.111(1) (a);

383 (b) Is at least 18 years of age;

384 (c) Has completed the 2-hour training course under  
385 subsection (4) on the requirements of this chapter and any  
386 related rules adopted by the department. The course must be  
387 completed no later than 12 months before issuance of an initial  
388 or renewal certificate; and

389 (d) Has:

390 1. At least 3 years of experience in the construction,  
391 installation, inspection, operation, maintenance, or repair of  
392 high pressure, high temperature water boilers; or

393 2. Met the requirements to qualify as a commissioned  
394 inspector by the National Board of Boiler and Pressure Vessel  
395 Inspectors as set forth in NB-263, RCI-1, Rules for Commissioned  
396 Inspectors, as adopted by rule of the department.

397 (4) TRAINING COURSE.—The department shall adopt by rule a  
398 2-hour training course on the requirements of this chapter and  
399 any related rules adopted by the department. The department  
400 shall make the training course available online and may make the



401 course available in a classroom setting. A boiler insurance  
402 company may include the department's course as part of its in-  
403 house training of a boiler inspector student, in lieu of the  
404 student taking the online training course. A boiler insurance  
405 company that includes the department's course in its in-house  
406 training of a boiler inspector student must indicate that the  
407 student completed the training on an application filed with the  
408 department for certification of competency.

409 (5) EXAMINATION.—A person applying for a certificate of  
410 competency must have successfully passed the examination  
411 administered by the National Board of Boiler and Pressure Vessel  
412 Inspectors and be eligible to obtain a National Board  
413 commission.

414 (6) ISSUANCE OF CERTIFICATE.—The chief boiler inspector  
415 must issue a certificate of competency to each person who is  
416 qualified under this section and who holds a commission from the  
417 National Board of Boiler and Pressure Vessel Inspectors.

418 (7) RENEWAL OF CERTIFICATE.—A certificate of competency  
419 expires on December 31 of each year and may be renewed upon the  
420 filing of a renewal application with the department. A secured  
421 electronic application must be used, if available on the  
422 department's website.

423 (8) RULES.—The department may adopt rules necessary to  
424 administer this section.

425 Section 6. Section 554.105, Florida Statutes, is amended

426 to read:

427 554.105 Chief boiler inspector.—

428 (1) The Chief Financial Officer shall appoint a chief  
 429 boiler inspector, who must have at least ~~shall have not less~~  
 430 ~~than~~ 5 years' experience in the construction, installation,  
 431 inspection, operation, maintenance, or repair of high pressure,  
 432 high temperature water boilers and who must ~~shall~~ hold a  
 433 commission from the National Board of Boiler and Pressure Vessel  
 434 Inspectors or a certificate of competency from the department.

435 (2) The department, through the chief boiler inspector,  
 436 shall administer the state boiler inspection program, and shall:

437 (a) Take all action necessary to enforce the State Boiler  
 438 Code and the rules adopted pursuant to this chapter ~~ss.~~  
 439 ~~554.1011-554.115.~~

440 (b) Keep a complete record on all boilers at public  
 441 assembly locations. Such record must ~~shall~~ include the name of  
 442 each boiler owner or user and the location, type, ~~dimensions,~~  
 443 maximum allowable working pressure, age, ~~and~~ last recorded  
 444 inspection of each boiler, and any other information necessary  
 445 to expedite the certification process.

446 (c) ~~Publish and make available to anyone, upon request,~~  
 447 ~~copies of the rules adopted pursuant to ss. 554.1011-554.115.~~

448 ~~(d)~~ Expend funds necessary to meet the expenses authorized  
 449 by this chapter ~~ss. 554.1011-554.115,~~ including the necessary  
 450 travel expenses of the chief boiler inspector and deputy boiler

451 inspectors, and the expenses incident to the maintenance of this  
 452 ~~his or her~~ office.

453 Section 7. Section 554.106, Florida Statutes, is amended  
 454 to read:

455 554.106 Deputy boiler inspectors.—

456 (1) The department shall employ deputy boiler inspectors  
 457 who shall be responsible to the chief boiler inspector ~~and who~~  
 458 ~~shall each hold a certificate of competency from the department.~~

459 (2) A deputy boiler inspector shall perform inspections of  
 460 uninsured boilers that are subject to regulation under this  
 461 chapter, in accordance with the inspection frequency set forth  
 462 in s. 554.108. A deputy boiler inspector may also engage in  
 463 public outreach activities of the department and conduct other  
 464 duties as assigned by the chief boiler inspector.

465 Section 8. Section 554.107, Florida Statutes, is amended  
 466 to read:

467 554.107 Special boiler inspectors.—

468 (1) Upon application by any authorized inspection agency  
 469 ~~company licensed to insure boilers in this state~~, the chief  
 470 boiler inspector shall issue a certificate of competency as a  
 471 special boiler inspector to any inspector employed by the  
 472 authorized inspection agency company, if provided that such  
 473 boiler inspector satisfies the competency requirements for  
 474 inspectors as provided in s. 554.104 s. 554.113. Special boiler  
 475 inspectors shall perform inspections of insured boilers in

476 accordance with the inspection frequency set forth in s.  
477 554.108.

478 (2) The certificate of competency of a special boiler  
479 inspector remains ~~shall remain~~ in effect only so long as the  
480 special boiler inspector is employed by an authorized inspection  
481 agency ~~a company licensed to insure boilers in this state~~. Upon  
482 termination of employment with such company, such company a  
483 ~~special inspector~~ shall, in writing, notify the chief boiler  
484 inspector of such special boiler inspector's termination. Such  
485 notice must ~~shall~~ be given within 15 days following the date of  
486 termination.

487 Section 9. Subsections (1), (2), (4), and (5) of section  
488 554.108, Florida Statutes, are amended, and subsection (6) is  
489 added to that section, to read:

490 554.108 Inspection.—

491 (1) The inspection requirements of this chapter apply only  
492 to boilers located in public assembly locations. A potable hot  
493 water supply boiler with a heat input of 200,000 British thermal  
494 units (Btu) per hour and above, up to a heat input not exceeding  
495 400,000 Btu per hour, is exempt from inspection, but must be  
496 stamped with the A.S.M.E. code symbol "HLW" and the boiler's  
497 A.S.M.E data report must be filed as required under s.

498 554.103(2) ~~The only boilers required to be inspected under the~~  
499 ~~provisions of ss. 554.1011-554.115 are boilers located in public~~  
500 ~~assembly locations.~~

501 (2) Each inspection of a boiler conducted pursuant to this  
502 chapter must ~~ss. 554.1011-554.115 shall~~ be made by the chief  
503 boiler inspector, a deputy boiler inspector, or a special boiler  
504 inspector. An owner or the owner's designee shall perform all  
505 operation, testing, manipulation of boiler controls and safety  
506 devices, removal of lagging, and disassembly of boiler  
507 components to allow the chief boiler inspector, deputy boiler  
508 inspector, or special boiler inspector to conduct inspections as  
509 required by this section.

510 (4) Each boiler subject to inspection must be inspected  
511 within 30 days after expiration of the boiler's certificate of  
512 operation. However, an inspection report must be received by the  
513 chief boiler inspector no later than 30 days after the projected  
514 expiration date of the certificate of operation. If, upon  
515 inspection, the chief boiler inspector, deputy boiler inspector,  
516 or special boiler inspector finds that a boiler is in violation  
517 of any provision of the State Boiler Code, the inspector must  
518 promptly notify the owner or user and state what repairs or  
519 other corrective measures are needed. Deputy boiler inspectors  
520 and special boiler inspectors shall file a written report, on a  
521 form adopted by rule of the department, on each certificate  
522 inspection with the chief boiler inspector within 15 days after  
523 the following such inspection. A certificate inspection report  
524 must list all violations of the State Boiler Code and any  
525 conditions that may adversely affect the operation of the

526 | boiler. The filing of reports of inspections, other than  
527 | statutorily required certificate inspections, is are not  
528 | required unless such inspections disclose that a boiler is in an  
529 | unsafe condition or if the boiler has failed the inspection and  
530 | requires major repair or replacement. The inspection report must  
531 | list the extent of damage to the boiler, the cause of the  
532 | failure if known, and any other pertinent information. However,  
533 | an inspection report must be filed for any inspection performed  
534 | on a boiler with a previously identified code violation. The  
535 | report must indicate whether the violation has been corrected.  
536 | The agency responsible for conducting the inspection must  
537 | perform followup inspections, not more than every 6 months, of a  
538 | previously identified code violation until it is corrected.

539 | (5) Upon a determination by the chief boiler inspector  
540 | determining that a boiler cannot be safely operated, is in an  
541 | unsafe condition and poses an imminent danger to the public  
542 | health, safety, and welfare, the chief inspector, a deputy  
543 | inspector, or a special inspector may immediately order the  
544 | boiler must immediately to be shut down. The chief boiler  
545 | inspector or a deputy boiler inspector shall attach a tag to the  
546 | boiler indicating that the boiler has been shut down due to an  
547 | unsafe condition. The boiler must shall remain shut down until a  
548 | reinspection by the chief boiler inspector or a deputy boiler a  
549 | certified inspector determines that all violations have been  
550 | corrected, that the boiler may be operated safely, and that a

551 ~~certificate of compliance has been issued. A boiler that cannot~~  
552 ~~be safely operated, as determined by the chief boiler inspector,~~  
553 ~~is deemed to constitute an imminent danger to the public health,~~  
554 ~~safety, and welfare.~~

555 (6) The department may adopt rules necessary to administer  
556 this section.

557 Section 10. Section 554.1081, Florida Statutes, is created  
558 to read:

559 554.1081 Boiler inspections by insurance companies and  
560 local governmental agencies.-

561 (1) An insurance company insuring a boiler located in a  
562 public assembly location in this state shall inspect, or shall  
563 contract with an authorized inspection agency to inspect, the  
564 insured boiler. A boiler insurance company shall annually report  
565 to the department the name of any authorized inspection agency  
566 performing any required boiler inspections on its behalf and  
567 shall actively monitor insured boilers to ensure that  
568 inspections are conducted as required by this chapter.

569 (2) A county, municipality, town, or other governmental  
570 subdivision that has adopted into law the Boiler and Pressure  
571 Vessel Code of the A.S.M.E. and the National Board Inspection  
572 Code for the construction, installation, inspection,  
573 maintenance, and repair of boilers to regulate boilers in public  
574 assembly locations may inspect such boilers. All boiler  
575 inspections must be conducted by special boiler inspectors in

576 | accordance with this chapter.

577 | Section 11. Section 554.109, Florida Statutes, is amended  
578 | to read:

579 | 554.109 Exemptions.—

580 | ~~(1) Any insurance company insuring a boiler located in a~~  
581 | ~~public assembly location in this state shall inspect such boiler~~  
582 | ~~so insured, and any county, city, town, or other governmental~~  
583 | ~~subdivision which has adopted into law the Boiler and Pressure~~  
584 | ~~Vessel Code of the American Society of Mechanical Engineers and~~  
585 | ~~the National Board Inspection Code for the construction,~~  
586 | ~~installation, inspection, maintenance, and repair of boilers,~~  
587 | ~~regulating such boilers in public assembly locations, shall~~  
588 | ~~inspect such boilers so regulated; provided that such inspection~~  
589 | ~~shall be conducted by a special inspector licensed pursuant to~~  
590 | ~~ss. 554.1011-554.115. Upon filing of a report of satisfactory~~  
591 | ~~inspection with the department, such boiler is exempt from~~  
592 | ~~inspection by the department.~~

593 | ~~(2) The provisions of This chapter does shall not apply to~~  
594 | potable hot water supply boilers or lined storage water heaters  
595 | that ~~which~~ are directly fired with oil, gas, electricity, or  
596 | solar energy, provided that none of the following limitations  
597 | are exceeded:

598 | (1) ~~(a)~~ Heat input of 400,000 Btu per hour.

599 | (2) ~~(b)~~ Water temperature of 210 degrees Fahrenheit.

600 | (3) ~~(c)~~ Nominal water-containing capacity of 120 gallons.



601  
602 ~~These exempt hot water supply boilers and lined storage water~~  
603 ~~heaters shall be equipped with safety relief valves conforming~~  
604 ~~to the requirements of the Boiler and Pressure Vessel Code of~~  
605 ~~the American Society of Mechanical Engineers and of the National~~  
606 ~~Board Inspection Code.~~

607 Section 12. Section 554.1101, Florida Statutes, is amended  
608 to read:

609 554.1101 Certificate of operation ~~compliance~~.—

610 (1) If an inspection report filed pursuant to s. 554.108  
611 shows a boiler to be in compliance with all applicable  
612 provisions of the State Boiler Code, the chief boiler inspector  
613 must ~~shall~~, upon receipt of the inspection fee, issue a  
614 certificate of operation ~~compliance~~ to the owner. Such  
615 certificate must ~~shall~~ bear the date of the inspection and  
616 specify the maximum pressure at which the boiler may be  
617 operated.

618 (2) The certificate for a power boiler or a high pressure,  
619 high temperature water boiler is valid for a period of 12 months  
620 from the date of the certificate inspection. The certificate for  
621 a heating boiler or a hot water supply boiler is valid for a  
622 period of 24 months from the date of the certificate inspection.  
623 The certificate must ~~shall~~ be posted under glass, or be  
624 similarly protected, in the room containing the boiler.

625 (3) A boiler insurance company shall notify the chief

626 | boiler inspector within 30 days after the issuance of a new or  
 627 | renewal boiler and machinery insurance policy, or the  
 628 | cancellation or nonrenewal of a boiler and machinery insurance  
 629 | policy, covering places of public assembly in this state.

630 | (4) If the chief boiler inspector has knowledge that a  
 631 | boiler regulated under this chapter was covered by a boiler and  
 632 | machinery insurance policy after its most recent certification  
 633 | inspection, the certificateholder must, upon the request of the  
 634 | chief boiler inspector, submit its certificate of boiler and  
 635 | machinery insurance for the boiler if the department has not  
 636 | received the special boiler inspector's annual inspection report  
 637 | within 30 days after its due date.

638 | Section 13. Section 554.111, Florida Statutes, is amended  
 639 | to read:

640 | 554.111 Fees.—

641 | (1) The department shall charge the following fees:

642 | (a) For an applicant for a certificate of competency, the  
 643 | initial application fee shall be \$50, and the annual renewal fee  
 644 | shall be \$30. The fee for examination shall be \$50.

645 | (b) For certificate inspections conducted by the  
 646 | department:

647 | 1. For power boilers and high pressure, high temperature  
 648 | water boilers of:

649 | 4,000 square feet or less heating surface.....\$60

650 | More than 4,000 square feet heating surface and less than 10,000

651 square feet of heating surface.....\$70  
 652 10,000 square feet or more heating surface.....\$90  
 653 2. For heating boilers:  
 654 Without a manhole.....\$40  
 655 With a manhole.....\$70  
 656 3. For hot water supply boilers.....\$40  
 657 (c) For issuance of a ~~compliance~~ certificate of operation  
 658 without a department inspection.....\$30  
 659 (d) Duplicate certificates or address  
 660 changes.....\$5  
 661 (e) An application for a boiler permit must include the  
 662 applicable certificate inspection fee provided in paragraph (b).  
 663 (2) Not more than an amount equal to one certificate  
 664 inspection fee may ~~shall~~ be charged or collected for any and all  
 665 boiler inspections in any inspection period, except as otherwise  
 666 provided in this chapter ~~ss. 554.1011-554.115~~.  
 667 (a) When it is necessary to make a special trip to observe  
 668 the application of a hydrostatic test, an additional fee equal  
 669 to the fee for a certificate inspection of the boiler must ~~shall~~  
 670 be charged.  
 671 (b) All other inspections, including shop inspections,  
 672 surveys, and inspections of secondhand boilers made by the chief  
 673 boiler inspector or a deputy boiler inspector, must ~~shall~~ be  
 674 charged at the rate of not less than \$270 for one-half day of 4  
 675 hours, and \$500 for 1 full day of 8 hours, plus travel, hotel,

676 and incidental expenses in accordance with chapter 112.

677 (3) The chief boiler inspector shall deposit all fees or  
678 fines received pursuant to this chapter ~~ss. 554.1011-554.115~~  
679 into the Insurance Regulatory Trust Fund.

680 Section 14. Sections 554.112 and 554.113, Florida  
681 Statutes, are repealed.

682 Section 15. Section 554.114, Florida Statutes, is amended  
683 to read:

684 554.114 Prohibitions; penalties.—

685 (1) A person may not:

686 (a) Operate a boiler at a public assembly location without  
687 a valid certificate of operation ~~compliance~~ for that boiler;

688 ~~(b) Give false or forged information to the department or~~  
689 ~~an inspector for the purpose of obtaining a certificate of~~  
690 ~~compliance;~~

691 ~~(c)~~ Use a certificate of operation ~~compliance~~ for any  
692 boiler other than for the boiler for which it was issued;

693 ~~(c)(d)~~ Operate a boiler for which the certificate of  
694 operation ~~compliance~~ has been suspended, revoked, or not  
695 renewed;

696 ~~(e) Give false or forged information to the department for~~  
697 ~~the purpose of obtaining a certificate of competence; or~~

698 ~~(d)(f)~~ Inspect any boiler regulated under this chapter ~~the~~  
699 ~~provisions of ss. 554.1011-554.115~~ without having a valid  
700 certificate of competency.

701           (2) A boiler insurance company that fails to inspect or to  
 702 have inspected, in accordance with this chapter, any boiler  
 703 insured by the company and regulated under this chapter is  
 704 subject to the penalties provided in subsection (4), unless the  
 705 failure to inspect was the result of an owner or operator's  
 706 failure to provide reasonable access to the boiler ~~Any person~~  
 707 ~~who violates this section is guilty of a misdemeanor of the~~  
 708 ~~second degree, punishable by fine as provided in s. 775.083.~~

709           (3) An authorized inspection agency that is under contract  
 710 with a boiler insurance company and that fails to inspect, in  
 711 accordance with this chapter, any boiler insured by the company  
 712 and regulated under this chapter is subject to the penalties  
 713 provided in subsection (4), unless the failure to inspect was  
 714 the result of an owner or operator's failure to provide  
 715 reasonable access to the boiler.

716           (4) A boiler insurance company, authorized inspection  
 717 agency, or other person in violation of this section for more  
 718 than 30 days shall pay a fine of \$10 per day for the first 10  
 719 days of noncompliance, \$50 per day for the subsequent 20 days of  
 720 noncompliance, and \$100 per day for each subsequent day over 20  
 721 days of noncompliance.

722           Section 16. Section 554.115, Florida Statutes, is amended  
 723 to read:

724           554.115 Disciplinary proceedings.—

725           (1) The department may deny, refuse to renew, suspend, or

726 | revoke a certificate of operation ~~compliance~~ upon proof that:

727 |       (a) The certificate has been obtained by fraud or  
728 | misrepresentation;

729 |       (b) The boiler for which the certificate was issued cannot  
730 | be operated safely; ~~or~~

731 |       (c) The person who received the certificate willfully or  
732 | deliberately violated the State Boiler Code, this chapter, ~~or~~  
733 | ~~ss. 554.1011-554.115~~ or any other rule adopted pursuant to this  
734 | chapter; ~~or ss. 554.1011-554.115.~~

735 |       (d) The owner of a boiler:

736 |           1. Operated a boiler at a public assembly location without  
737 | a valid certificate of operation for that boiler;

738 |           2. Used a certificate of operation for a boiler other than  
739 | the boiler for which the certificate of operation was issued;

740 |           3. Gave false or forged information to the department, to  
741 | an authorized inspection agency, or to another boiler inspector  
742 | for the purpose of obtaining a certificate of operation;

743 |           4. Operated a boiler after the certificate of operation  
744 | for the boiler expired, was not renewed, or was suspended or  
745 | revoked;

746 |           5. Operated a boiler that is in an unsafe condition; or

747 |           6. Operated a boiler in a manner that is contrary to the  
748 | requirements of this chapter or any rule adopted under this  
749 | chapter.

750 |       (2) The department may deny, refuse to renew, suspend, or

751 revoke a certificate of competency upon proof that:

752 (a) The certificate was obtained by fraud or  
753 misrepresentation;

754 (b) The inspector to whom the certificate was issued is no  
755 longer qualified under this chapter ~~ss. 554.1011-554.115~~ to  
756 inspect boilers; or

757 (c) The boiler inspector:

758 1. ~~Operated a boiler at a public assembly location without~~  
759 ~~a valid certificate of compliance for that boiler;~~

760 2. Gave false or forged information to the department, an  
761 authorized inspection agency, or to another boiler inspector for  
762 the purpose of obtaining a certificate of operation; or  
763 ~~compliance;~~

764 3. ~~Used a certificate of compliance for any boiler other~~  
765 ~~than the boiler for which it was issued;~~

766 4. ~~Operated a boiler for which the certificate of~~  
767 ~~compliance has been suspended or revoked or has expired;~~

768 2.5. Inspected any boiler regulated under this chapter ~~ss.~~  
769 ~~554.1011-554.115~~ without having obtained a valid certificate of  
770 competency.†

771 6. ~~Operated a boiler that is in an unsafe condition; or~~

772 7. ~~Operated a boiler in a manner that is contrary to the~~  
773 ~~requirements of this chapter or any rule adopted under this~~  
774 ~~chapter.~~

775 (3) Each suspension of a certificate of operation

776 ~~compliance~~ or certificate of competency shall continue in effect  
777 until all violations have been corrected and, for boiler safety  
778 violations, until the boiler has been inspected by an authorized  
779 inspector and shown to be in a safe working condition.

780 ~~(4) A person in violation of this section who does not~~  
781 ~~have a valid certificate of competency shall be reported by the~~  
782 ~~chief inspector to the appropriate state attorney.~~

783 ~~(5) A person in violation of this section who has a valid~~  
784 ~~certificate of competency is subject to administrative action by~~  
785 ~~the chief inspector.~~

786 ~~(4)(6)~~ A revocation of a certificate of competency is  
787 permanent, and a revoked certificate of competency may not be  
788 reinstated or a new certificate of competency issued to the same  
789 person. A suspension of a certificate of competency continues in  
790 effect until all violations have been corrected. ~~A suspension of~~  
791 ~~a certificate of compliance for any boiler safety violation~~  
792 ~~continues in effect until the boiler has been inspected by an~~  
793 ~~authorized inspector and shown to be in safe working condition.~~

794 Section 17. Section 554.1151, Florida Statutes, is created  
795 to read:

796 554.1151 Administrative fine in lieu of or in addition to  
797 suspension, revocation, or refusal to renew a certificate of  
798 operation or competency.—

799 (1) If the department finds that one or more grounds exist  
800 for the suspension, revocation, or refusal to renew any



801 certificate of operation or certificate of competency issued  
802 under this chapter, the department may, at its discretion, in  
803 lieu of or in addition to suspension or revocation or in lieu of  
804 refusal to renew, impose upon the certificateholder an  
805 administrative penalty in an amount up to \$500, or, if the  
806 department has found willful misconduct or willful violation on  
807 the part of the certificateholder, in an amount up to \$3,500.

808 (2) The department may allow the certificateholder a  
809 reasonable period, no more than 30 days, within which to pay to  
810 the department the amount of the penalty so imposed. If the  
811 certificateholder fails to pay the penalty in its entirety to  
812 the department within such period, the certificate of that  
813 person must be suspended until the penalty is paid. If the  
814 certificateholder fails to pay the penalty in its entirety to  
815 the department within 90 days after such period, the certificate  
816 of that person must be revoked.

817 Section 18. Subsection (7) of section 624.307, Florida  
818 Statutes, is amended to read:

819 624.307 General powers; duties.—

820 (7) The department and office, within existing resources,  
821 may expend funds for the professional development of its  
822 employees, including, but not limited to, professional dues for  
823 employees who are required to be members of professional  
824 organizations; examinations leading to professional designations  
825 required for employment with the office; training courses and

826 examinations provided through, and to ensure compliance with,  
827 the National Association of Insurance Commissioners; or other  
828 training courses related to the regulation of insurance.

829 Section 19. Present subsections (1), (2), and (3) and (4)  
830 through (19) of section 626.015, Florida Statutes, are  
831 redesignated as subsections (2), (3), and (4) and (6) through  
832 (21), respectively, present subsection (8) is amended, and new  
833 subsections (1) and (5) are added to that section, to read:

834 626.015 Definitions.—As used in this part:

835 (1) "Active participant" means a member in good standing  
836 of an association who attends 4 or more hours of association  
837 meetings every year, not including any department-approved  
838 continuing education course.

839 (5) "Association" includes the Florida Association of  
840 Insurance Agents (FAIA), the National Association of Insurance  
841 and Financial Advisors (NAIFA), the Florida Association of  
842 Health Underwriters (FAHU), the Latin American Association of  
843 Insurance Agencies (LAAIA), the Florida Association of Public  
844 Insurance Adjusters (FAPIA), the Florida Bail Agents Association  
845 (FBAA), or the Professional Bail Agents of the United States  
846 (PBUS).

847 (10)~~(8)~~ "Insurance agency" means a business location at  
848 which an individual, firm, partnership, corporation,  
849 association, or other entity, other than an employee of the  
850 individual, firm, partnership, corporation, association, or

851 other entity and other than an insurer as defined by s. 624.03  
 852 or an adjuster as defined by subsection (2) ~~(1)~~, engages in any  
 853 activity or employs individuals to engage in any activity which  
 854 by law may be performed only by a licensed insurance agent.

855 Section 20. Section 626.207, Florida Statutes, is amended  
 856 to read:

857 626.207 Disqualification of applicants and licensees;  
 858 penalties against licensees; rulemaking authority.—

859 (1) For purposes of this section, the term or terms:

860 (a) "Applicant" means an individual applying for licensure  
 861 or relicensure under this chapter, and an officer, director,  
 862 majority owner, partner, manager, or other person who manages or  
 863 controls an entity applying for licensure or relicensure under  
 864 this chapter.

865 (c) "Financial services business" means any financial  
 866 activity regulated by the Department of Financial Services, the  
 867 Office of Insurance Regulation, or the Office of Financial  
 868 Regulation.

869 ~~(b) (2) For purposes of this section, the terms "Felony of~~  
 870 ~~the first degree" and "capital felony" include all felonies~~  
 871 ~~designated as such by the Florida Statutes, as well as any~~  
 872 ~~felony so designated in the jurisdiction in which the plea is~~  
 873 ~~entered or judgment is rendered.~~

874 ~~(2) (3) An applicant who~~ has been found guilty of or has  
 875 pleaded guilty or nolo contendere to any of the following

876 crimes, regardless of adjudication, is permanently barred from  
877 licensure under this chapter: ~~commits~~

878 (a) A felony of the first degree;

879 (b) A capital felony;

880 (c) A felony involving money laundering; ~~fraud, or~~

881 (d) A felony embezzlement; or

882 (e) A felony directly related to the financial services  
883 business ~~is permanently barred from applying for a license under~~  
884 ~~this part. This bar applies to convictions, guilty pleas, or~~  
885 ~~nolo contendere pleas, regardless of adjudication, by any~~  
886 ~~applicant, officer, director, majority owner, partner, manager,~~  
887 ~~or other person who manages or controls any applicant.~~

888 (3)-(4) An applicant who has been found guilty of or has  
889 pleaded guilty or nolo contendere to a crime ~~For all other~~  
890 ~~crimes~~ not included in subsection (2), regardless of  
891 adjudication, is subject to (3), ~~the department shall adopt~~  
892 ~~rules establishing the process and application of disqualifying~~  
893 ~~periods that include:~~

894 (a) A 15-year disqualifying period for all felonies  
895 involving moral turpitude which ~~that~~ are not specifically  
896 included in the permanent bar contained in subsection (2) ~~(3)~~.

897 (b) A 7-year disqualifying period for all felonies to  
898 which neither the permanent bar in subsection (2) ~~(3)~~ nor the  
899 15-year disqualifying period in paragraph (a) applies.

900 (c) A 7-year disqualifying period for all misdemeanors

901 directly related to the financial services business.

902 (4)~~(5)~~ The department shall adopt rules to administer this  
903 section. The rules must provide ~~providing~~ for additional  
904 disqualifying periods due to the commitment of multiple crimes  
905 and may include other factors reasonably related to the  
906 applicant's criminal history. The rules shall provide for  
907 mitigating and aggravating factors. However, mitigation may not  
908 result in a period of disqualification of less than 7 years and  
909 may not mitigate the disqualifying periods in paragraphs (3) (b)  
910 and (c) ~~(4) (b) and (c)~~.

911 (5)~~(6)~~ For purposes of this section, the disqualifying  
912 periods begin upon the applicant's final release from  
913 supervision or upon completion of the applicant's criminal  
914 sentence, ~~including payment of fines, restitution, and court~~  
915 ~~costs for the crime for which the disqualifying period applies.~~  
916 The department may not issue a license to an applicant unless  
917 all related fines, court costs and fees, and court-ordered  
918 restitution have been paid.

919 (6)~~(7)~~ After the disqualifying period has expired ~~been~~  
920 ~~met~~, the burden is on the applicant to demonstrate that the  
921 applicant has been rehabilitated, does not pose a risk to the  
922 insurance-buying public, is fit and trustworthy to engage in the  
923 business of insurance pursuant to s. 626.611(1)(g), and is  
924 otherwise qualified for licensure.

925 (7) Notwithstanding subsections (2) and (3), upon a grant

926 of a pardon or the restoration of civil rights pursuant to  
927 chapter 940 and s. 8, Art. IV of the State Constitution with  
928 respect to a finding of guilt or a plea under subsection (2) or  
929 subsection (3), such finding or plea no longer bars or  
930 disqualifies the applicant from licensure under this chapter  
931 unless the clemency specifically excludes licensure in the  
932 financial services business; however, a pardon or restoration of  
933 civil rights does not require the department to award such  
934 license.

935 (8) The department shall adopt rules establishing specific  
936 penalties against licensees in accordance with ss. 626.641 and  
937 626.651 for violations of s. 626.611, s. 626.621, s. 626.8437,  
938 s. 626.844, s. 626.935, s. 634.181, s. 634.191, s. 634.320, s.  
939 634.321, s. 634.422, s. 634.423, s. 642.041, or s. 642.043. The  
940 purpose of the revocation or suspension is to provide a  
941 sufficient penalty to deter future violations of the Florida  
942 Insurance Code. The imposition of a revocation or the length of  
943 suspension shall be based on the type of conduct and the  
944 probability that the propensity to commit further illegal  
945 conduct has been overcome at the time of eligibility for  
946 relicensure. The length of suspension may be adjusted based on  
947 aggravating or mitigating factors, established by rule and  
948 consistent with this purpose.

949 (9) Section 112.011 does not apply to any applicants for  
950 licensure under the Florida Insurance Code, including, but not

951 limited to, agents, agencies, adjusters, adjusting firms,  
952 customer representatives, or managing general agents.

953 Section 21. Section 626.9954, Florida Statutes, is amended  
954 to read:

955 626.9954 Disqualification from registration.—

956 (1) As used in this section, the terms "felony of the  
957 first degree" and "capital felony" include all felonies so  
958 designated by the laws of this state, as well as any felony so  
959 designated in the jurisdiction in which the plea is entered or  
960 judgment is rendered.

961 (2) An applicant who has been found guilty of or has  
962 pleaded guilty or nolo contendere to the following crimes,  
963 regardless of adjudication, is permanently disqualified from  
964 registration under this part: ~~commits~~

965 (a) A felony of the first degree;

966 (b) A capital felony;

967 (c) A felony involving money laundering; ~~fraud, or~~

968 (d) A felony embezzlement; or

969 (e) A felony directly related to the financial services  
970 business ~~is permanently barred from applying for registration~~  
971 ~~under this part. This bar applies to convictions, guilty pleas,~~  
972 ~~or nolo contendere pleas, regardless of adjudication, by an~~  
973 ~~applicant.~~

974 (3) An applicant who has been found guilty of or has  
975 pleaded guilty or nolo contendere to a crime ~~For all other~~

976 | ~~crimes~~ not described in subsection (2), regardless of  
977 | adjudication, is subject to the department may adopt rules  
978 | ~~establishing the process and application of disqualifying~~  
979 | ~~periods including:~~

980 |       (a) A 15-year disqualifying period for all felonies  
981 | involving moral turpitude which are not specifically included in  
982 | subsection (2).

983 |       (b) A 7-year disqualifying period for all felonies not  
984 | specifically included in subsection (2) or paragraph (a).

985 |       (c) A 7-year disqualifying period for all misdemeanors  
986 | directly related to the financial services business.

987 |       (4) The department may adopt rules to administer this  
988 | section. The rules must provide for ~~providing~~ additional  
989 | disqualifying periods due to the commitment of multiple crimes  
990 | and may include other factors reasonably related to the  
991 | applicant's criminal history. The rules must provide for  
992 | mitigating and aggravating factors. However, mitigation may not  
993 | result in a disqualifying period of less than 7 years and may  
994 | not mitigate the disqualifying periods in paragraph (3) (b) or  
995 | paragraph (3) (c).

996 |       (5) For purposes of this section, the disqualifying  
997 | periods begin upon the applicant's final release from  
998 | supervision or upon completion of the applicant's criminal  
999 | sentence, ~~including the payment of fines, restitution, and court~~  
1000 | ~~costs for the crime for which the disqualifying period applies.~~



1001 The department may not issue a registration to an applicant  
 1002 unless all related fines, court costs and fees, and court-  
 1003 ordered restitution have been paid.

1004 (6) After the disqualifying period has expired ~~been met~~,  
 1005 the burden is on the applicant to demonstrate to the  
 1006 satisfaction of the department that he or she has been  
 1007 rehabilitated and does not pose a risk to the insurance-buying  
 1008 public and is otherwise qualified for registration.

1009 (7) Notwithstanding subsections (2) and (3), upon a grant  
 1010 of a pardon or the restoration of civil rights pursuant to  
 1011 chapter 940 and s. 8, Art. IV of the State Constitution with  
 1012 respect to a finding of guilt or a plea under subsection (2) or  
 1013 subsection (3), such finding or plea no longer bars or  
 1014 disqualifies the applicant from applying for registration under  
 1015 this part unless the clemency specifically excludes licensure or  
 1016 specifically excludes registration in the financial services  
 1017 business; however, a pardon or restoration of civil rights does  
 1018 not require the department to award such registration.

1019 ~~(8)-(7)~~ Section 112.011 does not apply to an applicant for  
 1020 registration as a navigator.

1021 Section 22. Paragraph (j) of subsection (2) of section  
 1022 626.221, Florida Statutes, is amended to read:

1023 626.221 Examination requirement; exemptions.—

1024 (2) However, an examination is not necessary for any of  
 1025 the following:

1026 (j) An applicant for license as an all-lines adjuster who  
 1027 has the designation of Accredited Claims Adjuster (ACA) from a  
 1028 regionally accredited postsecondary institution in this state,  
 1029 Associate in Claims (AIC) from the Insurance Institute of  
 1030 America, Professional Claims Adjuster (PCA) from the  
 1031 Professional Career Institute, Professional Property Insurance  
 1032 Adjuster (PPIA) from the HurriClaim Training Academy, Certified  
 1033 Adjuster (CA) from ALL LINES Training, ~~or~~ Certified Claims  
 1034 Adjuster (CCA) from AE21 Incorporated, or Universal Claims  
 1035 Certification (UCC) from Claims and Litigation Management  
 1036 Alliance (CLM) whose curriculum has been approved by the  
 1037 department and which includes comprehensive analysis of basic  
 1038 property and casualty lines of insurance and testing at least  
 1039 equal to that of standard department testing for the all-lines  
 1040 adjuster license. The department shall adopt rules establishing  
 1041 standards for the approval of curriculum.

1042 Section 23. Paragraph (a) of subsection (3) of section  
 1043 626.2815, Florida Statutes, is amended, and paragraph (j) is  
 1044 added to subsection (3) and paragraph (k) is added to subsection  
 1045 (7) of that section, to read:

1046 626.2815 Continuing education requirements.—

1047 (3) Each licensee except a title insurance agent must  
 1048 complete a 5-hour update course every 2 years which is specific  
 1049 to the license held by the licensee. The course must be  
 1050 developed and offered by providers and approved by the

1051 department. The content of the course must address all lines of  
1052 insurance for which examination and licensure are required and  
1053 include the following subject areas: insurance law updates,  
1054 ethics for insurance professionals, disciplinary trends and case  
1055 studies, industry trends, premium discounts, determining  
1056 suitability of products and services, and other similar  
1057 insurance-related topics the department determines are relevant  
1058 to legally and ethically carrying out the responsibilities of  
1059 the license granted. A licensee who holds multiple insurance  
1060 licenses must complete an update course that is specific to at  
1061 least one of the licenses held. Except as otherwise specified,  
1062 any remaining required hours of continuing education are  
1063 elective and may consist of any continuing education course  
1064 approved by the department under this section.

1065 (a) Except as provided in paragraphs (b), (c), (d), (e),  
1066 ~~and (i), and (j),~~ each licensee must also complete 19 hours of  
1067 elective continuing education courses every 2 years.

1068 (j) For a licensee who is an active participant in an  
1069 association, 2 hours of elective continuing education credit per  
1070 calendar year may be approved by the department, if properly  
1071 reported by the association.

1072 (7) The following courses may be completed in order to  
1073 meet the elective continuing education course requirements:

1074 (k) Any part of the Claims and Litigation Management  
1075 Alliance (CLM) Universal Claims Certification (UCC) professional

1076 certification: 19 hours of elective continuing education and 5  
 1077 hours of the continuing education required under subsection (3).

1078 Section 24. Paragraph (b) of subsection (1) of section  
 1079 626.8734, Florida Statutes, is amended to read:

1080 626.8734 Nonresident all-lines adjuster license  
 1081 qualifications.—

1082 (1) The department shall issue a license to an applicant  
 1083 for a nonresident all-lines adjuster license upon determining  
 1084 that the applicant has paid the applicable license fees required  
 1085 under s. 624.501 and:

1086 (b) Has passed to the satisfaction of the department a  
 1087 written Florida all-lines adjuster examination of the scope  
 1088 prescribed in s. 626.241(6); however, the requirement for the  
 1089 examination does not apply to:

1090 1. An applicant who is licensed as an all-lines adjuster  
 1091 in his or her home state if that state has entered into a  
 1092 reciprocal agreement with the department; ~~or~~

1093 2. An applicant who is licensed as a nonresident all-lines  
 1094 adjuster in a state other than his or her home state and a  
 1095 reciprocal agreement with the appropriate official of the state  
 1096 of licensure has been entered into with the department; or

1097 3. An applicant who meets the requirements of s.  
 1098 626.221(2)(j).

1099 Section 25. Paragraph (n) of subsection (1) and subsection  
 1100 (2) of section 626.611, Florida Statutes, are amended to read:

1101           626.611 Grounds for compulsory refusal, suspension, or  
 1102 revocation of agent's, title agency's, adjuster's, customer  
 1103 representative's, service representative's, or managing general  
 1104 agent's license or appointment.-

1105           (1) The department shall deny an application for, suspend,  
 1106 revoke, or refuse to renew or continue the license or  
 1107 appointment of any applicant, agent, title agency, adjuster,  
 1108 customer representative, service representative, or managing  
 1109 general agent, and it shall suspend or revoke the eligibility to  
 1110 hold a license or appointment of any such person, if it finds  
 1111 that as to the applicant, licensee, or appointee any one or more  
 1112 of the following applicable grounds exist:

1113           (n) Having been found guilty of or having pleaded guilty  
 1114 or nolo contendere to a felony or a crime punishable by  
 1115 imprisonment of 1 year or more under the law of the United  
 1116 States of America or of any state thereof or under the law of  
 1117 any other country ~~which involves moral turpitude~~, without regard  
 1118 to whether a judgment of conviction has been entered by the  
 1119 court having jurisdiction of such cases.

1120           (2) The department shall, upon receipt of information or  
 1121 an indictment, immediately temporarily suspend a license or  
 1122 appointment issued under this chapter when the licensee is  
 1123 charged with a felony enumerated in s. 626.207(2) ~~s. 626.207(3)~~.  
 1124 Such suspension shall continue if the licensee is found guilty  
 1125 of, or pleads guilty or nolo contendere to, the crime,

1126 | regardless of whether a judgment or conviction is entered,  
 1127 | during a pending appeal. A person may not transact insurance  
 1128 | business after suspension of his or her license or appointment.

1129 |       Section 26. Subsection (8) of section 626.621, Florida  
 1130 | Statutes, is amended, and a new subsection (15) is added to that  
 1131 | section, to read:

1132 |       626.621 Grounds for discretionary refusal, suspension, or  
 1133 | revocation of agent's, adjuster's, customer representative's,  
 1134 | service representative's, or managing general agent's license or  
 1135 | appointment.—The department may, in its discretion, deny an  
 1136 | application for, suspend, revoke, or refuse to renew or continue  
 1137 | the license or appointment of any applicant, agent, adjuster,  
 1138 | customer representative, service representative, or managing  
 1139 | general agent, and it may suspend or revoke the eligibility to  
 1140 | hold a license or appointment of any such person, if it finds  
 1141 | that as to the applicant, licensee, or appointee any one or more  
 1142 | of the following applicable grounds exist under circumstances  
 1143 | for which such denial, suspension, revocation, or refusal is not  
 1144 | mandatory under s. 626.611:

1145 |       ~~(8) Having been found guilty of or having pleaded guilty~~  
 1146 | ~~or nolo contendere to a felony or a crime punishable by~~  
 1147 | ~~imprisonment of 1 year or more under the law of the United~~  
 1148 | ~~States of America or of any state thereof or under the law of~~  
 1149 | ~~any other country, without regard to whether a judgment of~~  
 1150 | ~~conviction has been entered by the court having jurisdiction of~~

1151 ~~such cases.~~

1152 (15) Denial, suspension, or revocation of, or any other  
 1153 adverse administrative action against, a license to practice or  
 1154 conduct any regulated profession, business, or vocation by this  
 1155 state, any other state, any nation, any possession or district  
 1156 of the United States, any court, or any lawful agency thereof.

1157 Section 27. Subsection (2) of section 626.7845, Florida  
 1158 Statutes, is amended to read:

1159 626.7845 Prohibition against unlicensed transaction of  
 1160 life insurance.—

1161 (2) Except as provided in s. 626.112(6), with respect to  
 1162 any line of authority specified in s. 626.015(12) ~~s.~~  
 1163 ~~626.015(10)~~, an ~~no~~ individual may not ~~shall~~, unless licensed as  
 1164 a life agent:

1165 (a) Solicit insurance or annuities or procure  
 1166 applications;

1167 (b) In this state, engage or hold himself or herself out  
 1168 as engaging in the business of analyzing or abstracting  
 1169 insurance policies or of counseling or advising or giving  
 1170 opinions to persons relative to insurance or insurance  
 1171 contracts, unless the individual is ~~other than~~:

1172 1. ~~As~~ A consulting actuary advising insurers ~~an insurer~~;  
 1173 or

1174 2. An employee ~~As to the counseling and advising of a~~  
 1175 labor union, association, employer, or other business entity

1176 ~~labor unions, associations, trustees, employers, or other~~  
 1177 ~~business entities, or~~ the subsidiaries and affiliates of each,  
 1178 who counsels and advises such entity or entities relative to  
 1179 their interests and those of their members or employees under  
 1180 insurance benefit plans; or

1181 3. A trustee advising a settlor, a beneficiary, or a  
 1182 person regarding his or her interests in a trust, relative to  
 1183 insurance benefit plans; or

1184 (c) In this state, from this state, or with a resident of  
 1185 this state, offer or attempt to negotiate on behalf of another  
 1186 person a viatical settlement contract as defined in s. 626.9911.

1187 Section 28. Section 626.8305, Florida Statutes, is amended  
 1188 to read:

1189 626.8305 Prohibition against the unlicensed transaction of  
 1190 health insurance.—Except as provided in s. 626.112(6), with  
 1191 respect to any line of authority specified in s. 626.015(8) ~~s.~~  
 1192 ~~626.015(6)~~, an ~~no~~ individual may not shall, unless licensed as a  
 1193 health agent:

1194 (1) Solicit insurance or procure applications; or

1195 (2) In this state, engage or hold himself or herself out  
 1196 as engaging in the business of analyzing or abstracting  
 1197 insurance policies or of counseling or advising or giving  
 1198 opinions to persons relative to insurance contracts, unless the  
 1199 individual is ~~other than~~:

1200 (a) ~~As~~ A consulting actuary advising insurers; ~~or~~



1201           (b) An employee ~~As to the counseling and advising of a~~  
 1202 labor union, association, employer, or other business entity  
 1203 ~~labor unions, associations, trustees, employers, or other~~  
 1204 ~~business entities, or~~ the subsidiaries and affiliates of each,  
 1205 who counsels and advises such entity or entities relative to  
 1206 their interests and those of their members or employees under  
 1207 insurance benefit plans; ~~or-~~

1208           (c) A trustee advising a settlor, a beneficiary, or a  
 1209 person regarding his or her interests in a trust, relative to  
 1210 insurance benefit plans.

1211           Section 29. Subsection (1) of section 626.861, Florida  
 1212 Statutes, is amended to read:

1213           626.861 Insurer's officers, insurer's employees,  
 1214 reciprocal insurer's representatives; adjustments by.-

1215           (1) This part may not ~~Nothing in this part shall~~ be  
 1216 construed to prevent an executive officer of any insurer, ~~or~~ a  
 1217 regularly salaried employee of an insurer handling claims with  
 1218 respect to health insurance, a regular employee of an insurer  
 1219 handling claims with respect to residential property when the  
 1220 sublimit coverage does not exceed \$500, or the duly designated  
 1221 attorney or agent authorized and acting for subscribers to  
 1222 reciprocal insurers, from adjusting any claim loss or damage  
 1223 under any insurance contract of such insurer.

1224           Section 30. Paragraph (c) of subsection (5) and subsection  
 1225 (6) of section 626.9543, Florida Statutes, are amended to read:

1226 |           626.9543 Holocaust victims.—

1227 |           (5) PROOF OF A CLAIM.—Any insurer doing business in this  
1228 | state, in receipt of a claim from a Holocaust victim or from a  
1229 | beneficiary, descendant, or heir of a Holocaust victim, shall:

1230 |           (c) Permit claims irrespective of any statute of  
1231 | limitations or notice requirements imposed by any insurance  
1232 | policy issued, ~~provided the claim is submitted on or before July~~  
1233 | ~~1, 2018.~~

1234 |           (6) STATUTE OF LIMITATIONS.—Notwithstanding any law or  
1235 | agreement among the parties to an insurance policy to the  
1236 | contrary, any action brought by Holocaust victims or by a  
1237 | beneficiary, heir, or a descendant of a Holocaust victim seeking  
1238 | proceeds of an insurance policy issued or in effect between 1920  
1239 | and 1945, inclusive, may ~~shall~~ not be dismissed for failure to  
1240 | comply with the applicable statute of limitations or laches  
1241 | ~~provided the action is commenced on or before July 1, 2018.~~

1242 |           Section 31. Section 633.516, Florida Statutes, is amended  
1243 | to read:

1244 |           633.516 Studies of Division to make study of firefighter  
1245 | ~~employee~~ occupational diseases of firefighters or persons in  
1246 | other fire-related fields.—The division may contract for  
1247 | studies, subject to the availability of funding, of ~~shall make a~~  
1248 | ~~continuous study of firefighter employee~~ occupational diseases  
1249 | of firefighters or persons in other fire-related fields and the  
1250 | ways and means for the ~~their~~ control and prevention of such

1251 occupational diseases. When such a study or another study that  
1252 is wholly or partly funded under an agreement, including a  
1253 contract or grant, with the department tracks a disease of an  
1254 individual firefighter or a person in another fire-related  
1255 field, the division may, with associated security measures,  
1256 release the confidential information, including a social  
1257 security number, of that individual to a party who has entered  
1258 into an agreement with the department and shall adopt rules  
1259 ~~necessary for such control and prevention. For this purpose, the~~  
1260 ~~division is authorized to cooperate with firefighter employers,~~  
1261 ~~firefighter employees, and insurers and with the Department of~~  
1262 ~~Health.~~

1263 Section 32. Paragraph (a) of subsection (6) and subsection  
1264 (7) of section 768.28, Florida Statutes, are amended to read:

1265 768.28 Waiver of sovereign immunity in tort actions;  
1266 recovery limits; limitation on attorney fees; statute of  
1267 limitations; exclusions; indemnification; risk management  
1268 programs.—

1269 (6) (a) An action may not be instituted on a claim against  
1270 the state or one of its agencies or subdivisions unless the  
1271 claimant presents the claim in writing to the appropriate  
1272 agency, and also, except as to any claim against a municipality,  
1273 ~~or~~ the Florida Space Authority, or county, presents such claim  
1274 in writing to the Department of Financial Services, within 3  
1275 years after such claim accrues and the Department of Financial

1276 Services or the appropriate agency denies the claim in writing;  
 1277 except that, if:

1278 1. Such claim is for contribution pursuant to s. 768.31,  
 1279 it must be so presented within 6 months after the judgment  
 1280 against the tortfeasor seeking contribution has become final by  
 1281 lapse of time for appeal or after appellate review or, if there  
 1282 is no such judgment, within 6 months after the tortfeasor  
 1283 seeking contribution has either discharged the common liability  
 1284 by payment or agreed, while the action is pending against her or  
 1285 him, to discharge the common liability; or

1286 2. Such action is for wrongful death, the claimant must  
 1287 present the claim in writing to the Department of Financial  
 1288 Services within 2 years after the claim accrues.

1289 (7) In actions brought pursuant to this section, process  
 1290 shall be served upon the head of the agency concerned and also,  
 1291 except as to a defendant municipality, or the Florida Space  
 1292 Authority, or county, upon the Department of Financial Services;  
 1293 and the department or the agency concerned shall have 30 days  
 1294 within which to plead thereto.

1295 Section 33. Subsections (3) and (4) and paragraph (e) of  
 1296 subsection (5) of section 288.706, Florida Statutes, are amended  
 1297 to read:

1298 288.706 Florida Minority Business Loan Mobilization  
 1299 Program.—

1300 (3) Notwithstanding ss. 215.422(15) and 216.181(16) ~~ss.~~

1301 ~~215.422(14) and 216.181(16)~~, and pursuant to s. 216.351, under  
1302 the Florida Minority Business Loan Mobilization Program, a state  
1303 agency may disburse up to 10 percent of the base contract award  
1304 amount to assist a minority business enterprise vendor that is  
1305 awarded a state agency contract for goods or services in  
1306 obtaining working capital financing as provided in subsection  
1307 (5).

1308 (4) Notwithstanding ss. 215.422(15) and 216.181(16) ~~ss.~~  
1309 ~~215.422(14) and 216.181(16)~~, and pursuant to s. 216.351, in lieu  
1310 of applying for participation in the Florida Minority Business  
1311 Loan Mobilization Program, a minority business enterprise vendor  
1312 awarded a state agency contract for the performance of  
1313 professional services may apply with that contracting state  
1314 agency for up to 5 percent of the base contract award amount.  
1315 The contracting state agency may award such advance in order to  
1316 facilitate the performance of that contract.

1317 (5) The following Florida Minority Business Loan  
1318 Mobilization Program procedures apply to minority business  
1319 enterprise vendors for contracts awarded by a state agency for  
1320 construction or professional services or for the provision of  
1321 goods or services:

1322 (e) The following procedures shall apply when the minority  
1323 business enterprise is the prime contract vendor to the  
1324 contracting state agency:

1325 1. Pursuant to s. 216.351, ss. 215.422(15) and 216.181(16)

1326 ~~the provisions of ss. 215.422(14) and 216.181(16)~~ do not apply  
 1327 to this paragraph.

1328 2. For construction contracts, the designated loan  
 1329 mobilization payment shall be disbursed when:

1330 a. The minority business enterprise prime contract vendor  
 1331 requests disbursement in the first application for payment.

1332 b. The contracting state agency has issued a notice to  
 1333 proceed and has approved the first application for payment.

1334 3. For contracts other than construction contracts, the  
 1335 designated loan mobilization payment shall be disbursed when:

1336 a. The minority business enterprise prime contract vendor  
 1337 requests disbursement by letter delivered to the contracting  
 1338 state agency after the execution of the contract but prior to  
 1339 the commencement of work.

1340 b. The contracting state agency has approved the minority  
 1341 business enterprise prime contract vendor's letter of request.

1342 4. The designated loan mobilization payment may be paid by  
 1343 the contracting state agency prior to the commencement of work.

1344 In order to ensure that the contract time provisions do not  
 1345 commence until the minority business enterprise prime contract  
 1346 vendor has adequate working capital, the contract documents may  
 1347 provide that the contract shall commence at such time as the  
 1348 contracting state agency releases the designated loan  
 1349 mobilization payment to the minority business enterprise prime  
 1350 contract vendor and participating financial institution pursuant

1351 to the working capital agreement.

1352 Section 34. Section 626.7315, Florida Statutes, is amended  
 1353 to read:

1354 626.7315 Prohibition against the unlicensed transaction of  
 1355 general lines insurance.—With respect to any line of authority  
 1356 as defined in s. 626.015(7) ~~s. 626.015(5)~~, no individual shall,  
 1357 unless licensed as a general lines agent:

1358 (1) Solicit insurance or procure applications therefor;

1359 (2) In this state, receive or issue a receipt for any  
 1360 money on account of or for any insurer, or receive or issue a  
 1361 receipt for money from other persons to be transmitted to any  
 1362 insurer for a policy, contract, or certificate of insurance or  
 1363 any renewal thereof, even though the policy, certificate, or  
 1364 contract is not signed by him or her as agent or representative  
 1365 of the insurer, except as provided in s. 626.0428(1);

1366 (3) Directly or indirectly represent himself or herself to  
 1367 be an agent of any insurer or as an agent, to collect or forward  
 1368 any insurance premium, or to solicit, negotiate, effect,  
 1369 procure, receive, deliver, or forward, directly or indirectly,  
 1370 any insurance contract or renewal thereof or any endorsement  
 1371 relating to an insurance contract, or attempt to effect the  
 1372 same, of property or insurable business activities or interests,  
 1373 located in this state;

1374 (4) In this state, engage or hold himself or herself out  
 1375 as engaging in the business of analyzing or abstracting

1376 insurance policies or of counseling or advising or giving  
 1377 opinions, other than as a licensed attorney at law, relative to  
 1378 insurance or insurance contracts, for fee, commission, or other  
 1379 compensation, other than as a salaried bona fide full-time  
 1380 employee so counseling and advising his or her employer relative  
 1381 to the insurance interests of the employer and of the  
 1382 subsidiaries or business affiliates of the employer;

1383 (5) In any way, directly or indirectly, make or cause to  
 1384 be made, or attempt to make or cause to be made, any contract of  
 1385 insurance for or on account of any insurer;

1386 (6) Solicit, negotiate, or in any way, directly or  
 1387 indirectly, effect insurance contracts, if a member of a  
 1388 partnership or association, or a stockholder, officer, or agent  
 1389 of a corporation which holds an agency appointment from any  
 1390 insurer; or

1391 (7) Receive or transmit applications for suretyship, or  
 1392 receive for delivery bonds founded on applications forwarded  
 1393 from this state, or otherwise procure suretyship to be effected  
 1394 by a surety insurer upon the bonds of persons in this state or  
 1395 upon bonds given to persons in this state.

1396 Section 35. Paragraph (c) of subsection (6) of section  
 1397 627.351, Florida Statutes, is amended to read:

1398 627.351 Insurance risk apportionment plans.—

1399 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

1400 (c) The corporation's plan of operation:



1401           1. Must provide for adoption of residential property and  
1402 casualty insurance policy forms and commercial residential and  
1403 nonresidential property insurance forms, which must be approved  
1404 by the office before use. The corporation shall adopt the  
1405 following policy forms:

1406           a. Standard personal lines policy forms that are  
1407 comprehensive multiperil policies providing full coverage of a  
1408 residential property equivalent to the coverage provided in the  
1409 private insurance market under an HO-3, HO-4, or HO-6 policy.

1410           b. Basic personal lines policy forms that are policies  
1411 similar to an HO-8 policy or a dwelling fire policy that provide  
1412 coverage meeting the requirements of the secondary mortgage  
1413 market, but which is more limited than the coverage under a  
1414 standard policy.

1415           c. Commercial lines residential and nonresidential policy  
1416 forms that are generally similar to the basic perils of full  
1417 coverage obtainable for commercial residential structures and  
1418 commercial nonresidential structures in the admitted voluntary  
1419 market.

1420           d. Personal lines and commercial lines residential  
1421 property insurance forms that cover the peril of wind only. The  
1422 forms are applicable only to residential properties located in  
1423 areas eligible for coverage under the coastal account referred  
1424 to in sub-subparagraph (b)2.a.

1425           e. Commercial lines nonresidential property insurance

1426 forms that cover the peril of wind only. The forms are  
1427 applicable only to nonresidential properties located in areas  
1428 eligible for coverage under the coastal account referred to in  
1429 sub-subparagraph (b)2.a.

1430 f. The corporation may adopt variations of the policy  
1431 forms listed in sub-subparagraphs a.-e. which contain more  
1432 restrictive coverage.

1433 g. Effective January 1, 2013, the corporation shall offer  
1434 a basic personal lines policy similar to an HO-8 policy with  
1435 dwelling repair based on common construction materials and  
1436 methods.

1437 2. Must provide that the corporation adopt a program in  
1438 which the corporation and authorized insurers enter into quota  
1439 share primary insurance agreements for hurricane coverage, as  
1440 defined in s. 627.4025(2)(a), for eligible risks, and adopt  
1441 property insurance forms for eligible risks which cover the  
1442 peril of wind only.

1443 a. As used in this subsection, the term:

1444 (I) "Quota share primary insurance" means an arrangement  
1445 in which the primary hurricane coverage of an eligible risk is  
1446 provided in specified percentages by the corporation and an  
1447 authorized insurer. The corporation and authorized insurer are  
1448 each solely responsible for a specified percentage of hurricane  
1449 coverage of an eligible risk as set forth in a quota share  
1450 primary insurance agreement between the corporation and an

1451 authorized insurer and the insurance contract. The  
1452 responsibility of the corporation or authorized insurer to pay  
1453 its specified percentage of hurricane losses of an eligible  
1454 risk, as set forth in the agreement, may not be altered by the  
1455 inability of the other party to pay its specified percentage of  
1456 losses. Eligible risks that are provided hurricane coverage  
1457 through a quota share primary insurance arrangement must be  
1458 provided policy forms that set forth the obligations of the  
1459 corporation and authorized insurer under the arrangement,  
1460 clearly specify the percentages of quota share primary insurance  
1461 provided by the corporation and authorized insurer, and  
1462 conspicuously and clearly state that the authorized insurer and  
1463 the corporation may not be held responsible beyond their  
1464 specified percentage of coverage of hurricane losses.

1465 (II) "Eligible risks" means personal lines residential and  
1466 commercial lines residential risks that meet the underwriting  
1467 criteria of the corporation and are located in areas that were  
1468 eligible for coverage by the Florida Windstorm Underwriting  
1469 Association on January 1, 2002.

1470 b. The corporation may enter into quota share primary  
1471 insurance agreements with authorized insurers at corporation  
1472 coverage levels of 90 percent and 50 percent.

1473 c. If the corporation determines that additional coverage  
1474 levels are necessary to maximize participation in quota share  
1475 primary insurance agreements by authorized insurers, the

1476 corporation may establish additional coverage levels. However,  
1477 the corporation's quota share primary insurance coverage level  
1478 may not exceed 90 percent.

1479 d. Any quota share primary insurance agreement entered  
1480 into between an authorized insurer and the corporation must  
1481 provide for a uniform specified percentage of coverage of  
1482 hurricane losses, by county or territory as set forth by the  
1483 corporation board, for all eligible risks of the authorized  
1484 insurer covered under the agreement.

1485 e. Any quota share primary insurance agreement entered  
1486 into between an authorized insurer and the corporation is  
1487 subject to review and approval by the office. However, such  
1488 agreement shall be authorized only as to insurance contracts  
1489 entered into between an authorized insurer and an insured who is  
1490 already insured by the corporation for wind coverage.

1491 f. For all eligible risks covered under quota share  
1492 primary insurance agreements, the exposure and coverage levels  
1493 for both the corporation and authorized insurers shall be  
1494 reported by the corporation to the Florida Hurricane Catastrophe  
1495 Fund. For all policies of eligible risks covered under such  
1496 agreements, the corporation and the authorized insurer must  
1497 maintain complete and accurate records for the purpose of  
1498 exposure and loss reimbursement audits as required by fund  
1499 rules. The corporation and the authorized insurer shall each  
1500 maintain duplicate copies of policy declaration pages and

1501 supporting claims documents.

1502 g. The corporation board shall establish in its plan of  
1503 operation standards for quota share agreements which ensure that  
1504 there is no discriminatory application among insurers as to the  
1505 terms of the agreements, pricing of the agreements, incentive  
1506 provisions if any, and consideration paid for servicing policies  
1507 or adjusting claims.

1508 h. The quota share primary insurance agreement between the  
1509 corporation and an authorized insurer must set forth the  
1510 specific terms under which coverage is provided, including, but  
1511 not limited to, the sale and servicing of policies issued under  
1512 the agreement by the insurance agent of the authorized insurer  
1513 producing the business, the reporting of information concerning  
1514 eligible risks, the payment of premium to the corporation, and  
1515 arrangements for the adjustment and payment of hurricane claims  
1516 incurred on eligible risks by the claims adjuster and personnel  
1517 of the authorized insurer. Entering into a quota sharing  
1518 insurance agreement between the corporation and an authorized  
1519 insurer is voluntary and at the discretion of the authorized  
1520 insurer.

1521 3. May provide that the corporation may employ or  
1522 otherwise contract with individuals or other entities to provide  
1523 administrative or professional services that may be appropriate  
1524 to effectuate the plan. The corporation may borrow funds by  
1525 issuing bonds or by incurring other indebtedness, and shall have

1526 other powers reasonably necessary to effectuate the requirements  
1527 of this subsection, including, without limitation, the power to  
1528 issue bonds and incur other indebtedness in order to refinance  
1529 outstanding bonds or other indebtedness. The corporation may  
1530 seek judicial validation of its bonds or other indebtedness  
1531 under chapter 75. The corporation may issue bonds or incur other  
1532 indebtedness, or have bonds issued on its behalf by a unit of  
1533 local government pursuant to subparagraph (q)2. in the absence  
1534 of a hurricane or other weather-related event, upon a  
1535 determination by the corporation, subject to approval by the  
1536 office, that such action would enable it to efficiently meet the  
1537 financial obligations of the corporation and that such  
1538 financings are reasonably necessary to effectuate the  
1539 requirements of this subsection. The corporation may take all  
1540 actions needed to facilitate tax-free status for such bonds or  
1541 indebtedness, including formation of trusts or other affiliated  
1542 entities. The corporation may pledge assessments, projected  
1543 recoveries from the Florida Hurricane Catastrophe Fund, other  
1544 reinsurance recoverables, policyholder surcharges and other  
1545 surcharges, and other funds available to the corporation as  
1546 security for bonds or other indebtedness. In recognition of s.  
1547 10, Art. I of the State Constitution, prohibiting the impairment  
1548 of obligations of contracts, it is the intent of the Legislature  
1549 that no action be taken whose purpose is to impair any bond  
1550 indenture or financing agreement or any revenue source committed

1551 by contract to such bond or other indebtedness.

1552 4. Must require that the corporation operate subject to  
1553 the supervision and approval of a board of governors consisting  
1554 of nine individuals who are residents of this state and who are  
1555 from different geographical areas of the state, one of whom is  
1556 appointed by the Governor and serves solely to advocate on  
1557 behalf of the consumer. The appointment of a consumer  
1558 representative by the Governor is deemed to be within the scope  
1559 of the exemption provided in s. 112.313(7)(b) and is in addition  
1560 to the appointments authorized under sub-subparagraph a.

1561 a. The Governor, the Chief Financial Officer, the  
1562 President of the Senate, and the Speaker of the House of  
1563 Representatives shall each appoint two members of the board. At  
1564 least one of the two members appointed by each appointing  
1565 officer must have demonstrated expertise in insurance and be  
1566 deemed to be within the scope of the exemption provided in s.  
1567 112.313(7)(b). The Chief Financial Officer shall designate one  
1568 of the appointees as chair. All board members serve at the  
1569 pleasure of the appointing officer. All members of the board are  
1570 subject to removal at will by the officers who appointed them.  
1571 All board members, including the chair, must be appointed to  
1572 serve for 3-year terms beginning annually on a date designated  
1573 by the plan. However, for the first term beginning on or after  
1574 July 1, 2009, each appointing officer shall appoint one member  
1575 of the board for a 2-year term and one member for a 3-year term.

1576 A board vacancy shall be filled for the unexpired term by the  
1577 appointing officer. The Chief Financial Officer shall appoint a  
1578 technical advisory group to provide information and advice to  
1579 the board in connection with the board's duties under this  
1580 subsection. The executive director and senior managers of the  
1581 corporation shall be engaged by the board and serve at the  
1582 pleasure of the board. Any executive director appointed on or  
1583 after July 1, 2006, is subject to confirmation by the Senate.  
1584 The executive director is responsible for employing other staff  
1585 as the corporation may require, subject to review and  
1586 concurrence by the board.

1587       b. The board shall create a Market Accountability Advisory  
1588 Committee to assist the corporation in developing awareness of  
1589 its rates and its customer and agent service levels in  
1590 relationship to the voluntary market insurers writing similar  
1591 coverage.

1592       (I) The members of the advisory committee consist of the  
1593 following 11 persons, one of whom must be elected chair by the  
1594 members of the committee: four representatives, one appointed by  
1595 the Florida Association of Insurance Agents, one by the Florida  
1596 Association of Insurance and Financial Advisors, one by the  
1597 Professional Insurance Agents of Florida, and one by the Latin  
1598 American Association of Insurance Agencies; three  
1599 representatives appointed by the insurers with the three highest  
1600 voluntary market share of residential property insurance



1601 business in the state; one representative from the Office of  
1602 Insurance Regulation; one consumer appointed by the board who is  
1603 insured by the corporation at the time of appointment to the  
1604 committee; one representative appointed by the Florida  
1605 Association of Realtors; and one representative appointed by the  
1606 Florida Bankers Association. All members shall be appointed to  
1607 3-year terms and may serve for consecutive terms.

1608 (II) The committee shall report to the corporation at each  
1609 board meeting on insurance market issues which may include rates  
1610 and rate competition with the voluntary market; service,  
1611 including policy issuance, claims processing, and general  
1612 responsiveness to policyholders, applicants, and agents; and  
1613 matters relating to depopulation.

1614 5. Must provide a procedure for determining the  
1615 eligibility of a risk for coverage, as follows:

1616 a. Subject to s. 627.3517, with respect to personal lines  
1617 residential risks, if the risk is offered coverage from an  
1618 authorized insurer at the insurer's approved rate under a  
1619 standard policy including wind coverage or, if consistent with  
1620 the insurer's underwriting rules as filed with the office, a  
1621 basic policy including wind coverage, for a new application to  
1622 the corporation for coverage, the risk is not eligible for any  
1623 policy issued by the corporation unless the premium for coverage  
1624 from the authorized insurer is more than 15 percent greater than  
1625 the premium for comparable coverage from the corporation.

1626 Whenever an offer of coverage for a personal lines residential  
1627 risk is received for a policyholder of the corporation at  
1628 renewal from an authorized insurer, if the offer is equal to or  
1629 less than the corporation's renewal premium for comparable  
1630 coverage, the risk is not eligible for coverage with the  
1631 corporation. If the risk is not able to obtain such offer, the  
1632 risk is eligible for a standard policy including wind coverage  
1633 or a basic policy including wind coverage issued by the  
1634 corporation; however, if the risk could not be insured under a  
1635 standard policy including wind coverage regardless of market  
1636 conditions, the risk is eligible for a basic policy including  
1637 wind coverage unless rejected under subparagraph 8. However, a  
1638 policyholder removed from the corporation through an assumption  
1639 agreement remains eligible for coverage from the corporation  
1640 until the end of the assumption period. The corporation shall  
1641 determine the type of policy to be provided on the basis of  
1642 objective standards specified in the underwriting manual and  
1643 based on generally accepted underwriting practices.

1644 (I) If the risk accepts an offer of coverage through the  
1645 market assistance plan or through a mechanism established by the  
1646 corporation other than a plan established by s. 627.3518, before  
1647 a policy is issued to the risk by the corporation or during the  
1648 first 30 days of coverage by the corporation, and the producing  
1649 agent who submitted the application to the plan or to the  
1650 corporation is not currently appointed by the insurer, the

1651 insurer shall:

1652 (A) Pay to the producing agent of record of the policy for  
 1653 the first year, an amount that is the greater of the insurer's  
 1654 usual and customary commission for the type of policy written or  
 1655 a fee equal to the usual and customary commission of the  
 1656 corporation; or

1657 (B) Offer to allow the producing agent of record of the  
 1658 policy to continue servicing the policy for at least 1 year and  
 1659 offer to pay the agent the greater of the insurer's or the  
 1660 corporation's usual and customary commission for the type of  
 1661 policy written.

1662  
 1663 If the producing agent is unwilling or unable to accept  
 1664 appointment, the new insurer shall pay the agent in accordance  
 1665 with sub-sub-sub-subparagraph (A).

1666 (II) If the corporation enters into a contractual  
 1667 agreement for a take-out plan, the producing agent of record of  
 1668 the corporation policy is entitled to retain any unearned  
 1669 commission on the policy, and the insurer shall:

1670 (A) Pay to the producing agent of record, for the first  
 1671 year, an amount that is the greater of the insurer's usual and  
 1672 customary commission for the type of policy written or a fee  
 1673 equal to the usual and customary commission of the corporation;  
 1674 or

1675 (B) Offer to allow the producing agent of record to

1676 continue servicing the policy for at least 1 year and offer to  
1677 pay the agent the greater of the insurer's or the corporation's  
1678 usual and customary commission for the type of policy written.

1679

1680 If the producing agent is unwilling or unable to accept  
1681 appointment, the new insurer shall pay the agent in accordance  
1682 with sub-sub-sub-subparagraph (A).

1683       b. With respect to commercial lines residential risks, for  
1684 a new application to the corporation for coverage, if the risk  
1685 is offered coverage under a policy including wind coverage from  
1686 an authorized insurer at its approved rate, the risk is not  
1687 eligible for a policy issued by the corporation unless the  
1688 premium for coverage from the authorized insurer is more than 15  
1689 percent greater than the premium for comparable coverage from  
1690 the corporation. Whenever an offer of coverage for a commercial  
1691 lines residential risk is received for a policyholder of the  
1692 corporation at renewal from an authorized insurer, if the offer  
1693 is equal to or less than the corporation's renewal premium for  
1694 comparable coverage, the risk is not eligible for coverage with  
1695 the corporation. If the risk is not able to obtain any such  
1696 offer, the risk is eligible for a policy including wind coverage  
1697 issued by the corporation. However, a policyholder removed from  
1698 the corporation through an assumption agreement remains eligible  
1699 for coverage from the corporation until the end of the  
1700 assumption period.

1701 (I) If the risk accepts an offer of coverage through the  
1702 market assistance plan or through a mechanism established by the  
1703 corporation other than a plan established by s. 627.3518, before  
1704 a policy is issued to the risk by the corporation or during the  
1705 first 30 days of coverage by the corporation, and the producing  
1706 agent who submitted the application to the plan or the  
1707 corporation is not currently appointed by the insurer, the  
1708 insurer shall:

1709 (A) Pay to the producing agent of record of the policy,  
1710 for the first year, an amount that is the greater of the  
1711 insurer's usual and customary commission for the type of policy  
1712 written or a fee equal to the usual and customary commission of  
1713 the corporation; or

1714 (B) Offer to allow the producing agent of record of the  
1715 policy to continue servicing the policy for at least 1 year and  
1716 offer to pay the agent the greater of the insurer's or the  
1717 corporation's usual and customary commission for the type of  
1718 policy written.

1719  
1720 If the producing agent is unwilling or unable to accept  
1721 appointment, the new insurer shall pay the agent in accordance  
1722 with sub-sub-sub-subparagraph (A).

1723 (II) If the corporation enters into a contractual  
1724 agreement for a take-out plan, the producing agent of record of  
1725 the corporation policy is entitled to retain any unearned

1726 | commission on the policy, and the insurer shall:

1727 |       (A) Pay to the producing agent of record, for the first  
 1728 | year, an amount that is the greater of the insurer's usual and  
 1729 | customary commission for the type of policy written or a fee  
 1730 | equal to the usual and customary commission of the corporation;  
 1731 | or

1732 |       (B) Offer to allow the producing agent of record to  
 1733 | continue servicing the policy for at least 1 year and offer to  
 1734 | pay the agent the greater of the insurer's or the corporation's  
 1735 | usual and customary commission for the type of policy written.

1736 |  
 1737 | If the producing agent is unwilling or unable to accept  
 1738 | appointment, the new insurer shall pay the agent in accordance  
 1739 | with sub-sub-sub-subparagraph (A).

1740 |       c. For purposes of determining comparable coverage under  
 1741 | sub-subparagraphs a. and b., the comparison must be based on  
 1742 | those forms and coverages that are reasonably comparable. The  
 1743 | corporation may rely on a determination of comparable coverage  
 1744 | and premium made by the producing agent who submits the  
 1745 | application to the corporation, made in the agent's capacity as  
 1746 | the corporation's agent. A comparison may be made solely of the  
 1747 | premium with respect to the main building or structure only on  
 1748 | the following basis: the same coverage A or other building  
 1749 | limits; the same percentage hurricane deductible that applies on  
 1750 | an annual basis or that applies to each hurricane for commercial

1751 residential property; the same percentage of ordinance and law  
1752 coverage, if the same limit is offered by both the corporation  
1753 and the authorized insurer; the same mitigation credits, to the  
1754 extent the same types of credits are offered both by the  
1755 corporation and the authorized insurer; the same method for loss  
1756 payment, such as replacement cost or actual cash value, if the  
1757 same method is offered both by the corporation and the  
1758 authorized insurer in accordance with underwriting rules; and  
1759 any other form or coverage that is reasonably comparable as  
1760 determined by the board. If an application is submitted to the  
1761 corporation for wind-only coverage in the coastal account, the  
1762 premium for the corporation's wind-only policy plus the premium  
1763 for the ex-wind policy that is offered by an authorized insurer  
1764 to the applicant must be compared to the premium for multiperil  
1765 coverage offered by an authorized insurer, subject to the  
1766 standards for comparison specified in this subparagraph. If the  
1767 corporation or the applicant requests from the authorized  
1768 insurer a breakdown of the premium of the offer by types of  
1769 coverage so that a comparison may be made by the corporation or  
1770 its agent and the authorized insurer refuses or is unable to  
1771 provide such information, the corporation may treat the offer as  
1772 not being an offer of coverage from an authorized insurer at the  
1773 insurer's approved rate.

1774         6. Must include rules for classifications of risks and  
1775 rates.

1776           7. Must provide that if premium and investment income for  
1777 an account attributable to a particular calendar year are in  
1778 excess of projected losses and expenses for the account  
1779 attributable to that year, such excess shall be held in surplus  
1780 in the account. Such surplus must be available to defray  
1781 deficits in that account as to future years and used for that  
1782 purpose before assessing assessable insurers and assessable  
1783 insureds as to any calendar year.

1784           8. Must provide objective criteria and procedures to be  
1785 uniformly applied to all applicants in determining whether an  
1786 individual risk is so hazardous as to be uninsurable. In making  
1787 this determination and in establishing the criteria and  
1788 procedures, the following must be considered:

1789           a. Whether the likelihood of a loss for the individual  
1790 risk is substantially higher than for other risks of the same  
1791 class; and

1792           b. Whether the uncertainty associated with the individual  
1793 risk is such that an appropriate premium cannot be determined.

1794  
1795 The acceptance or rejection of a risk by the corporation shall  
1796 be construed as the private placement of insurance, and the  
1797 provisions of chapter 120 do not apply.

1798           9. Must provide that the corporation make its best efforts  
1799 to procure catastrophe reinsurance at reasonable rates, to cover  
1800 its projected 100-year probable maximum loss as determined by



1801 the board of governors.

1802 10. The policies issued by the corporation must provide  
1803 that if the corporation or the market assistance plan obtains an  
1804 offer from an authorized insurer to cover the risk at its  
1805 approved rates, the risk is no longer eligible for renewal  
1806 through the corporation, except as otherwise provided in this  
1807 subsection.

1808 11. Corporation policies and applications must include a  
1809 notice that the corporation policy could, under this section, be  
1810 replaced with a policy issued by an authorized insurer which  
1811 does not provide coverage identical to the coverage provided by  
1812 the corporation. The notice must also specify that acceptance of  
1813 corporation coverage creates a conclusive presumption that the  
1814 applicant or policyholder is aware of this potential.

1815 12. May establish, subject to approval by the office,  
1816 different eligibility requirements and operational procedures  
1817 for any line or type of coverage for any specified county or  
1818 area if the board determines that such changes are justified due  
1819 to the voluntary market being sufficiently stable and  
1820 competitive in such area or for such line or type of coverage  
1821 and that consumers who, in good faith, are unable to obtain  
1822 insurance through the voluntary market through ordinary methods  
1823 continue to have access to coverage from the corporation. If  
1824 coverage is sought in connection with a real property transfer,  
1825 the requirements and procedures may not provide an effective

1826 | date of coverage later than the date of the closing of the  
1827 | transfer as established by the transferor, the transferee, and,  
1828 | if applicable, the lender.

1829 |       13. Must provide that, with respect to the coastal  
1830 | account, any assessable insurer with a surplus as to  
1831 | policyholders of \$25 million or less writing 25 percent or more  
1832 | of its total countrywide property insurance premiums in this  
1833 | state may petition the office, within the first 90 days of each  
1834 | calendar year, to qualify as a limited apportionment company. A  
1835 | regular assessment levied by the corporation on a limited  
1836 | apportionment company for a deficit incurred by the corporation  
1837 | for the coastal account may be paid to the corporation on a  
1838 | monthly basis as the assessments are collected by the limited  
1839 | apportionment company from its insureds, but a limited  
1840 | apportionment company must begin collecting the regular  
1841 | assessments not later than 90 days after the regular assessments  
1842 | are levied by the corporation, and the regular assessments must  
1843 | be paid in full within 15 months after being levied by the  
1844 | corporation. A limited apportionment company shall collect from  
1845 | its policyholders any emergency assessment imposed under sub-  
1846 | subparagraph (b)3.d. The plan must provide that, if the office  
1847 | determines that any regular assessment will result in an  
1848 | impairment of the surplus of a limited apportionment company,  
1849 | the office may direct that all or part of such assessment be  
1850 | deferred as provided in subparagraph (q)4. However, an emergency

1851 assessment to be collected from policyholders under sub-  
 1852 subparagraph (b)3.d. may not be limited or deferred.

1853 14. Must provide that the corporation appoint as its  
 1854 licensed agents only those agents who throughout such  
 1855 appointments also hold an appointment as defined in s. 626.015  
 1856 ~~s. 626.015(3)~~ by an insurer who is authorized to write and is  
 1857 actually writing or renewing personal lines residential property  
 1858 coverage, commercial residential property coverage, or  
 1859 commercial nonresidential property coverage within the state.

1860 15. Must provide a premium payment plan option to its  
 1861 policyholders which, at a minimum, allows for quarterly and  
 1862 semiannual payment of premiums. A monthly payment plan may, but  
 1863 is not required to, be offered.

1864 16. Must limit coverage on mobile homes or manufactured  
 1865 homes built before 1994 to actual cash value of the dwelling  
 1866 rather than replacement costs of the dwelling.

1867 17. Must provide coverage for manufactured or mobile home  
 1868 dwellings. Such coverage must also include the following  
 1869 attached structures:

1870 a. Screened enclosures that are aluminum framed or  
 1871 screened enclosures that are not covered by the same or  
 1872 substantially the same materials as those of the primary  
 1873 dwelling;

1874 b. Carports that are aluminum or carports that are not  
 1875 covered by the same or substantially the same materials as those

1876 | of the primary dwelling; and

1877 |       c. Patios that have a roof covering that is constructed of  
1878 | materials that are not the same or substantially the same  
1879 | materials as those of the primary dwelling.

1880 |

1881 | The corporation shall make available a policy for mobile homes  
1882 | or manufactured homes for a minimum insured value of at least  
1883 | \$3,000.

1884 |       18. May provide such limits of coverage as the board  
1885 | determines, consistent with the requirements of this subsection.

1886 |       19. May require commercial property to meet specified  
1887 | hurricane mitigation construction features as a condition of  
1888 | eligibility for coverage.

1889 |       20. Must provide that new or renewal policies issued by  
1890 | the corporation on or after January 1, 2012, which cover  
1891 | sinkhole loss do not include coverage for any loss to  
1892 | appurtenant structures, driveways, sidewalks, decks, or patios  
1893 | that are directly or indirectly caused by sinkhole activity. The  
1894 | corporation shall exclude such coverage using a notice of  
1895 | coverage change, which may be included with the policy renewal,  
1896 | and not by issuance of a notice of nonrenewal of the excluded  
1897 | coverage upon renewal of the current policy.

1898 |       21. As of January 1, 2012, must require that the agent  
1899 | obtain from an applicant for coverage from the corporation an  
1900 | acknowledgment signed by the applicant, which includes, at a

1901 | minimum, the following statement:

1902

1903 |                   ACKNOWLEDGMENT OF POTENTIAL SURCHARGE

1904 |                               AND ASSESSMENT LIABILITY:

1905

1906 |           1. AS A POLICYHOLDER OF CITIZENS PROPERTY INSURANCE  
 1907 | CORPORATION, I UNDERSTAND THAT IF THE CORPORATION SUSTAINS A  
 1908 | DEFICIT AS A RESULT OF HURRICANE LOSSES OR FOR ANY OTHER REASON,  
 1909 | MY POLICY COULD BE SUBJECT TO SURCHARGES, WHICH WILL BE DUE AND  
 1910 | PAYABLE UPON RENEWAL, CANCELLATION, OR TERMINATION OF THE  
 1911 | POLICY, AND THAT THE SURCHARGES COULD BE AS HIGH AS 45 PERCENT  
 1912 | OF MY PREMIUM, OR A DIFFERENT AMOUNT AS IMPOSED BY THE FLORIDA  
 1913 | LEGISLATURE.

1914 |           2. I UNDERSTAND THAT I CAN AVOID THE CITIZENS POLICYHOLDER  
 1915 | SURCHARGE, WHICH COULD BE AS HIGH AS 45 PERCENT OF MY PREMIUM,  
 1916 | BY OBTAINING COVERAGE FROM A PRIVATE MARKET INSURER AND THAT TO  
 1917 | BE ELIGIBLE FOR COVERAGE BY CITIZENS, I MUST FIRST TRY TO OBTAIN  
 1918 | PRIVATE MARKET COVERAGE BEFORE APPLYING FOR OR RENEWING COVERAGE  
 1919 | WITH CITIZENS. I UNDERSTAND THAT PRIVATE MARKET INSURANCE RATES  
 1920 | ARE REGULATED AND APPROVED BY THE STATE.

1921 |           3. I UNDERSTAND THAT I MAY BE SUBJECT TO EMERGENCY  
 1922 | ASSESSMENTS TO THE SAME EXTENT AS POLICYHOLDERS OF OTHER  
 1923 | INSURANCE COMPANIES, OR A DIFFERENT AMOUNT AS IMPOSED BY THE  
 1924 | FLORIDA LEGISLATURE.

1925 |           4. I ALSO UNDERSTAND THAT CITIZENS PROPERTY INSURANCE

1926 CORPORATION IS NOT SUPPORTED BY THE FULL FAITH AND CREDIT OF THE  
 1927 STATE OF FLORIDA.

1928  
 1929 a. The corporation shall maintain, in electronic format or  
 1930 otherwise, a copy of the applicant's signed acknowledgment and  
 1931 provide a copy of the statement to the policyholder as part of  
 1932 the first renewal after the effective date of this subparagraph.

1933 b. The signed acknowledgment form creates a conclusive  
 1934 presumption that the policyholder understood and accepted his or  
 1935 her potential surcharge and assessment liability as a  
 1936 policyholder of the corporation.

1937 Section 36. This act shall take effect July 1, 2017.