1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18 19

20

21

22

23

2425

A bill to be entitled An act relating to the Department of Financial Services; amending s. 17.56, F.S.; requiring the Division of Treasury to maintain certain warrants rather than turning them over to the Division of Accounting and Auditing; amending s. 497.263, F.S.; revising the requirements for cemetery companies licenses; amending s. 497.266, F.S.; conforming provisions to changes made by the act; amending s. 497.376, F.S.; providing requirements for a combination license as funeral director and embalmer; amending s. 497.377, F.S.; revising the requirements for combination funeral director and embalmer internships; amending s. 497.380, F.S.; revising the requirements for a funeral establishment and the requirements and responsibilities of a funeral director in charge; amending s. 497.385, F.S.; revising the requirements for a licensed embalming facility; amending s. 497.452, F.S.; revising the applicability of specified provisions related to cemeteries; amending s. 497.453, F.S.; providing reporting requirements for certain preneed licensees; amending s. 497.458, F.S.; revising the requirements for the disposition of proceeds received on preneed contracts; amending s. 497.464, F.S.; revising the

Page 1 of 41

26

27

28

29

30

31

32

33

34

35

36

37

38 39

40

41

42

43

44

45

46 47

48

49 50

requirements of certain preneed contracts; amending s. 497.604, F.S.; revising the requirements for a direct disposal establishment; amending s. 497.606, F.S.; revising the requirements for a cinerator facility; amending s. 633.218, F.S.; deleting a provision that requires the identification of specified buildings or space for firesafety purposes; amending s. 633.306, F.S.; providing standards for fire equipment installation; amending s. 633.312, F.S.; specifying the delivery methods of a firesafety inspection report; requiring the State Fire Marshal to adopt rules; amending s. 633.520, F.S.; requiring the Division of State Fire Marshal to adopt rules to establish cancer prevention best practices; amending s. 626.175, F.S.; revising the requirements for a specified nonrenewable temporary license; revising the types of nonrenewable temporary licenses issued by the Department of Financial Services; amending s. 626.221, F.S.; revising the language relating to an exemption from examination for specified license applicants under certain circumstances; amending s. 626.2815, F.S.; deleting provisions requiring certain licensed customer representatives and insurance agents to complete continuation education courses; amending s. 626.321, F.S.; revising the requirements for certain

Page 2 of 41

51

52

53

54

55

56

57

58

59

60

61

62

63

64

65

66

67

68

69

70

71

72

73

74

75

lines insurance licenses; prohibiting issuance or reinstatement of certain lines insurance licenses beginning on a specified date; amending s. 626.471, F.S.; revising the method of delivery of certain notice; amending s. 626.536, F.S.; deleting provisions relating to reporting administrative actions taken against an insurance agency; amending s. 626.6215, F.S.; providing additional grounds for which the department may take specified action against the license of an insurance agency; amending s. 626.729, F.S.; redefining the term "industrial fire insurance"; amending ss. 626.8437 and 626.844, F.S.; specifying grounds for certain administrative actions against licenses or appointments of specified insurance agents or agencies; amending s. 626.8732, F.S.; revising the requirements for nonresident public adjuster's licenses; amending s. 633.216, F.S.; conforming a cross-reference; amending s. 627.7015, F.S.; requiring insurers to report mediation settlements and settlement amounts to all parties within a certain timeframe; amending s. 648.49, F.S.; requiring the department to meet certain requirements when suspending a person's eligibility to apply for a license or appointment; revising methods for reinstatement of a license, an appointment, or certain

Page 3 of 41

eligibility; amending s. 717.123, F.S.; increasing the amount that the department may retain from specified funds; amending s. 717.124, F.S.; providing disbursement processes for unclaimed property claims; providing rulemaking authority; repealing ss. 626.521 and 626.7355, F.S., relating to credit and character reports and to a temporary license as customer representative pending examination, respectively; amending ss. 626.022 and 626.025, F.S.; conforming cross-references; providing an effective date.

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

Section 1. Section 17.56, Florida Statutes, is amended to read:

17.56 Division of Treasury to maintain turn over to the Division of Accounting and Auditing all warrants paid.—The Division of Treasury shall maintain turn over to the Division of Accounting and Auditing all warrants drawn by the Chief Financial Officer or the Comptroller and paid by the Division of Treasury for 10 years after the date on which a warrant was presented for payment. The warrants shall be turned over as soon as the Division of Treasury shall have recorded such warrants and charged the same against the accounts upon which such warrants are drawn.

Page 4 of 41

Section 2. Paragraph (a) of subsection (3) of section 497.263, Florida Statutes, is amended to read:

- 497.263 Cemetery companies; license required; licensure requirements and procedures.—
- (3) ACTION CONCERNING APPLICATIONS.—If the licensing authority finds that the applicant meets the criteria established in subsection (2), the applicant shall be notified that a license will be issued when all of the following conditions are satisfied:
- (a) The establishment of a care and maintenance trust fund containing not less than \$50,000 has been certified by a trust company operating pursuant to chapter 660, a state or national bank holding trust powers, or a savings and loan association holding trust powers as provided in s. 497.458, pursuant to a trust agreement approved by the licensing authority. The \$50,000 required for the care and maintenance trust fund shall be over and above the \$50,000 net worth required by subsection (2).
- Section 3. Subsection (1) of section 497.266, Florida Statutes, is amended to read:
- 497.266 Care and maintenance trust fund; remedy of department for noncompliance.—
- (1) \underline{A} No cemetery company may <u>not</u> establish a cemetery, or operate a cemetery if already established, without providing for the future care and maintenance of the cemetery, for which a care and maintenance trust fund shall be established, to be

Page 5 of 41

known as "the care and maintenance trust fund of" The trust fund shall be established with a trust company operating pursuant to chapter 660, with a state or national bank holding trust powers, or with a federal or state savings and loan association holding trust powers. Trust funds which are with a state or national bank or savings and loan association licensed in this state on October 1, 1993, shall remain in force; however, when the amount of any such trust fund exceeds the amount that is insured by an agency of the Federal Government, the cemetery company shall transfer that trust fund to a trust company operating pursuant to chapter 660, to a state or national bank holding trust powers, or to a federal or state savings and loan association holding trust powers.

Section 4. Section 497.376, Florida Statutes, is amended to read:

497.376 License as funeral director and embalmer permitted.—

(1) This chapter does not prohibit a person from holding a license as an embalmer and a license as a funeral director at the same time. There may be issued and renewed by the licensing authority a combination license as both funeral director and embalmer to persons meeting the separate requirements for both licenses as set forth in this chapter. The licensing authority may adopt rules providing procedures for applying for and renewing such combination license. The licensing authority may

Page 6 of 41

by rule establish application, renewal, and other fees for such combination license, which fees <u>may shall</u> not exceed the sum of the maximum fees for the separate funeral director and embalmer license categories as provided in this chapter. <u>A person Persons</u> holding a combination license as a funeral director and an embalmer <u>is shall be</u> subject to regulation under this chapter both as a funeral director and an embalmer.

- (2) Except as provided in s. 497.377, an applicant for a combination license as both a funeral director and an embalmer must hold the educational credentials required for licensure of a funeral director under s. 497.373(1)(d).
- Section 5. Section 497.377, Florida Statutes, is amended to read:
- 497.377 <u>Combination funeral directors and embalmers;</u> Concurrent internships.—
- (1) The internship requirements requirement for a combination license as both funeral director and embalmer embalmers and funeral directors may be served concurrently pursuant to rules adopted by the licensing authority.
- (2) (a) An applicant who has not completed the educational credentials required for a combination license as both funeral director and embalmer is eligible for licensure as a combination funeral director and embalmer intern if the applicant:
- 1. Is currently enrolled in and attending a college accredited by the American Board of Funeral Service Education

Page 7 of 41

176 (ABFSE) in a course of study in mortuary science accredited by
177 ABFSE.

- 2. Has completed at least 75 percent of the course of study in mortuary science as certified by the college in which the applicant is currently enrolled.
- 3. Has taken and received a passing grade in a college credit course in mortuary law or funeral service law and has taken and received a passing grade in a college credit course in ethics.
- (b) An application for a combination funeral director and embalmer intern license must include the name and address of the funeral director licensed under s. 497.373 or s. 497.374(1) and the embalmer licensed under s. 497.368 or s. 497.369 under whose supervision the intern will receive training and the name of the licensed funeral establishment at which the training will be conducted.
- (c) A combination funeral director and embalmer intern may perform only the tasks, functions, and duties relating to funeral directing and embalming which are performed under the direct supervision of a licensed funeral director who has an active, valid license under s. 497.373 or s. 497.374(1) and an embalmer who has an active, valid license under s. 497.368 or s. 497.369. However, a combination funeral director and embalmer intern may perform such tasks, functions, and duties under the general supervision of a licensed funeral director and embalmer

upon graduation from a college accredited by ABFSE with a degree as specified in s. 497.373(1)(d) and upon passage of the examination required under s. 497.373(2)(b) if the funeral director in charge of the internship training establishment, after 6 months of direct supervision, certifies to the licensing authority that the intern is competent to complete the internship under general supervision.

- (d)1. A combination funeral director and embalmer intern license expires 1 year after issuance and, except as provided in subparagraph 2., may not be renewed.
- 2. The licensing authority may adopt rules that allow a combination funeral director and embalmer intern to renew her or his combination funeral director and embalmer intern license for an additional 1 year if the combination funeral director and embalmer intern demonstrates her or his failure to complete the internship before expiration of the license due to illness, personal injury, or other substantial hardship beyond her or his reasonable control or demonstrates that she or he has completed the requirements for licensure as a combination funeral director and embalmer but is awaiting the results of a licensure examination.

Section 6. Subsection (7) of section 497.380, Florida

Statutes, is amended to read:

497.380 Funeral establishment; licensure; display of license.—

Page 9 of 41

(7) Each licensed funeral establishment shall have \underline{a} one
full-time funeral director in charge and shall have a licensed
funeral director reasonably available to the public during
normal business hours for the establishment. The $\frac{\text{full-time}}{\text{time}}$
funeral director in charge is responsible for ensuring that the
facility, its operation, and all persons employed in the
facility comply with all applicable state and federal laws and
rules. A funeral director in charge, with appropriate, active
licenses, may serve as such for up to a total of four funeral
establishments, centralized embalming facilities, direct
disposal establishments, or cinerator facilities, as long as the
two farthest locations are no more than 75 miles apart, as
measured in a straight line. The full-time funeral director in
charge must have an active license and may not be the full-time
funeral director in charge of any other funeral establishment or
of any other direct disposal establishment. Effective October 1_{r}
$2010_{\it r}$ The full-time funeral director in charge must hold an
active, valid funeral director license and an active, valid
embalmer license $_{\underline{\prime}}$ or combination license as a funeral director
and an embalmer. However, a funeral director may $\underline{\text{serve as}}$
funeral director in charge without an embalmer license or
combination license if the establishment does not have an
<pre>embalming room on site or may continue as the full-time funeral</pre>
director in charge without an embalmer or combination license
if, as of September 30, 2010:

Page 10 of 41

(a) The funeral establishment and the funeral director both have active, valid licenses.

(b) The funeral director is currently the full-time funeral director in charge of the funeral establishment.

(c) The name of the funeral director was included, as required in subsection (4), in the funeral establishment's most recent application for issuance or renewal of its license or was included in the establishment's report of change provided under paragraph (12)(c).

Section 7. Paragraph (b) of subsection (2) of section 497.385, Florida Statutes, is amended to read:

- 497.385 Removal services; refrigeration facilities; centralized embalming facilities.—In order to ensure that the removal, refrigeration, and embalming of all dead human bodies is conducted in a manner that properly protects the public's health and safety, the licensing authority shall adopt rules to provide for the licensure of removal services, refrigeration facilities, and centralized embalming facilities operated independently of funeral establishments, direct disposal establishments, and cinerator facilities.
- (2) CENTRALIZED EMBALMING FACILITIES.—In order to ensure that all funeral establishments have access to embalming facilities that comply with all applicable health and safety requirements, the licensing authority shall adopt rules to provide for the licensure and operation of centralized embalming

Page 11 of 41

facilities and shall require, at a minimum, the following:

- (b) Each licensed centralized embalming facility shall have at least one full-time embalmer in charge. The full-time embalmer in charge must have an active, valid embalmer license or combination license as a funeral director and embalmer and may not be the full-time embalmer in charge, full-time funeral director in charge, or full-time direct disposer in charge of any other establishment licensed under this chapter. A funeral director in charge, with appropriate, active licenses, may serve as such for up to a total of four funeral establishments, centralized embalming facilities, direct disposal establishments, or cinerator facilities, as long as the two farthest locations are no more than 75 miles apart, as measured in a straight line.
- Section 8. Paragraph (b) of subsection (2) of section 497.452, Florida Statutes, is amended, and paragraph (a) of that subsection is republished, to read:
 - 497.452 Preneed license required.-
- (2) (a) No person may receive any funds for payment on a preneed contract who does not hold a valid preneed license.
- (b) The provisions of Paragraph (a) does do not apply to a trust company operating pursuant to chapter 660, to a national or state bank holding trust powers, or to a federal or state savings and loan association having trust powers which company, bank, or association receives any money in trust pursuant to the

Page 12 of 41

301	sale of a preneed contract.
302	Section 9. Subsection (8) of section 497.453, Florida
303	Statutes, is amended to read:
304	497.453 Application for preneed license, procedures and
305	criteria; renewal; reports.—
306	(8) ANNUAL TRUST REPORTS.—
307	(a) On or before April 1 of each year, the preneed
308	licensee shall file in the form prescribed by rule a full and
309	true statement as to the activities of any trust established by
310	it pursuant to this part for the preceding calendar year.
311	(b) Any preneed licensee or group of preneed licensees
312	under common control that in aggregate sold in this state 15,000
313	or more preneed contracts in the preceding year shall
314	additionally comply with this paragraph.
315	1. As to each year, which is referred to in this paragraph
316	as "Year 1," in which any preneed licensee or group of preneed
317	licensees under common control in aggregate sell in this state
318	15,000 or more preneed contracts, the licensee or licensees
319	shall, during the following year, which is referred to in this
320	paragraph as "Year 2":
321	a. Prepare in regard to each such licensee a report of
322	preneed operations in this state in Year 1, on a form prescribed
323	by department rule;
324	b. Cause and pay for the report to be audited by an

Page 13 of 41

independent certified public accounting firm concerning the

CODING: Words stricken are deletions; words underlined are additions.

325

326	accuracy and fairness of the presentation of the data provided
327	in the report; and
328	c. By December 31 of Year 2, provide the report to the
329	division, along with a written and signed opinion of the
330	certified public accounting firm concerning the accuracy and
331	fairness of the presentation of the data reported in the report.
332	2. The report required under subparagraph 1. shall be
333	prepared and submitted using forms and procedures specified by
334	department rule. The department may adopt rules specifying the
335	format of, and procedures for, the report and the information to
336	be included in the report.
337	Section 10. Paragraph (c) of subsection (1) of section
338	497.458, Florida Statutes, is amended to read:
339	497.458 Disposition of proceeds received on contracts
340	(1)
341	(c) Such deposits shall be made within 30 days after the
342	end of the calendar month in which payment is received, under
343	the terms of a revocable trust instrument entered into with a
344	trust company operating pursuant to chapter 660 , with a national
345	or state bank holding trust powers, or with a federal or state
346	savings and loan association holding trust powers.
347	Section 11. Subsection (2) of section 497.464, Florida
348	Statutes, is amended to read:
349	497.464 Alternative preneed contracts
350	(2) The contract must require that a trust be established

Page 14 of 41

by the preneed licensee on behalf of, and for the use, benefit, and protection of, the purchaser and that the trustee must be a trust company operating pursuant to chapter 660, a national or state bank holding trust powers, or a federal or state savings and loan association holding trust powers.

Section 12. Subsection (8) of section 497.604, Florida Statutes, is amended to read:

497.604 Direct disposal establishments, license required; licensing procedures and criteria; license renewal; regulation; display of license.—

(8) SUPERVISION OF FACILITIES.-

- (a) Effective October 1, 2010, Each direct disposal establishment shall have a one full-time licensed funeral director acting as the direct disposer in charge, subject to s. 497.380(7). However, a licensed direct disposer may continue acting as the direct disposer in charge, if, as of September 30, 2010:
- 1. The direct disposal establishment and the licensed direct disposer both have active, valid licenses.
- 2. The licensed direct disposer is currently acting as the direct disposer in charge of the direct disposal establishment.
- 3. The name of the licensed direct disposer was included, as required in paragraph (2)(c), in the direct disposal establishment's most recent application for issuance or renewal of its license or was included in the establishment's notice of

Page 15 of 41

change provided under subsection (7).

- direct disposer in charge of a direct disposal establishment must be reasonably available to the public during normal business hours for the establishment and may be in charge of enly one direct disposal establishment. The licensed funeral director in charge or licensed direct disposer in charge of the establishment is responsible for making sure the facility, its operations, and all persons employed in the facility comply with all applicable state and federal laws and rules. A funeral director in charge, with appropriate, active licenses, may serve as such for up to a total of four funeral establishments, centralized embalming facilities, direct disposal establishments, or cinerator facilities, as long as the two farthest locations are no more than 75 miles apart, as measured in a straight line.
- Section 13. Subsection (8) of section 497.606, Florida Statutes, is amended to read:
- 497.606 Cinerator facility, licensure required; licensing procedures and criteria; license renewal; regulation.—
- (8) SUPERVISION OF FACILITIES.—Each cinerator facility shall have <u>a</u> one full-time licensed direct disposer <u>in charge</u> or <u>a licensed</u> funeral director in charge for that facility. Such person may be in charge of only one facility. Such licensed funeral director <u>in charge</u> or <u>licensed</u> direct disposer <u>in charge</u>

Page 16 of 41

shall be responsible for making sure the facility, its

401

402

403

404

405

406

407

408

409

410411

412

413

414

415

416

417

418

419

420

421

422

423

424

425

operations, and all persons employed in the facility comply with all applicable state and federal laws and rules. A funeral director in charge, with appropriate, active licenses, may serve as such for up to a total of four funeral establishments, centralized embalming facilities, direct disposal establishments, or cinerator facilities, as long as the two farthest locations are no more than 75 miles apart, as measured in a straight line. Section 14. Paragraph (f) of subsection (1) of section 633.218, Florida Statutes, is amended, and paragraphs (a) through (e) of that subsection are republished, to read: 633.218 Inspections of state buildings and premises; tests of firesafety equipment; building plans to be approved.-(1)(a) It is the duty of the State Fire Marshal and her or his agents to inspect, or cause to be inspected, each stateowned building on a recurring basis established by rule, and to ensure that high-hazard occupancies are inspected at least annually, for the purpose of ascertaining and causing to be

the head of the state agency responsible for the building.

Page 17 of 41

corrected any conditions liable to cause fire or endanger life

from fire and any violation of the firesafety standards for

pursuant hereto. The State Fire Marshal shall, within 7 days

following an inspection, submit a report of such inspection to

state-owned buildings, this chapter, or the rules adopted

(b) Except as provided in s. 255.45, the department head is responsible for ensuring that deficiencies noted in the inspection are corrected as soon as practicable.

- (c) Each department shall, in its annual budget proposal, include requests for sufficient funds to correct any firesafety deficiencies noted by the State Fire Marshal.
- (d) Each department shall, in its annual budget proposal and for all proposals for new construction or renovations to existing structures, include requests for sufficient funds to pay for any charges or fees imposed by the State Fire Marshal for review of plans, renovations, occupancy, or inspections, whether recurring or high hazard.
 - (e) For purposes of this section:

426

427

428

429

430

431

432

433

434

435

436437

438

441

442

443

444

445

446

447

448

449450

- 1.a. The term "high-hazard occupancy" means any building or structure:
 - (I) That contains combustible or explosive matter or flammable conditions dangerous to the safety of life or property;
 - (II) At which persons receive educational instruction;
 - (III) At which persons reside, excluding private dwellings; or
 - (IV) Containing three or more floor levels.
 - b. As used in this subparagraph, the phrase "building or structure":
 - (I) Includes, but is not limited to, all hospitals and

Page 18 of 41

residential health care facilities, nursing homes and other adult care facilities, correctional or detention facilities, public schools, public lodging establishments, migrant labor camps, residential child care facilities, and self-service gasoline stations.

- (II) Does not include any residential condominium where the declaration of condominium or the bylaws provide that the rental of units shall not be permitted for less than 90 days.
- 2. The term "state-owned building" includes private correctional facilities as defined under s. 944.710(3).
- (f) A state-owned building or state-leased building or space shall be identified through use of the United States
 National Grid Coordinate System.
- Section 15. Paragraph (c) of subsection (1) of section 633.306, Florida Statutes, is amended to read:
- 633.306 Requirements for installation, inspection, and maintenance of fire suppression equipment.—
- (1) The requirements for installation of fire extinguishers and preengineered systems are as follows:
- (c) Equipment shall be installed in accordance with the applicable standards of the National Fire Protection Association and the manufacturer's drawings and specifications, using only components and parts specified by the manufacturer or listed as equal parts by a nationally recognized testing laboratory, such as Underwriters Laboratories, Inc., or Factory Mutual

Page 19 of 41

Laboratories, Inc.

Section 16. Subsections (4) and (5) of section 633.312, Florida Statutes, are renumbered as subsections (5) and (6), respectively, subsection (3) is amended, and a new subsection (4) is added to that section, to read:

633.312 Inspection of fire control systems, fire hydrants, and fire protection systems.—

- (3) (a) The inspecting contractor shall provide to the building owner or hydrant owner and the local authority having jurisdiction a copy of the applicable <u>summary</u> inspection report established under this chapter. The local authority having jurisdiction may accept inspection reports by United States mail, by hand delivery, by electronic submission, or through a third-party vendor that collects the reports on behalf of the local authority having jurisdiction.
- (b) The State Fire Marshal shall adopt rules to implement a uniform submission procedure to be used by all local authorities having jurisdiction and third-party vendors when collecting inspection reports. The uniform submission procedure must have a standardized format for a uniform summary report and for the collection of the address of the building or hydrant, the name of the company and person conducting the inspection, the date of the inspection, and a brief summary of each deficiency, critical deficiency, noncritical deficiency, or impairment. The uniform submission procedure must allow a

contractor to attach additional documents to the submission, including a physical copy of the contractor's detailed inspection report. A contractor's detailed inspection report is not required to follow the uniform summary report format, and the uniform submission procedure may not require a contractor to enter specific information contained within the detailed inspection report.

(4) The maintenance of fire hydrant and fire protection systems as well as corrective actions on deficient systems is the responsibility of the owner of the system or hydrant. Equipment requiring periodic testing or operation to ensure its maintenance shall be tested or operated as specified in the Fire Prevention Code, Life Safety Code, National Fire Protection Association standards, or as directed by the appropriate authority, provided that such appropriate authority may not require a sprinkler system not required by the Fire Prevention Code, Life Safety Code, or National Fire Protection Association standards to be removed regardless of its condition. This section does not prohibit governmental entities from inspecting and enforcing firesafety codes.

Section 17. Section 633.520, Florida Statutes, is amended to read:

- 633.520 Safety; firefighter employer responsibilities.—
- (1) Each Every firefighter employer shall furnish and use safety devices and safeguards, adopt and use methods and

Page 21 of 41

processes reasonably adequate to render such an employment and place of employment safe, and do every other thing reasonably necessary to protect the lives, health, and safety of such firefighter employees. As used in this section, the terms "safe" and "safety," as applied to any employment or place of employment, mean such freedom from danger as is reasonably necessary for the protection of the lives, health, and safety of firefighter employees, including conditions and methods of sanitation and hygiene. Safety devices and safeguards required to be furnished by the firefighter employer by this section or by the division under authority of this section do not include personal apparel and protective devices that replace personal apparel normally worn by firefighter employees during regular working hours.

(2) The division shall adopt rules to establish employers' cancer prevention best practices related to personal protective equipment, decontamination, fire suppression equipment, and fire stations.

Section 18. Subsection (1) of section 626.175, Florida Statutes, is amended to read:

626.175 Temporary licensing.

(1) The department may issue a nonrenewable temporary license for a period not to exceed 6 months authorizing appointment of a general lines insurance agent, or a personal lines an industrial fire or burglary agent,

Page 22 of 41

subject to the conditions described in this section. The fees paid for a temporary license and appointment shall be as specified in s. 624.501. Fees paid <u>are shall</u> not be refunded after a temporary license has been issued.

- (a) An applicant for a temporary license must be:
- 1. A natural person at least 18 years of age.

- 2. A United States citizen or legal alien who possesses work authorization from the United States Bureau of Citizenship and Immigration Services.
- (b)1. In the case of a general lines agent, the department may issue a temporary license to an employee, a family member, a business associate, or a personal representative of a licensed general lines agent for the purpose of continuing or winding up the business affairs of the agent or agency in the event the licensed agent has died or become unable to perform his or her duties because of military service or illness or other physical or mental disability, subject to the following conditions:
- a. No other individual connected with the agent's business may be licensed as a general lines agent.
- b. The proposed temporary licensee shall be qualified for a regular general lines agent license under this code except as to residence, examination, education, or experience.
- c. Application for the temporary license shall have been made by the applicant upon statements and affidavit filed with the department on forms prescribed and furnished by the

Page 23 of 41

576 department.

- d. Under a temporary license and appointment, the licensee may shall not represent any insurer not last represented by the agent being replaced and may shall not be licensed or appointed as to any additional kind, line, or class of insurance other than those covered by the last existing agency appointments of the replaced agent. If an insurer withdraws from the agency during the temporary license period, the temporary licensee may be appointed by another similar insurer but only for the period remaining under the temporary license.
- 2. A regular general lines agent license may be issued to a temporary licensee upon meeting the qualifications for a general lines agent license under s. 626.731.
- (c) In the case of a life agent, the department may issue a temporary license:
- 1. To the executor or administrator of the estate of a deceased individual licensed and appointed as a life agent at the time of death;
- 2. To a surviving next of kin of the deceased individual, if no administrator or executor has been appointed and qualified; however, any license and appointment under this subparagraph shall be canceled upon issuance of a license to an executor or administrator under subparagraph 1.; or
- 3. To an individual otherwise qualified to be licensed as an agent who has completed the educational or training

Page 24 of 41

requirements prescribed in s. 626.7851 and who is appointed has successfully sat for the required examination prior to termination of such 6-month period. The department may issue this temporary license only in the case of a life agent to represent an insurer of the industrial or ordinary-combination class solely for the purpose of collecting premiums and servicing in-force policies. Such licensee may not directly or indirectly solicit, negotiate, or effect contracts of insurance.

- (d) In the case of a <u>personal lines</u> limited license authorizing appointment as an industrial fire or burglary agent, the department may issue a temporary license:
- 1. To the executor or administrator of the estate of a deceased individual licensed and appointed as a personal lines agent at the time of death;
- 2. To a surviving next of kin of the deceased individual, if no administrator or executor has been appointed and qualified. Any license and appointment under this subparagraph shall be canceled upon issuance of a license to an executor or administrator under subparagraph 1.; or
- 3. To an individual otherwise qualified to be licensed as an agent who has completed the educational or training requirements prescribed in s. 626.732 and who is appointed to represent an insurer of the industrial or ordinary-combination class solely for the purpose of collecting premiums and servicing in-force policies. Such licensee may not directly or

indirectly solicit, negotiate, or effect contracts of insurance has successfully sat for the required examination prior to termination of the 6-month period.

Section 19. Subsection (1) and paragraph (e) of subsection (2) of section 626.221, Florida Statutes, are amended to read:
626.221 Examination requirement; exemptions.—

- (1) The department <u>may shall</u> not issue any license as agent or adjuster to any individual who has not qualified for, taken, and passed to the satisfaction of the department a written examination of the scope prescribed in s. 626.241.
- (2) However, an examination is not necessary for any of the following:
- (e) An applicant who has been licensed as an all-lines adjuster and appointed as an independent adjuster or company employee adjuster and who files if an application for an all-lines adjuster license licensure is filed with the department within 48 months after following the date of cancellation or expiration of the prior appointment.

Section 20. Paragraph (d) of subsection (3) of section 626.2815, Florida Statutes, is amended to read:

626.2815 Continuing education requirements.-

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

Page 26 of 41

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

- (d) An individual who holds a license as a customer representative, limited customer representative, motor vehicle physical damage and mechanical breakdown insurance agent, or an industrial fire insurance or burglary insurance agent and who is not a licensed life or health agent, must also complete a minimum of 5 hours of continuing education courses every 2 years.
- Section 21. Paragraphs (b) and (f) of subsection (1) of section 626.321, Florida Statutes, are amended to read:
 - 626.321 Limited licenses.-

(1) The department shall issue to a qualified applicant a

Page 27 of 41

license as agent authorized to transact a limited class of business in any of the following categories of limited lines insurance:

- License covering only industrial fire insurance or burglary insurance.—

 License covering only industrial fire insurance or burglary insurance. The applicant for such a license must pass a written examination covering such insurance. A licensee under this paragraph may not hold a license as an agent for any other or additional kind or class of insurance coverage except for life insurance and health insurance. Effective July 1, 2019, all licensees holding such limited license and appointment may renew the license and appointment, but no new or additional licenses may be issued pursuant to this paragraph, and a licensee whose limited license under this paragraph has been terminated, suspended, or revoked may not have such license reinstated.
- (f) Crop hail and multiple-peril crop insurance.—License for insurance covering crops subject to unfavorable weather conditions, fire or <u>lightning lightening</u>, flood, hail, insect infestation, disease, or other yield-reducing conditions or perils which is provided by the private insurance market, or which is subsidized by the Federal Group Insurance Corporation including multi-peril crop insurance. Notwithstanding any other provision of law, the limited license may be issued to a bona fide salaried employee of an association chartered under the Farm Credit Act of 1971, 12 U.S.C. ss. 2001 et seq., who

satisfactorily completes the examination prescribed by the department pursuant to s. 626.241(5). The agent must be appointed by, and his or her limited license requested by, a licensed general lines agent. All business transacted by the agent must be on behalf of, in the name of, and countersigned by the agent by whom he or she is appointed. Sections 626.561 and 626.748, relating to records, apply to all business written pursuant to this section. The licensee may be appointed by and licensed for only one general lines agent or agency.

Section 22. Subsection (1) of section 626.471, Florida Statutes, is amended to read:

626.471 Termination of appointment.-

appointing entity may terminate its appointment of any appointed at any time. Except when termination is upon a ground which would subject the appointment to suspension or revocation of his or her license and appointment under s. 626.611 or s. 626.621, and except as provided by contract between the appointing entity and the appointee, the appointing entity shall give at least 60 days' advance written notice of its intention to terminate such appointment to the appointee, either by delivering the notice delivery thereof to the appointee in person, or by sending it via electronic mail or mailing it, postage prepaid, addressed to the appointee at his or her last e-mail or mailing address of record with the appointing entity. Notice so mailed shall be

Page 29 of 41

deemed to have been given when deposited in a United States

Postal Service mail depository.

Section 23. Section 626.536, Florida Statutes, is amended to read:

days after the final disposition of an administrative action taken against a licensee or insurance agency by a governmental agency or other regulatory agency in this or any other state or jurisdiction relating to the business of insurance, the sale of securities, or activity involving fraud, dishonesty, trustworthiness, or breach of a fiduciary duty, the licensee or insurance agency must submit a copy of the order, consent to order, or other relevant legal documents to the department. The department may adopt rules to administer this section.

Section 24. Subsection (7) is added to section 626.6215, Florida Statutes, to read:

626.6215 Grounds for discretionary refusal, suspension, or revocation of insurance agency license.—The department may, in its discretion, deny, suspend, revoke, or refuse to continue the license of any insurance agency if it finds, as to any insurance agency or as to any majority owner, partner, manager, director, officer, or other person who manages or controls such insurance agency, that any one or more of the following applicable grounds exist:

(7) If a license to practice or to conduct any regulated

Page 30 of 41

profession, business, or vocation has been denied, suspended, or revoked or has had any other adverse administrative action taken against it by this state, any other state, any nation, any possession or district of the United States, any court, or any lawful agency thereof.

751

752

753

754

755

756

757

758

759

760

761

762

763

764

765

766

767

768

769

770

771

772

773774

775

Section 25. Section 626.729, Florida Statutes, is amended to read:

626.729 "Industrial fire insurance" defined.-For the purposes of this code, "industrial fire insurance" is insurance against loss by fire of either buildings and other structures or contents, which may include extended coverage; windstorm insurance; basic limits owners, landlords, or tenants liability insurance with single limits of \$25,000; comprehensive personal liability insurance with a single limit of \$25,000; or burglary insurance, under which the premiums are collected quarterly or more often and the face amount of the insurance provided by the policy on one risk is not more than \$50,000, including the contents of such buildings and other structures, and the insurer issuing such policy is operating under a system of collecting a debit by its agents. A temporary license for an industrial fire or burglary agent issued pursuant to s. 626.175 shall be solely for the purpose of collecting premiums and servicing in-force policies, and such licensee shall not directly or indirectly solicit, negotiate, or effect contracts of insurance.

Page 31 of 41

Section 26. Subsection (9) of section 626.8437, Florida

Statutes, is amended to read:

 626.8437 Grounds for denial, suspension, revocation, or refusal to renew license or appointment.—The department shall deny, suspend, revoke, or refuse to renew or continue the license or appointment of any title insurance agent or agency, and it shall suspend or revoke the eligibility to hold a license or appointment of such person, if it finds that as to the applicant, licensee, appointee, or any principal thereof, any one or more of the following grounds exist:

(9) Willful failure to comply with, or willful violation of, any proper order or rule of the department or willful violation of any provision of the Florida Insurance Code this act.

Section 27. Subsection (2) of section 626.844, Florida Statutes, is amended to read:

626.844 Grounds for discretionary refusal, suspension, or revocation of license or appointment.—The department may, in its discretion, deny, suspend, revoke, or refuse to renew or continue the license or appointment of any title insurance agent or agency, and it may suspend or revoke the eligibility to hold a license or appointment of any such title insurance agent or agency if it finds that as to the applicant or licensee or appointee, or any principal thereof, any one or more of the following grounds exist under circumstances for which such denial, suspension, revocation, or refusal is not mandatory

Page 32 of 41

801 under s. 626.8437:

- (2) Violation of any provision of the Florida Insurance <u>Code</u> this act in the course of dealing under the license or appointment.
- Section 28. Paragraph (e) of subsection (1) and paragraphs (b) and (c) of subsection (2) of section 626.8732, Florida Statutes, are amended to read:
- 626.8732 Nonresident public adjuster's qualifications, bond.—
- (1) The department shall, upon application therefor, issue a license to an applicant for a nonresident public adjuster's license upon determining that the applicant has paid the applicable license fees required under s. 624.501 and:
- (e) Has been licensed and employed as a public adjuster in the applicant's state of residence on a continual basis for the past 6 months year, or, if the applicant's state of residence does not issue licenses to individuals who act as public adjusters, the applicant has been licensed and employed as a resident insurance company or independent adjuster, or employed as a public adjuster, in his or her state of residence or any other state on a continual basis for the past year.
- (2) The applicant shall furnish the following with his or her application:
- (b) If currently licensed as a resident public adjuster in the applicant's state of residence, a certificate or letter of

Page 33 of 41

 authorization from the licensing authority of the applicant's state of residence, stating that the applicant holds a current or comparable license to act as a public adjuster and has held the license continuously for the past 6 months year. The certificate or letter of authorization must be signed by the insurance commissioner or his or her deputy or the appropriate licensing official and must disclose whether the adjuster has ever had any license or eligibility to hold any license declined, denied, suspended, revoked, or placed on probation or whether an administrative fine or penalty has been levied against the adjuster and, if so, the reason for the action.

(c) If the applicant's state of residence does not require licensure as a public adjuster and the applicant has been licensed as a resident insurance adjuster in his or her state of residence or any other state, a certificate or letter of authorization from the licensing authority stating that the applicant holds or has held a license to act as such an insurance adjuster and has held the license continuously for the past 6 months year. The certificate or letter of authorization must be signed by the insurance commissioner or his or her deputy or the appropriate licensing official and must disclose whether or not the adjuster has ever had any license or eligibility to hold any license declined, denied, suspended, revoked, or placed on probation or whether an administrative fine or penalty has been levied against the adjuster and, if so,

Page 34 of 41

the reason for the action.

Section 29. Subsection (1) of section 633.216, Florida Statutes, is amended to read:

633.216 Inspection of buildings and equipment; orders; firesafety inspection training requirements; certification; disciplinary action.—The State Fire Marshal and her or his agents or persons authorized to enforce laws and rules of the State Fire Marshal shall, at any reasonable hour, when the State Fire Marshal has reasonable cause to believe that a violation of this chapter or s. 509.215, or a rule adopted thereunder, or a minimum firesafety code adopted by the State Fire Marshal or a local authority, may exist, inspect any and all buildings and structures which are subject to the requirements of this chapter or s. 509.215 and rules adopted thereunder. The authority to inspect shall extend to all equipment, vehicles, and chemicals which are located on or within the premises of any such building or structure.

(1) Each county, municipality, and special district that has firesafety enforcement responsibilities shall employ or contract with a firesafety inspector. Except as provided in s. 633.312(2), and (3), and (4), the firesafety inspector must conduct all firesafety inspections that are required by law. The governing body of a county, municipality, or special district that has firesafety enforcement responsibilities may provide a schedule of fees to pay only the costs of inspections conducted

Page 35 of 41

pursuant to this subsection and related administrative expenses. Two or more counties, municipalities, or special districts that have firesafety enforcement responsibilities may jointly employ or contract with a firesafety inspector.

Section 30. Subsection (5) of section 627.7015, Florida Statutes, is amended to read:

- 627.7015 Alternative procedure for resolution of disputed property insurance claims.—
- mediation conference shall be deemed to be settlement negotiations in anticipation of litigation within the scope of s. 90.408. The insurer must report the settlement obtained through mediation, including the settlement amount, to all parties within 10 days after the conclusion of the mediation conference. All parties to the mediation must negotiate in good faith and must have the authority to immediately settle the claim. Mediators are deemed to be agents of the department and shall have the immunity from suit provided in s. 44.107.

Section 31. Subsection (1) of section 648.49, Florida Statutes, is amended to read:

- 648.49 Duration of suspension or revocation.-
- (1) The department shall, in its order suspending a license or appointment or <u>in its order suspending</u> the eligibility <u>of a person</u> to hold <u>or apply for</u> a license or appointment, specify the period during which the suspension is

Page 36 of 41

to be in effect, but such period may not exceed 2 years. The license, or appointment, or and eligibility to hold or apply for a license or appointment remains shall remain suspended during the period so specified, subject, however, to any rescission or modification of the order by the department, or modification or reversal thereof by the court, before the prior to expiration of the suspension period. A license or appointment that which has been suspended may not be reinstated, nor shall the eligibility to hold such license or appointment be reinstated, except upon the filing and approval of an application request for such reinstatement, but the department may not approve an application for grant such reinstatement if it finds that the circumstances for which the license or appointment was suspended still exist or are likely to recur. In each case involving suspension, the department has the discretion to require the former licensee to successfully complete a basic certification course in the criminal justice system, consisting of not less than 80 hours approved by the department.

Section 32. Subsection (1) of section 717.123, Florida Statutes, is amended to read:

717.123 Deposit of funds.-

901

902

903

904

905

906

907

908

909

910911

912

913

914

915

916

917

918

919

920

921

922

923

924

925

(1) All funds received under this chapter, including the proceeds from the sale of unclaimed property under s. 717.122, shall forthwith be deposited by the department in the Unclaimed Property Trust Fund. The department shall retain, from funds

Page 37 of 41

received under this chapter, an amount not exceeding \$30 \$15 million from which the department shall make prompt payment of claims allowed by the department and shall pay the costs incurred by the department in administering and enforcing this chapter. All remaining funds received by the department under this chapter shall be deposited by the department into the State School Fund.

Section 33. Subsection (8) of section 717.124, Florida Statutes, is renumbered as subsection (11), and a new subsection (8) and subsections (9) and (10) are added to that section, to read:

717.124 Unclaimed property claims.

- (8) Notwithstanding any other provision of this chapter, the department may develop and implement an identification verification and disbursement process by which an account valued at \$2,000 or less, after being received by the department and added to the unclaimed property database, may be disbursed to an apparent owner after the department has verified that the apparent owner is living and that the apparent owner's current address is correct. The department shall include with the payment a notification and explanation of the dollar amount, the source, and the property type of each account included in the disbursement. The department may adopt rules to implement this subsection.
 - (9) (a) Notwithstanding any other provision of this

Page 38 of 41

951	chapter, the department may develop and implement a verification
952	and disbursement process by which an account, after being
953	received by the department and added to the unclaimed property
954	database, for which the apparent owner entity is:
955	1. A state agency in this state or a subdivision or
956	successor agency thereof;
957	2. A county government in this state or a subdivision
958	thereof;
959	3. A public school district in this state or a subdivision
960	thereof;
961	4. A municipality in this state or a subdivision thereof;
962	<u>or</u>
963	5. A special taxing district or authority in this state,
964	
965	may be disbursed to the apparent owner entity or successor
966	entity. The department shall include with the payment a
967	notification and explanation of the dollar amount, the source,
968	and the property type of each account included in the
969	<u>disbursement.</u>
970	(b) The department may adopt rules to implement this
971	subsection.
972	(10) Notwithstanding any other provision of this chapter,
973	the department may develop a process by which a registered
974	claimant's representative or a buyer of unclaimed property may
975	electronically submit to the department an electronic image of a

Page 39 of 41

976	completed claim and claims-related documents pursuant to this
977	chapter, including a limited power of attorney or purchase
978	agreement that has been manually signed and dated by a claimant
979	or seller pursuant to s. 717.135 or s. 717.1351, after the
980	claimant's representative or the buyer of unclaimed property
981	receives the original documents provided by the claimant or the
982	seller for any claim. Each claim filed by a registered
983	claimant's representative or a buyer of unclaimed property must
984	include a statement by the claimant's representative or the
985	buyer of unclaimed property attesting that all documents are
986	true copies of the original documents and that all original
987	documents are physically in the possession of the claimant's
988	representative or the buyer of unclaimed property. All original
989	documents must be kept in the original form, by claim number,
990	under the secure control of the claimant's representative or the
991	buyer of unclaimed property and must be available for inspection
992	by the department in accordance with s. 717.1315. The department
993	may adopt rules to implement this subsection.
994	Section 34. Section 626.521, Florida Statutes, is
995	repealed.
996	Section 35. Section 626.7355, Florida Statutes, is
997	repealed.
998	Section 36. Paragraph (a) of subsection (1) of section
999	626.022, Florida Statutes, is amended to read:
1000	626.022 Scope of part

Page 40 of 41

CS/HB 1393

(1) This part applies as to insurance agents, service

representatives, adjusters, and insurance agencies; as to any	
and all kinds of insurance; and as to stock insurers, mutual	
insurers, reciprocal insurers, and all other types of insurers,	
except that:	
(a) It does not apply as to reinsurance, except that ss.	
626.011-626.022, ss. 626.112-626.181, ss. 626.191-626.211, ss.	
626.291-626.301, s. 626.331, <u>ss. 626.342-626.511</u> ss. 626.342-	
626.521 , ss. 626.541-626.591, and ss. 626.601-626.711 shall	
apply as to reinsurance intermediaries as defined in s.	
626.7492.	
Section 37. Subsection (4) of section 626.025, Florida	

- Statutes, is amended to read:
- 626.025 Consumer protections.—To transact insurance, agents shall comply with consumer protection laws, including the following, as applicable:
- The submission of credit and character reports, as required by s. 626.171 or s. 626.521.
- Section 38. This act shall take effect July 1, 2019.