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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/24/2023	.	
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	.	
	.	

The Committee on Banking and Insurance (Collins) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 626.7851, Florida Statutes, is amended
to read:

626.7851 Requirement as to knowledge, experience, or
instruction.—An applicant for a license as a life agent, except
for a chartered life underwriter (CLU), shall not be qualified
or licensed unless within the 4 years immediately preceding the



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11 date the application for a license is filed with the department
12 he or she has:

13 (1) Successfully completed 30 ~~40~~ hours of coursework in
14 life insurance, annuities, and variable contracts approved by
15 the department, 3 hours of which shall be on the subject matter
16 of ethics. Courses must include instruction on the subject
17 matter of unauthorized entities engaging in the business of
18 insurance;

19 (2) Successfully completed a minimum of 60 hours of
20 coursework in multiple areas of insurance, which included life
21 insurance, annuities, and variable contracts, approved by the
22 department, 3 hours of which shall be on the subject matter of
23 ethics. Courses must include instruction on the subject matter
24 of unauthorized entities engaging in the business of insurance;

25 (3) Earned or maintained an active designation as Chartered
26 Financial Consultant (ChFC) from the American College of
27 Financial Services; or Fellow, Life Management Institute (FLMI)
28 from the Life Management Institute;

29 (4) Held an active license in life insurance in another
30 state. This provision may not be used unless the other state
31 grants reciprocal treatment to licensees formerly licensed in
32 the state; or

33 (5) Been employed by the department or office for at least
34 1 year, full time in life insurance regulatory matters and who
35 was not terminated for cause, and application for examination is
36 made within 4 years after the date of termination of his or her
37 employment with the department or office.

38
39 Prelicensure coursework is not required for an applicant who is



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40 a member or veteran of the United States Armed Forces or the
41 spouse of such a member or veteran. A qualified individual must
42 provide a copy of a military identification card, military
43 dependent identification card, military service record, military
44 personnel file, veteran record, discharge paper, or separation
45 document that indicates such member is currently in good
46 standing or such veteran is honorably discharged.

47 Section 2. Paragraph (h) of subsection (1) of section
48 626.9541, Florida Statutes, is amended to read:

49 626.9541 Unfair methods of competition and unfair or
50 deceptive acts or practices defined.—

51 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR DECEPTIVE
52 ACTS.—The following are defined as unfair methods of competition
53 and unfair or deceptive acts or practices:

54 (h) *Unlawful rebates.*—

55 1. Except as otherwise expressly provided by law, or in an
56 applicable filing with the office, knowingly:

57 a. Permitting, or offering to make, or making, any contract
58 or agreement as to such contract other than as plainly expressed
59 in the insurance contract issued thereon;

60 b. Paying, allowing, or giving, or offering to pay, allow,
61 or give, directly or indirectly, as inducement to such insurance
62 contract, any unlawful rebate of premiums payable on the
63 contract, any special favor or advantage in the dividends or
64 other benefits thereon, or any valuable consideration or
65 inducement whatever not specified in the contract;

66 c. Giving, selling, or purchasing, or offering to give,
67 sell, or purchase, as inducement to such insurance contract or
68 in connection therewith, any stocks, bonds, or other securities



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69 of any insurance company or other corporation, association, or
70 partnership, or any dividends or profits accrued thereon, or
71 anything of value whatsoever not specified in the insurance
72 contract.

73 2. Nothing in paragraph (g) or subparagraph 1. of this
74 paragraph shall be construed as including within the definition
75 of discrimination or unlawful rebates:

76 a. In the case of any contract of life insurance or life
77 annuity, paying bonuses to all policyholders or otherwise
78 abating their premiums in whole or in part out of surplus
79 accumulated from nonparticipating insurance; provided that any
80 such bonuses or abatement of premiums is fair and equitable to
81 all policyholders and for the best interests of the company and
82 its policyholders.

83 b. In the case of life insurance policies issued on the
84 industrial debit plan, making allowance to policyholders who
85 have continuously for a specified period made premium payments
86 directly to an office of the insurer in an amount which fairly
87 represents the saving in collection expenses.

88 c. Readjustment of the rate of premium for a group
89 insurance policy based on the loss or expense thereunder, at the
90 end of the first or any subsequent policy year of insurance
91 thereunder, which may be made retroactive only for such policy
92 year.

93 d. Issuance of life insurance policies or annuity contracts
94 at rates less than the usual rates of premiums for such policies
95 or contracts, as group insurance or employee insurance as
96 defined in this code.

97 e. Issuing life or disability insurance policies on a



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98 salary savings, bank draft, preauthorized check, payroll
99 deduction, or other similar plan at a reduced rate reasonably
100 related to the savings made by the use of such plan.

101 3.a. No title insurer, or any member, employee, attorney,
102 agent, or agency thereof, shall pay, allow, or give, or offer to
103 pay, allow, or give, directly or indirectly, as inducement to
104 title insurance, or after such insurance has been effected, any
105 rebate or abatement of the premium or any other charge or fee,
106 or provide any special favor or advantage, or any monetary
107 consideration or inducement whatever.

108 b. Nothing in this subparagraph shall be construed as
109 prohibiting the payment of fees to attorneys at law duly
110 licensed to practice law in the courts of this state, for
111 professional services, or as prohibiting the payment of earned
112 portions of the premium to duly appointed agents or agencies who
113 actually perform services for the title insurer. Nothing in this
114 subparagraph shall be construed as prohibiting a rebate or
115 abatement of an attorney fee charged for professional services,
116 or that portion of the premium that is not required to be
117 retained by the insurer pursuant to s. 627.782(1), or any other
118 agent charge or fee to the person responsible for paying the
119 premium, charge, or fee.

120 c. No insured named in a policy, or any other person
121 directly or indirectly connected with the transaction involving
122 the issuance of such policy, including, but not limited to, any
123 mortgage broker, real estate broker, builder, or attorney, any
124 employee, agent, agency, or representative thereof, or any other
125 person whatsoever, shall knowingly receive or accept, directly
126 or indirectly, any rebate or abatement of any portion of the



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127 title insurance premium or of any other charge or fee or any
128 monetary consideration or inducement whatsoever, except as set
129 forth in sub-subparagraph b.; provided, in no event shall any
130 portion of the attorney fee, any portion of the premium that is
131 not required to be retained by the insurer pursuant to s.
132 627.782(1), any agent charge or fee, or any other monetary
133 consideration or inducement be paid directly or indirectly for
134 the referral of title insurance business.

135 4.a. Paragraph (g) or subparagraph 1. may not be construed
136 as including within the definition of discrimination or unlawful
137 rebates the offer or provision by an insurer or an agent of the
138 insurer, including by or through employees, affiliates, or
139 third-party representatives, of value-added products or services
140 at no or reduced cost when such products or services are not
141 specified in the insurance policy, if the product or service
142 relates to the insurance coverage and is primarily designed to
143 do one or more of the following:

144 (I) Provide loss mitigation or loss control;

145 (II) Reduce claim costs or claim settlement costs;

146 (III) Provide education about liability risks or risk of
147 loss to persons or property;

148 (IV) Monitor or assess risk, identify sources of risk, or
149 develop strategies for eliminating or reducing risk;

150 (V) Enhance health;

151 (VI) Enhance financial wellness through items such as
152 education or financial planning services;

153 (VII) Provide post-loss services;

154 (VIII) Incentivize behavioral changes to improve the health
155 or reduce the risk of death or disability of a policyholder,



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156 potential policyholder, certificateholder, potential
157 certificateholder, insured, potential insured, or applicant; or
158 (IX) Assist in the administration of employee or retiree
159 benefit insurance coverage.

160 b. The cost to the insurer or agent offering the product or
161 service to a customer must be reasonable in comparison to the
162 customer's premiums or insurance coverage for the policy class.

163 c. If the insurer or agent is providing the product or
164 service, the insurer or agent must ensure that the customer is
165 provided with contact information to assist the customer with
166 questions regarding the product or service.

167 d. The availability of the product or service must be based
168 on documented objective evidence, and the product or service
169 must be offered in a manner that is not unfairly discriminatory.
170 The documented evidence must be maintained by the insurer or
171 agent and produced upon request by the office or the department.

172 e. If an insurer or agent has a good faith belief, but does
173 not have sufficient evidence to demonstrate, that the product or
174 service meets any of the criteria in sub-sub-subparagraphs
175 a.(I)-(IX), the insurer or agent may provide the product or
176 service in a manner that is not unfairly discriminatory as part
177 of a pilot or testing program for up to 1 year. An insurer or
178 agent must notify the office or department, as applicable, of
179 such pilot or testing program offered to consumers in this state
180 before commencing the program. The insurer or agent may commence
181 the program unless the office or department, as applicable,
182 objects to the program within 21 days after receiving the
183 notice.

184 f. An insurer, agent, or representative thereof may not



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185 offer or provide insurance as an inducement to the purchase of
186 another policy or otherwise use the words "free," "no cost," or
187 similar words in an advertisement.

188 g. The commission may adopt rules to administer this
189 subparagraph to ensure consumer protection. Such rules,
190 consistent with applicable law, may address, among other issues,
191 consumer data protections and privacy, consumer disclosure, and
192 unfair discrimination.

193 Section 3. This act shall take effect July 1, 2023.

194

195 ===== T I T L E A M E N D M E N T =====

196 And the title is amended as follows:

197 Delete everything before the enacting clause
198 and insert:

199 A bill to be entitled
200 An act relating to insurance; amending s. 626.7851,
201 F.S.; revising a minimum coursework qualification for
202 licensure as a life agent; amending s. 626.9541, F.S.;
203 providing that certain restrictions against unfair
204 discrimination or unlawful rebates do not include
205 value-added products or services offered or provided
206 by insurers or their agents if certain conditions are
207 met; providing requirements for and restrictions on
208 insurers or agents offering or providing such products
209 or services; authorizing insurers or agents to provide
210 such products or services as part of a pilot or
211 testing program under certain circumstances;
212 authorizing the Financial Services Commission to adopt
213 rules; providing an effective date.