

FLORIDA HOUSE OF REPRESENTATIVES

BILL ANALYSIS

This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.

BILL #: [CS/CS/HB 643](#)

TITLE: Insurance

SPONSOR(S): Snyder

COMPANION BILL: [CS/SB 1184](#) (DiCeglie)

LINKED BILLS: None

RELATED BILLS: None

Committee References

[Insurance & Banking](#)

17 Y, 1 N, As CS



[Civil Justice & Claims](#)

14 Y, 0 N



[Commerce](#)

24 Y, 0 N, As CS

SUMMARY

Effect of the Bill:

The bill:

- Authorizes the Florida Department of Law Enforcement (FDLE) to process background checks for insurance personnel.
- Requires fair, documented affiliate compensation; authorizes OIR to require fee-for-service model beginning July 2026; requires the Office of Insurance Regulation (OIR) to approve payments, dividends, and capital transfers to affiliates.
- Requires all affiliate payments to comply with new standards.
- Removes the definition of “diligent effort” relating to surplus lines;
- Revises surplus lines eligibility by eliminating the requirement that agents seek coverage from authorized insurers before placing coverage in the surplus lines market, replacing it with a standard that allows export if the coverage is not generally available from authorized insurers; clarifies that the full amount of insurance may be exported without layering; and retains the required disclosure to insureds;
- Authorizes Citizens Property Insurance Corporation to offer policyholders the option, at issuance or renewal, to resolve claim disputes through arbitration before the Division of Administrative Hearings, with specific notice and selection requirements; and
- Reduces the coursework requirement for general lines agent licensure from 200 to 60 hours.

Fiscal or Economic Impact:

The bill will have an indeterminate fiscal impact.

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ANALYSIS

EFFECT OF THE BILL:

Background Checks

The bill authorizes the FDLE to accept and process fingerprints and exchange criminal history records for individuals involved in the insurance industry. The bill requires background checks for a wide range of persons associated with insurers or insurance-related entities, including officers, employees, contractors, or persons who control insurance operations. Fingerprints must be submitted to the OIR or an authorized vendor and will be processed by both the FDLE and the Federal Bureau of Investigation. The results of the background checks will be used by the OIR to determine whether individuals meet eligibility requirements for licensure, certification, or authority to operate under the Florida Insurance Code. The bill also provides procedures for submission, retention, and cost responsibilities associated with fingerprint processing and background checks. (Section [1](#)).

Affiliate Transaction Oversight

The bill provides increased regulatory oversight of financial transactions between insurers and affiliated entities, including [managing general agents](#) (MGAs), [attorneys in fact](#), and reciprocal insurers. The bill applies to any

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authorized insurer that involves compensation to such entities and establishes requirements to ensure those payments are fair, reasonable, and in the insurer's best interest.

The bill defines key terms, including "affiliated entity," which broadly includes affiliates, MGAs, attorneys in fact, and reciprocal insurers involved in compensation with the insurer and "insurer" which means an authorized property insurer.

The bill requires insurers to submit documentation to the OIR demonstrating that all fees, commissions, or payments to affiliated entities are fair and reasonable for each service provided. The OIR must evaluate this using specified factors, including the actual cost of services, financial condition of the parties, debt levels, dividends or payments exchanged, and whether the contract terms benefit the insurer.

For all agreements in effect on July 1, 2025, insurers must report by October 1, 2025, the costs incurred by affiliates, amounts charged to the insurer, and any fees forgiven or reimbursed over the past two years. If charges exceed costs, insurers must justify how the fees are fair and reasonable. New contracts after that date must include similar documentation before becoming effective.

Beginning July 1, 2026, the office may require specific types of compensation arrangements between an insurer and any affiliated entity to be structured as a fee-for-service model, meaning fixed or hourly rates for itemized services. Compensation may not be based on commissions, premium volume, underwriting profits, or financial performance of the insurer. Dividends or other financial arrangements with affiliates are still allowed but must be reviewed and approved by the OIR.

The bill also provides that:

- All agreements with affiliated entities must include a termination clause and may not exceed three years without undergoing review and reapproval by the OIR.
- The OIR must be notified at least 30 days in advance before an insurer pledges capital or assets to an affiliate, and the OIR may prohibit such arrangements if not in the insurer's best interest.
- During a declared emergency, the OIR may issue orders restricting transfers of funds to affiliates without prior approval, for up to 90 days, with extensions allowed.
- The OIR may recover improper transfers, including those made in violation of approved arrangements or while the insurer was undercapitalized.

Finally, the bill authorizes the OIR to impose penalties for violations of these requirements and requires the Financial Services Commission to adopt rules to implement these provisions. (Section [2](#)).

[Affiliate Compensation Compliance](#)

The bill requires that affiliate compensation arrangements comply with the provisions created in the bill, in addition, to the existing requirement that such payments be fair and reasonable. (Section [3](#)).

[Surplus Lines](#)

The bill removes the definition of "[diligent effort](#)," which previously required agents to seek and be rejected by three authorized insurers before being admitted to the surplus lines market. (Section [4](#)).

The bill revises eligibility standards for surplus lines insurance placements by removing the requirement that a producing agent conduct and document a diligent effort to procure coverage from authorized insurers. Instead, the bill provides that coverage may be exported to the surplus lines market if it is of a kind or class not generally available from authorized insurers transacting insurance in this state. The bill also clarifies that the full amount of insurance may be exported, even if partial coverage might otherwise be available from authorized insurers, thereby eliminating the expectation that the risk be layered before surplus lines placement is permitted. (Section [5](#)).

[Citizens Arbitration Procedures](#)

The bill authorizes [Citizens Property Insurance Corporation](#) (Citizens) to offer policyholders the option to resolve claim disputes through arbitration proceedings before the Division of Administrative Hearings (DOAH). While

current law allows Citizens to use DOAH, the bill clarifies that this option can be offered directly to insureds in policy forms.

At issuance or renewal, Citizens may use forms that let insureds elect DOAH arbitration for disputes involving coverage, scope, or value of a claim. The insured must be given written notice of this option and indicate their choice by marking “ACCEPT” or “DECLINE” on a boldfaced 12-point disclosure immediately before the insured’s signing. The selection applies for the entire policy term. (Section [6](#)).

[General Lines Agents](#)

The bill decreases the coursework requirement for general lines agent licensure from 200 hours to 60 hours. (Section [7](#)).

The bill provides an effective date of July 1, 2025. (Section [8](#)).

RULEMAKING:

The bill grants rulemaking authority to the OIR to implement the affiliate transaction oversight provisions created by the bill, and requires rulemaking to implement s. 628.372, F.S., relating to financial arrangements with affiliates.

Lawmaking is a legislative power; however, the Legislature may delegate a portion of such power to executive branch agencies to create rules that have the force of law. To exercise this delegated power, an agency must have a grant of rulemaking authority and a law to implement.

FISCAL OR ECONOMIC IMPACT:

STATE GOVERNMENT:

The bill will have an indeterminate fiscal impact.

RELEVANT INFORMATION

SUBJECT OVERVIEW:

Regulation of Insurance in Florida

The Office of Insurance Regulation (OIR) regulates specified insurance products, insurers and other risk bearing entities in Florida.¹ As part of their regulatory oversight, the OIR may suspend or revoke an insurer’s certificate of authority under certain conditions.² The OIR is responsible for examining the affairs, transactions, accounts, records, and assets of each insurer that holds a certificate of authority to transact insurance business in Florida.³ As part of the examination process, all persons being examined must make available to the OIR the accounts, records, documents, files, information, assets, and matters in their possession or control that relate to the subject of the examination.⁴ The OIR is also authorized to conduct market conduct examinations to determine compliance with applicable provisions of the Insurance Code.⁵

Insurance companies that transact insurance in Florida or that have offices located in the state are required to obtain a certificate of authority (COA) issued by the OIR pursuant to s. 624.401, F.S. These companies, referred to as authorized or admitted insurers,⁶ are broadly regulated by the OIR under the Insurance Code as to reserves, surplus as to policyholders, solvency, rates and forms, market conduct, permissible investments, and affiliate

¹ S. [20.121\(3\)\(a\), F.S.](#) The Financial Services Commission, composed of the Governor, the Attorney General, the Chief Financial Officer, and the Commissioner of Agriculture, serves as agency head of the Office of Insurance Regulation for purposes of rulemaking. Further, the Financial Services Commission appoints the commissioner of the Office of Insurance Regulation.

² S. [624.418, F.S.](#)

³ S. [624.316\(1\)\(a\), F.S.](#)

⁴ S. [624.318\(2\), F.S.](#)

⁵ S. [624.3161, F.S.](#)

⁶ An “authorized” or “admitted” insurer is one duly authorized by a COA to transact insurance in this state.

relationships.⁷ Authorized insurers are also required to participate in a variety of government mandated insurance programs and pay assessments levied by state guaranty funds in the event of insurer insolvencies.⁸

Florida Department of Law Enforcement

The Florida Department of Law Enforcement (FDLE) is a state agency created in 1969 to provide investigative, forensic, and criminal justice services in support of Florida's law enforcement community.⁹ FDLE operates under the direction of the Florida Cabinet and maintains its headquarters in Tallahassee, with regional operations throughout the state. FDLE's mission is to promote public safety and strengthen domestic security by providing services to local, state, and federal agencies.¹⁰

FDLE is responsible for processing criminal history background checks and fingerprint submissions for a wide range of professions and regulatory programs, including those involving licensure and employment eligibility.¹¹ The agency is authorized to exchange fingerprint data with the United States Department of Justice as part of national criminal history checks.¹²

As part of Florida's oversight of the insurance industry, the FDLE provides access to criminal history information to noncriminal justice agencies, such as the Department of Financial Services (DFS), for use in evaluating insurance licensure applications.¹³ Individuals applying for licenses—such as insurance agents, adjusters, and other regulated professionals—must submit to fingerprint-based background screenings.¹⁴ Fingerprints must be submitted electronically through a LiveScan vendor approved by FDLE.¹⁵ FDLE processes the fingerprints and transmits the results to the appropriate licensing authority, typically DFS, to determine the applicant's eligibility.¹⁶

Managing General Agents

Some insurers operate within a holding company system that includes a managing general agent (MGA).¹⁷ An MGA is a specialized type of insurance agent or broker that has underwriting authority from an insurer.¹⁸ MGAs can perform certain functions that insurers typically handle, including binding coverage, underwriting and pricing, agent appointments, and claims adjusting and settlement.¹⁹ An MGA may be an affiliate of an insurer. Section [624.10\(1\), F.S.](#), defines an affiliate as an entity that exercises control over or is directly or indirectly controlled by an insurer. MGAs must enter into contracts with the insurers they do business with, including those that are affiliates—that is, entities that control or are controlled by the insurer.²⁰ These contracts must specify the division of responsibilities between the insurer and the MGA.²¹

There is currently no statutory limit on the duration of these contracts.

Examination of Insurers and MGAs

⁷ The Insurance Code consists of chs. 624-632, 634, 635, 636, 641, 642, 648, and 651, F.S.

⁸ For example, Florida licensed direct writers of property and casualty insurance must be members of the Florida Insurance Guaranty Association, which handles the claims of insolvent insurers under part II of ch. 631, F.S., and insurers offering workers' compensation coverage in Florida must be members of the Florida Workers' Compensation Insurance Guaranty Association, which provides payment of covered claims for insurers that are declared insolvent under part V of ch. 631, F.S.

⁹ [S. 943.03, F.S.](#)

¹⁰ FDLE, *Mission Statement*, <https://www.fdle.state.fl.us> (last visited April 1, 2025).

¹¹ [S. 943.053, F.S.](#)

¹² [S. 943.054, F.S.](#)

¹³ [S. 943.053\(3\)\(a\), F.S.](#)

¹⁴ [S. 626.171\(4\), F.S.](#)

¹⁵ Florida Department of Financial Services, *Fingerprinting Information*, <https://www.myfloridacfo.com/division/agents/licensing/agents-and-adjusters/fingerprinting-information> (last visited on April 2, 2025).

¹⁶ *Id.*

¹⁷ See [S. 628.801, F.S.](#) An "insurance holding company system" consists of two or more affiliated persons, one or more of which is an insurer.

¹⁸ [S. S. 626.015\(16\)\(a\), F.S.](#), see also, International Risk Management Institute, <https://www.irmi.com/term/insurance-definitions/managing-general-agent> (last visited Mar. 28, 2025);

¹⁹ *Id.*

²⁰ [S. 626.7451, F.S.](#)

²¹ *Id.*

The OIR is responsible for examining the affairs, transactions, accounts, records, and assets of each insurer that holds a certificate of authority to transact insurance business in Florida.²² The OIR's examination authority extends to MGAs.²³

As part of the examination process, all persons being examined must make available to the OIR the accounts, records, documents, files, information, assets, and matters in their possession or control that relate to the subject of the examination.²⁴ As part of an examination, the OIR reviews contracts between insurers and MGAs, so that it can determine how much an insurer is paying its MGA and what services the insurer is receiving for the fee it pays. The scope of the examination of an insurer's affiliates in a holding company system is limited to information reasonably necessary to ascertain an insurer's financial condition.

Reciprocal Insurers

Reciprocal insurance exchanges are a form of insurance organization in which businesses and individuals exchange insurance contracts and spread the risks associated with such contracts among themselves.²⁵ Policyholders of a reciprocal insurance exchange are known as "subscribers."²⁶ A reciprocal insurer operates through a common representative known as the attorney in fact, who manages the day-to-day business and executes insurance contracts on behalf of all subscribers.²⁷ The authority of the attorney in fact is granted through a power of attorney agreement signed by each subscriber.²⁸

Chapter 629, Florida Statutes, governs the regulation of reciprocal insurers in Florida. A reciprocal insurer may transact any type of insurance authorized under the Florida Insurance Code, except title insurance. Reciprocal insurers must be licensed by the OIR and are subject to financial and operational requirements, including annual reporting and minimum surplus standards.²⁹

Payments to Affiliates

Each insurer doing business in Florida that pays a fee, commission, or other financial consideration or payment to any affiliate is required to provide, upon request of the OIR, any information the OIR deems necessary. The fee, commission, or other financial consideration or payment to any affiliate must be fair and reasonable. In determining whether the fee, commission, or other financial consideration or payment is fair and reasonable, the OIR must consider, among other things, the actual cost of the service being provided.³⁰

Surplus Lines Insurance

Surplus lines insurance is the market of last resort for difficult to place commercial and personal lines risks in Florida.³¹ Typically, surplus lines insurers write policies for unusual, high-risk situations that include hazardous materials transporters, commercial trucking enterprises, day care centers, older homes located in coastal areas, professional athletes, hospitals, expensive boats and cars, and medical malpractice. Surplus lines insurance is coverage provided by a company that is not licensed in Florida but is allowed to transact insurance in the state as an "eligible" insurer³² under the surplus lines law (ss. 626.913-626.937, F.S.). Under this law, insurance may only be purchased from a surplus lines carrier if the necessary amount of coverage cannot be procured after a diligent effort to buy the coverage from authorized insurers.³³

²² [s. 624.316\(1\)\(a\), F.S.](#)

²³ *Id.*; [S. 626.7452, F.S.](#)

²⁴ [s. 624.318\(2\), F.S.](#)

²⁵ Julia Kagan and Eric Estevez, *Reciprocal Insurance Exchange: Definition, How It Works, Example* (last updated Sep. 28, 2023), Investopedia, <https://www.investopedia.com/terms/r/reciprocal-insurance-exchange.asp> (last visited Mar. 28, 2024).

²⁶ *Id.*

²⁷ Verstein, *supra* note 4 at 264.

²⁸ *Id.* at 251.

²⁹ [S. 629.041\(1\), F.S.](#) Such an insurer may purchase reinsurance and may grant reinsurance as to any kind of insurance it is authorized to transact directly. See [s. 629.041\(2\), F.S.](#)

³⁰ [S. 624.424\(13\), F.S.](#)

³¹ Surplus lines insurance is insurance coverage provided by an insurer that is not licensed in Florida but is allowed to do business in the state because the particular coverage offered is not available from Florida-licensed or authorized carriers. Surplus lines insurers are governed under the Surplus Lines Law (ss. 626.913-626.937, F.S.).

³² An "eligible surplus lines insurer" as defined in s. 626.914(2), F.S., is an "unauthorized insurer" which has been made eligible by the Office of Insurance Regulation to issue insurance coverage under the surplus lines law.

³³ See [s. 626.914\(4\), F.S.](#) A "diligent effort" is defined as seeking coverage from and being rejected by at least three authorized insurers that write the type of coverage being sought. The rejections must be documented.

Rates charged by a surplus lines carrier must not be lower than the rate applicable and in use by the majority of the authorized insurers writing similar coverages on similar risks in Florida.³⁴ Likewise, a surplus lines policy contract form must not be more favorable to the insured as to the coverage or rate offered by the majority of authorized carriers.³⁵ Except as specifically stated as applicable, surplus lines insurers are not subject to regulation under ch. 627, F.S., of the Florida Insurance Code, which includes, in part, provisions related to ratings standard, contracts, and attorney fees for authorized insurers.³⁶

The Florida Surplus Lines Service Office (FSLSO) is governed by a nine-person board of governors consisting of eight members appointed by the DFS with the insurance consumer advocate being the ninth member.³⁷ The FSLSO is required to perform its functions under a plan of operation³⁸ that is subject to the approval of the OIR.³⁹ The FSLSO is required to conduct the following activities:

- Receive, record and review all surplus lines insurance policies;
- Maintain records of the policies reported to the FSLSO and perform reports as required by the Financial Services Commission;
- Prepare and deliver to each surplus lines agent quarterly reports of each agent's business;
- Collect and remit to the DFS the surplus lines tax as provided for in [s. 626.932, F.S.](#);
- Reconcile the policies provided by non-admitted insurers with the policies reported to the service office by agents;
- Collect monthly from each surplus lines agent a service fee of up to .03 percent; and
- Other activities as specified by statute.⁴⁰

Diligent Effort

“To export” a policy means that an insurance agent,⁴¹ with the consent of the insurance applicant, places a policy with an unauthorized insurer under the Surplus Lines Law through a surplus lines agent.⁴² Unless an exception applies, in order to place business with a surplus lines insurer, the agent must make a “diligent effort” to place the policy with a Florida-authorized insurer, which is shown by having three written rejections of coverage from authorized insurers currently writing the type of insurance being sought.⁴³ However, if the cost to replace a residential dwelling is \$700,000 or more, then diligent effort is seeking and being denied coverage from at least one authorized insurer in the admitted market currently writing that type of coverage.⁴⁴

Export requirements further specify that:

- The premium rate for policies written by a surplus lines insurer cannot be less than the premium rate used by a majority of authorized insurers for the same coverage on similar risks;
- The policy exported cannot provide coverage or rates that are more favorable than those that are used by the majority of authorized insurers actually writing similar coverages on similar risks;
- The deductibles must be the same as those used by one or more authorized insurers, unless the coverage is for fire or windstorm; and
- The policyholder must be advised in writing that coverage may be available and less expensive in the admitted market and persons insured by surplus lines carriers are not protected under the Florida Insurance Guaranty Act with respect to any right of recovery for the obligation of an insolvent unlicensed insurer.⁴⁵

³⁴ S. 626.916(1)(b), F.S.

³⁵ S. 626.916(1)(c), F.S.

³⁶ [S. 626.913\(4\), F.S.](#)

³⁷ [S. 626.921\(4\), F.S.](#)

³⁸ [S. 626.921\(3\), F.S.](#)

³⁹ [S. 626.921\(5\), F.S.](#)

⁴⁰ [S. 626.921\(3\), F.S.](#)

⁴¹ Typically, the applicant’s usual insurance agent works with the surplus lines agent to arrange the placement, rather than the applicant working directly with the surplus lines agent.

⁴² S. 626.914(3), F.S.

⁴³ Ss. 626.914(4) and 626.916(1)(a), F.S.

⁴⁴ [S. 626.914\(4\), F.S.](#)

⁴⁵ [S. 626.916\(1\), F.S.](#)

Only four states do not require that an agent make a diligent effort before exporting a policy to a surplus lines insurer.⁴⁶ Nineteen states require the agent obtain at least three declinations from authorized insurers before exporting a policy to a surplus lines insurer.⁴⁷

Citizens Property Insurance Corporation

Citizens Property Insurance Corporation (Citizens) is a state-created, not-for-profit, tax-exempt governmental entity whose public purpose is to provide property insurance coverage to those unable to find affordable coverage in the voluntary admitted market.⁴⁸ Citizens is not a private insurance company.⁴⁹ Citizens was statutorily created in 2002 when the Florida Legislature combined the state's two insurers of last resort, the Florida Residential Property and Casualty Joint Underwriting Association (RPCJUA) and the Florida Windstorm Underwriting Association (FWUA).⁵⁰

Citizens operates in accordance with the provisions in s. 627.351(6), F.S., and is governed by a nine-member Board of Governors (board) that administers its Plan of Operations. The Plan of Operations is reviewed and approved by the Financial Services Commission.⁵¹ The Governor, President of the Senate, Speaker of the House of Representatives, and Chief Financial Officer each appoint two members to the board.⁵² The Governor appoints an additional member who serves solely to advocate on behalf of the consumer.⁵³ Citizens is subject to regulation by the Office of Insurance Regulation (OIR).

Citizens may only appoint as its licensed agents those agents who also hold an appointment by at least three insurers who are authorized to write and are actually writing or renewing personal lines residential property coverage, commercial residential property coverage, or commercial nonresidential property coverage within the state.⁵⁴

The Division of Administrative Hearings (DOAH)

DOAH is a state agency that employs full-time Administrative Law Judges to conduct hearings in most cases in which the substantial interests of a person are determined by an agency and which involve a disputed issue of material fact.⁵⁵ When a state agency proposes to take some action that is adverse to a person, the affected person is normally entitled to request an administrative hearing to determine the matter.⁵⁶ Requests for hearings are initially made to the appropriate state agency.⁵⁷ If the case does not involve disputed facts, the agency itself will conduct a proceeding and subsequently render a decision.⁵⁸ If the request for hearing indicates that the affected person disputes facts upon which the proposed action is based, the agency ordinarily refers the case to DOAH for a hearing.⁵⁹

DOAH provides a hearing conducted by an independent and neutral Administrative Law Judge who thereafter enters a Recommendation or Final Order, which is provided to the state agency and the parties in the case. In the case of a Recommended Order, the agency reviews the Recommended Order and issues a Final Order which usually adopts the Judge's factual findings, but, under certain circumstances, the agency may reject or modify certain legal conclusions of the Judge or the recommended penalty, if any. If the Final Order is adverse to the non-agency party, an appeal may be taken within a limited time to a District Court of Appeal.⁶⁰

⁴⁶ These states are Louisiana, Mississippi, Virginia, and Wisconsin. See Wholesale & Specialty Insurance Association Diligent Effort Compliance Chart, <https://www.wsia.org/docs/Diligent%20effort%20chart%202-3-17.pdf> (last visited Apr. 3, 2025).

⁴⁷ *Id.* Ohio requires five declinations and New Mexico requires four declinations. Idaho and South Carolina require only one declination.

⁴⁸ The term "admitted market" means insurance companies licensed to transact insurance in Florida.

⁴⁹ S. 627.351(6)(a)1., F.S.

⁵⁰ S. 2, ch. 2002-240, Laws of Fla.

⁵¹ S. 627.351(6)(a)2., F.S.

⁵² S. 627.351(6)(c)4.a., F.S.

⁵³ S. 627.351(6)(c)4., F.S.

⁵⁴ S. 627.351(6)(c)13., F.S.

⁵⁵ Ch. 120, F.S.

⁵⁶ [S.120.68\(1\), F.S.](#)

⁵⁷ See Uniform Rule 28-106.201(2).

⁵⁸ [S.120.57\(2\), F.S.](#)

⁵⁹ [S.120.57\(1\), F.S.](#)

⁶⁰ [S.120.68\(2\)\(a\), F.S.](#)

Integration of DOAH in Citizens' Dispute Resolution Process

Traditionally, disputes between Citizens and its policyholders that couldn't be resolved through informal negotiations or traditional [alternative dispute resolution](#) methods often resulted in civil suits filed in circuit court. In July 2022, Citizens' Board of Governors approved a policy endorsement allowing either the insurer or the insured to direct claims disputes to DOAH. This endorsement was subsequently approved by the OIR in August 2022 and became effective for new and renewing policies on February 1, 2023.⁶¹

HB 799 (2023) codified Citizens' authority to include DOAH arbitration in its policy forms and to contract with DOAH to conduct claim-related dispute proceedings. Under current law, such proceedings are not governed by ch. 120, F.S., but are instead subject to ss. 57.105 and 768.79, F.S., allowing for attorney fee awards and settlement procedures similar to those in circuit court.⁶²

General Lines Agent

A general lines agent⁶³ is one who sells the following lines of insurance: property;⁶⁴ casualty,⁶⁵ including commercial liability insurance underwritten by a risk retention group, a commercial self-insurance fund,⁶⁶ or a workers' compensation self-insurance fund;⁶⁷ surety;⁶⁸ health;⁶⁹ and, marine.⁷⁰ The general lines agent may only transact health insurance for an insurer that the general lines agent also represents for property and casualty insurance. If the general lines agent wishes to represent health insurers that are not also property and casualty insurers, they must be licensed as a health insurance agent.⁷¹ Motor vehicle insurance is a type of casualty insurance.⁷²

RECENT LEGISLATION:

YEAR	BILL #	HOUSE SPONSOR(S)	SENATE SPONSOR	OTHER INFORMATION
2023	799	Griffitts and Barnaby	Martin	The bill was approved by the Governor on May 31, 2023.

⁶¹ See Insurance Journal, *Citizens Insurance to Begin Using DOAH for Dispute Resolution*, July 14, 2022, <https://www.insurancejournal.com/news/southeast/2022/07/14/675721.htm> (last visited Apr. 3, 2025); Insurance Journal, *Citizens Insurance Adds DOAH Arbitration Option to Policies*, Feb. 6, 2023, <https://www.insurancejournal.com/news/southeast/2023/02/06/706063.htm> last visited Apr. 3, 2025).

⁶² Ch. 2023-172, § 5, Laws of Fla.; see also § 57.105, 768.79, Fla. Stat. (2023).

⁶³ S. [626.015\(5\), F.S.](#)

⁶⁴ S. [624.604, F.S.](#)

⁶⁵ S. [624.605, F.S.](#)

⁶⁶ As defined in [s. 624.462, F.S.](#)

⁶⁷ Pursuant to [s. 624.4621, F.S.](#)

⁶⁸ S. [626.606, F.S.](#)

⁶⁹ Ss. 624.603 and [627.6482, F.S.](#)

⁷⁰ S. [624.607, F.S.](#)

⁷¹ S. [626.829, F.S.](#)

⁷² S. [624.605, F.S.](#)

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Insurance & Banking Subcommittee	17 Y, 1 N, As CS	3/27/2025	Hamon	Herrera
THE CHANGES ADOPTED BY THE COMMITTEE:	<ul style="list-style-type: none"> Removed “diligent effort” and eliminated the requirement that agents seek coverage from authorized insurers before placing coverage in the surplus lines market, while retaining the required disclosure to insureds. Added a change to the Citizens Property Insurance Corporation DOAH arbitration provision to require Citizens to offer policyholders the option, at issuance or renewal, to resolve claim disputes through arbitration before the Division of Administrative Hearings, with specific notice and selection requirements. Removed other provisions related to surplus lines insurance, including codification of certain requirements in the Surplus Lines Law, post-loss benefit assignments, insurer nonjoinder, surplus lines agent licensing, and quarterly affidavit submissions. 			
Civil Justice & Claims Subcommittee	14 Y, 0 N	4/3/2025	Jones	Mawn
Commerce Committee	24 Y, 0 N, As CS	4/22/2025	Hamon	Herrera
THE CHANGES ADOPTED BY THE COMMITTEE:	<ul style="list-style-type: none"> Authorized the Florida Department of Law Enforcement (FDLE) to process background checks for insurance personnel. Required fair, documented affiliate compensation; authorized the OIR to mandate a fee-for-service model beginning July 2026; required OIR to approve payments, dividends, and capital transfers to affiliates. Required all affiliate payments to comply with new standards. Reduced the coursework requirement for general lines agent licensure from 200 to 60 hours. 			

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.
