

**CS/SB 938** by **BI, Richter (CO-INTRODUCERS) Oelrich**; (Compare to CS/CS/CS/2ND ENG/H 0725) Insurance Agents and Adjusters

**The Florida Senate**  
**COMMITTEE MEETING EXPANDED AGENDA**  
**BUDGET SUBCOMMITTEE ON GENERAL GOVERNMENT**  
**APPROPRIATIONS**  
**Senator Hays, Chair**  
**Senator Benacquisto, Vice Chair**

**MEETING DATE:** Thursday, January 19, 2012

**TIME:** 2:45 —4:15 p.m.

**PLACE:** James E. "Jim" King, Jr. Committee Room, 401 Senate Office Building

**MEMBERS:** Senator Hays, Chair; Senator Benacquisto, Vice Chair; Senators Braynon, Bullard, Diaz de la Portilla, Gibson, Jones, and Latvala

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	<b>CS/SB 938</b> Banking and Insurance / Richter (Similar H 725, Compare H 643, H 771, H 4147, S 1404, S 1694, S 1820)	Insurance Agents and Adjusters; Deleting a requirement that an insurer pay an agent tax for each county in which an agent represents the insurer and has a place of business; revising the definitions of "adjuster" and "home state"; revising provisions relating to who may bind insurance coverage; revising provisions relating to continuing education requirements; providing that persons on active military duty may seek a waiver; revising provisions relating to the purpose of the general lines and personal lines license and certain requirements related to general lines and personal lines agents; requiring persons transacting mortgage guaranty insurance to be licensed and appointed as a credit insurance agent; revising the licensure application for bail bond agents to include certain information etc.  BI 01/09/2012 Fav/CS BGA 01/19/2012 Favorable BC	Favorable Yeas 8 Nays 0
2	Presentation by the Water Management Districts on Preliminary Budgets for Fiscal Year 2012-2013:  South Florida Water Management District Suwannee River Water Management District Northwest Florida Water Management District Southwest Florida Water Management District		Presented
3	Presentation on Statewide Law Enforcement Radio System - Department of Management Services		Not Considered
4	Presentation on Insurance Fraud - Department of Financial Services		Presented
5	Budget Work Session		Not Considered
6	Other Related Meeting Documents		

**COMMITTEE MEETING EXPANDED AGENDA**  
Budget Subcommittee on General Government Appropriations  
Thursday, January 19, 2012, 2:45 —4:15 p.m.

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**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Budget Subcommittee on General Government Appropriations

**BILL:** CS/SB 938

**INTRODUCER:** Banking and Insurance Committee and Senator Richter

**SUBJECT:** Insurance Agents and Adjusters

**DATE:** January 11, 2012      **REVISED:** \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Knudson</u>	<u>Burgess</u>	<u>BI</u>	<b>Fav/CS</b>
2.	<u>Betta</u>	<u>DeLoach</u>	<u>BGA</u>	<b>Favorable</b>
3.	_____	_____	<u>BC</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

**Please see Section VIII. for Additional Information:**

A. COMMITTEE SUBSTITUTE.....  Statement of Substantial Changes

B. AMENDMENTS.....  Technical amendments were recommended

Amendments were recommended

Significant amendments were recommended

**I. Summary:**

Senate Bill 938 substantially revises the Licensing Procedures Law for insurance agents, adjusters, and limited lines licensees.

The bill creates the new licensure classification of all-lines adjuster to replace the current licensure classifications of independent adjuster and company employee adjuster. The classifications of independent adjuster and all-lines adjuster are converted to appointment types for licensed all-lines adjusters. New licensure classifications for non-resident all-lines adjusters and temporary independent all-lines adjusters are also created.

Effective October 1, 2014, the bill substantially revises the continuing education requirements for licensees. Each licensee will be required to complete a 7-hour update course every 2 years. Topics covered in the course must include insurance law updates, ethics, disciplinary trends and case studies, insurance industry trends, premium discounts, suitability of products and services, and other topics the DFS determines are relevant to the licensee. The remainder of the continuing education requirement may be satisfied by taking approved elected courses.

The bill also consolidates and revises a number of limited insurance licenses:

- Repeals the licenses for resident and non-resident Motor Vehicle Physical Damage & Mechanical Breakdown Insurance (existing licensees may maintain such licenses);
- Creates a new Credit Insurance licensure category, which will subsume the limited licenses for credit life and disability, credit property, mortgage guaranty, and credit disability.
- Creates a new non-resident credit insurance category to replace the non-resident credit life and disability and the non-resident mortgage guaranty insurance licenses.
- Creates a new license for portable electronics insurance that covers only loss, theft, mechanical failure, malfunction, or damage for portable electronics. The new license classification replaces the limited license for communications equipment.

The bill repeals the \$200 annual administrative surcharge that title insurance agencies pay to the Department of Financial Services. Also repealed is the annual \$3 additional county tax that is applied to the business locations of resident insurance agents that are outside the agent's home county.

The bill also does the following:

- Expands the classifications of agents who can solicit and bind coverage from licensed general lines agents to all licensed agents. This will permit life agents, health agents, title agents, and other types of licensed agents to solicit and bind coverage.
- Allows third parties to complete the application for licensure.
- Prohibits applicants from taking a licensure exam more than 5 times in a 12-month period.
- Authorizes granting a waiver from the continuing education requirements to active duty military that cannot comply with those requirements and submit a written request for waiver.
- Eliminates the Continuing Education Advisory Board designed to advise the DFS on the classification of continuing education courses.
- Allows all-lines adjusters to transfer their licenses from other states to Florida.
- Requires all licensees to report to the department any final agency action in Florida or other jurisdictions relating to insurance, securities, fraud, or breach of fiduciary duty.
- Authorizes the department to refuse, suspend, or revoke a license or appointment for failure to comply with civil, criminal or administrative action taken by the child support enforcement program.
- Repeals the application of s. 626.175, F.S., (temporary agent licensure) to title insurance agents but applies s. 626.749, F.S., (place of business in residence) and s. 626.172, F.S. (agent in full-time charge) to such agents or agencies.
- Repeals the security deposit or bind requirement for title insurance agencies.
- Removes the requirement that the Clerk of Court furnish to the DFS and OIR notice of a bail bond forfeiture judgment and expands from 35 to 60 days the time before which the clerk must inform the OIR and county sheriff of the failure to pay a bail bond forfeiture judgment.

This bill substantially amends the following sections of the Florida Statutes: 624.501, 624.505, 626.015, 626.0428, 626.171, 626.191, 626.221, 626.231, 626.241, 626.251, 626.281, 626.2815, 626.292, 626.311, 626.321, 626.342, 626.381, 626.536, 626.551, 626.621, 626.641, 626.651, 626.730, 626.732, 626.8411, 626.8418, 626.855, 626.856, 626.8584, 626.863, 626.864, 626.865, 626.866, 626.869, 626.8697, 626.872, 626.8734, 626.8736, 626.874, 626.875, 626.876, 626.927, 626.933, 626.935, 627.952, 635.051, 648.38, 648.385, and 903.27

The bill creates the following sections of the Florida Statutes: 626.8548.

The bill repeals the following sections of the Florida Statutes: 626.858, 626.867, 626.873, and 626.928.

## II. Present Situation:

### Licensure of Insurance Representatives and Operations

The Licensing Procedures Law (Chapter 626, F.S.) requires the licensure of various insurance field representatives such as insurance agencies, insurance agents, adjusters, managing general agents, customer representatives, and service agents. No person may act as or hold himself or herself out to be an insurance agent, insurance adjuster, customer representative, service representative or managing general agent unless that person is currently licensed by the Department of Financial Services (DFS) and has been appointed by an appropriate appointing entity or person. An appointment occurs when an insurer or employer gives a licensee authority to transact insurance or adjust claims on behalf of the insurer or employer.<sup>1</sup>

To obtain licensure, agents, adjusters, customer representatives, service representatives, managing general agents, and reinsurance intermediaries must apply for licensure with the department and provide identifying information (name, age, social security number; etc); proof of completing required pre-licensing courses; information regarding any license refusals, suspensions, or revocations; and fingerprints.<sup>2</sup> Licensure as an agent, customer representative, or adjuster also requires passing an examination approved by the department that is designed to test the applicant's ability, competence and knowledge of the kinds of insurance and transactions the prospective licensee will handle.<sup>3</sup> The department is required to deny, suspend, revoke or refuse to renew licenses as required in statute, but is also provided discretion to fine the licensee in addition to or instead of taking such action of the license.<sup>4</sup>

The general lines agent or customer representative license authorizes the licensee to transact all property, marine, casualty, and surety lines (except bail bonds).<sup>5</sup> A general lines agent licensee also covers health insurance if such insurance is included in the agent's appointment by an insurer as to which the licensee is also appointed as an agent for property and casualty insurance. Licensed agents are required to comply with various consumer protection provisions in the Licensing Procedures Law including meeting the qualifications for licensure, compliance with continuing education requirements, and submission of fingerprints.<sup>6</sup>

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<sup>1</sup> Section 626.015(3), F.S.

<sup>2</sup> Section 626.171, F.S.

<sup>3</sup> See Section 626.221, F.S., s. 626.231, F.S., and s. 626.241, F.S.

<sup>4</sup> See Section 626.611, F.S., through s. 626.681, F.S.

<sup>5</sup> Section 626.311, F.S.

<sup>6</sup> See Section 626.025, F.S.

## Continuing Education Requirements

Licensees who sell or solicit the sale of insurance are subject to continuing education requirements.<sup>7</sup> Licensees must generally complete 24 hours of continuing education courses every 2 years, of which 3 hours must be related to ethics and 1 hour must be related to property insurance hurricane mitigation discounts. Persons with greater levels of experience are subject to lower continuing education requirements. For instance, a person who has been licensed for at least 6 years is only required to complete 20 hours of continuing education. Similarly, holders of more limited licenses such as for a customer representative, title agent, or other specified limited licensees are only required to complete 10 hours of continuing education requirements every 2 years.<sup>8</sup>

## Limited Licensees

Limited licenses are available that authorize the agent to transact a limited class of business. There are 10 general categories of limited license:<sup>9</sup>

- Motor vehicle physical damage and mechanical breakdown insurance;
- Industrial fire or burglary insurance;
- Travel insurance;
- Motor vehicle rental insurance;
- Credit life or disability insurance;
- Credit insurance;
- Credit property insurance;
- Crop hail and multiple-peril crop insurance;
- In transit and storage personal property insurance;
- Communications equipment insurance and service warranties.<sup>10</sup>

If an entity, rather than an individual, applies for limited licensure, the entity must obtain a license for each office, branch office, or place of business.

## Appointments

In addition to licensure, the Licensing Procedures Law requires agents, adjusters, service representatives, customer representatives, and managing general agents to be appointed by an appointing entity or person. Each appointment must be filed with the DFS and certifies that the licensed appointee is qualified to engage in the insurance business and that the appointing entity or person is willing to be bound by the acts of the appointee.<sup>11</sup> An appointment continues until suspended, revoked, or terminated, but is subject to renewal during the appointee's birth month

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<sup>7</sup> Section 626.2815, F.S.

<sup>8</sup> See s. 626.2815(3)(e), F.S.

<sup>9</sup> Section 626.321, F.S.

<sup>10</sup> See s. 626.321(1)(i), F.S. There are three types of communications equipment insurance: communications equipment property insurance, communications equipment inland marine insurance, and communications equipment service warranty agreement sales.

<sup>11</sup> Section 626.451, F.S.

(if a natural person) or license date (if an entity) every 24 months thereafter and the payment of a renewal appointment fee.<sup>12</sup>

### **Title Insurance Administrative Surcharge**

Each title insurer and title insurance agency is subject to an annual administrative surcharge.<sup>13</sup> Each title insurer must pay to the Office of Insurance Regulation (OIR) an administrative surcharge of \$200.00, for each licensed title insurance agency and retail office of the insurer in existence on January 1 of each calendar year. Similarly, each licensed title insurance agency must pay the Department of Financial Services an administrative surcharge of \$200 annually.

### **III. Effect of Proposed Changes:**

**Section 1.** Amends s. 624.501, F.S., eliminating the \$200 annual administrative surcharge paid by each licensed title insurance agency to the Department of Financial Services.

**Section 2.** Amends s. 627.505(1), F.S., revising the \$3 county tax paid by each insurer for each agent. The tax will only be applied once for each agent's place of business. Under current law, the tax is applied multiple times if the agent maintains places of business in multiple counties.

**Section 3.** Amends s. 626.015, F.S., revising the definition of "adjuster" to include "all lines adjuster," a new classification created in the bill. The new definition deletes the classifications of independent adjuster and company employee adjuster, which are subsumed within the new all-lines adjuster classification. The definition of "home state" is also amended to include adjusters, which will authorize the DFS to obtain from adjusters the state where the adjuster maintains a principal place of business.

**Section 4.** Amends s. 626.0428, F.S., expanding the classifications of agents who can solicit and bind coverage from licensed general lines agents to all licensed agents. This will permit life agents, health agents, title agents, and other types of licensed agents to solicit and bind coverage.

**Section 5.** Amends s. 626.171, F.S., regarding the licensure process for agents, customer representatives, adjusters, service representatives, managing general agents, and reinsurance intermediaries in the following ways:

- Allows third parties to complete the application for licensure. The applicant remains responsible for ensuring the accuracy of the information on the application.
- Alters the application for licensure to require the applicant to state the method being used to meet pre-licensing educational and experience requirements, rather than requiring proof of completing such requirements. Representatives from the DFS assert the change is designed to allow applicants to apply for licensure before completing the pre-licensure requirements rather than having to wait until completing those requirements.
- Deletes the department's authority to accept revisions of the uniform application for nonresident agent licensing by rule.

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<sup>12</sup> Section 626.381, F.S.

<sup>13</sup> Section 624.501(5), F.S.

**Section 6.** Technically amends s. 626.191, F.S.

**Section 7.** Amends s. 626.221(2), F.S., to incorporate the new licensure classifications created by the bill into the exemptions from the requirement of passing a licensing examination.

- The exemption for limited licensure applicants will include travel insurance, motor vehicle rental insurance, credit insurance, in-transit and storage personal property insurance, and portable electronics.
- The exemption for applicants suspended in the past 4 years will apply to “adjusters,” rather than just company employee and independent adjusters. The change will include public adjusters, which may not be intended.
- The exemption for adjusters who were appointed in the past 48 months will apply to all-lines adjusters.
- The exemption for adjusters who have obtained specified accreditations will apply to resident and nonresident all-lines adjusters.

**Section 8.** Amends s. 626.231(2), F.S., to specify that applicants for licensure must provide their dates of birth and to specify that applicants who take a licensure examination before applying for licensure may apply to take the licensure examination via websites of vendors who administer the exam.

**Section 9.** Amends s. 626.241, F.S., which provides the requirements for the topics to be included within an examination to obtain licensure as an all-lines adjuster. The bill removes authorization for specific examinations focusing on automobile physical damage insurance, property and casualty insurance, workers’ compensation insurance, or health insurance. Instead, all examinations will cover adjusting in all-lines of insurance, other life insurance and annuities.

**Section 10.** Amends s. 626.521(1), F.S., to authorize notice of the time and place of a licensure exam to be e-mailed to the applicant, rather than sent via regular mail.

**Section 11.** Amends s. 626.281, F.S., to prohibit applicants from taking a licensure examination more than 5 times in a 12-month period.

**Section 12.** Amends s. 626.2815, F.S., and applies to adjusters the continuing education requirements for agents. This section of the bill makes the following changes to those requirements:

- Authorizes granting a waiver from the continuing education requirements to active duty military that cannot comply with those requirements and submit a written request for waiver.
- Requires entities providing continuing education courses to report to the DFS all licensees who successfully completed the course within 15 days, rather than 30 days, and deletes a \$1 fee that accompanied the list of attendees.
- Authorizes the department to immediately terminate agents or adjusters who have not met continuing education requirements. Current law only permits the nonrenewal of agent licenses.
- Eliminates the Continuing Education Advisory Board designed to advise the DFS on the classification of continuing education courses.

**Section 13.** Effective October 1, 2014, amends s. 626.2815, F.S., by substantially revising the continuing education requirements for licensees. Each licensee will be required to complete a 7-hour update course every 2 years. The course must be approved by the department and be specific to the license held by the licensee. Topics covered in the course must include insurance law updates, ethics, disciplinary trends and case studies, insurance industry trends, premium discounts, suitability of products and services, and other topics the DFS determines are relevant to the licensee. Licensees with multiple insurance licenses need only complete the 7 hour course for one of the licenses held.

Licensees are authorized to satisfy the remainder of their continuing education requirements by taking approved elective courses. Elective courses for public adjusters must be specifically designed for public adjusters and approved by the DFS. Licensees must meet the statutory requirements every 2 years. The total hour requirements for various categories of licensure are:

- Generally, licensees must complete 24 hours of courses, 17 of which may be electives.
- Licensees who have held a license for 6 or more years must complete 20 hours of courses, 13 of which may be electives.
- Licensees who have held a license for 25 years or more and are designated as a Chartered Life Underwriter (CLU), Chartered Property & Casualty Underwriter (CPCU), or Bachelor of Science in risk management or insurance must complete 10 hours of courses, 3 of which may be electives.
- Customer representative, limited customer representative, title agent, and industrial fire insurance or burglary insurance agents who do not hold a license as a life or health agent must complete 10 hours, 3 of which may be electives. This requirement will no longer apply to motor vehicle physical damage and mechanical breakdown insurance agents, or crop or hail and multiple peril crop insurance agents.
- Bail bond agents must complete 14 hours of courses, 7 of which may be electives.
- Eliminates the requirements that an individual holding a license to solicit or sell life or health insurance and a license to solicit or sell property, casualty, surety, or surplus lines insurance must complete courses in life and health insurance for one-half of the total hours required and courses in property, casualty, surety, or surplus lines insurance for the other half of the total hours required.

**Section 14.** Amends s. 626.292, F.S., to allow all-lines adjusters to transfer their licenses from other states to Florida. Current law permits agents to do so, but not adjusters. All lines adjusters are exempted from the requirement to complete prelicensing education requirements unless completing prelicensing education was a prerequisite for licensure in the state the adjuster is transferring from.

**Section 15.** Amends s. 626.311, F.S., regarding the scope of license to include the licensure classifications created by the bill.

**Section 16.** Amends s. 626.321, F.S., by revising the following limited licenses:

*Motor vehicle physical damage and mechanical breakdown insurance* – Limited licenses will not be issued effective October 1, 2012. Current holders of the license and appointment may renew them. However, if the limited license is terminated, suspended, or revoked, it may not be reinstated.

*Credit insurance* – The credit insurance limited license is expanded to include credit life, credit disability, credit property, credit unemployment, involuntary unemployment, mortgage life, mortgage guaranty, mortgage disability, guaranteed automobile protection (GAP) coverage, and other forms of insurance offered in connection with an extension of credit which is limited to extinguishing all or part of the credit obligation. Effective October 1, 2012, the various types of licenses will be converted to a credit insurance license.

*Crop hail and multiple-peril crop insurance* – Amends the definition of such insurance to comply with the National Association of Insurance Commissioners' Producer Licensing Model Act.

*Portable electronics insurance* – Creates a new license for property insurance or inland marine insurance that covers only loss, theft, mechanical failure, malfunction, or damage for portable electronics. The new license classification replaces the limited license for communications equipment. The portable electronics insurance limited license may be issued to (1) employees or authorized representatives of a licensed general lines agent or (2) the lead business location of a retail vendor that sells portable electronics insurance and has a contractual relationship with a general lines agent. Licensees are exempted from having to submit fingerprints to the department, which is otherwise required as a condition of obtaining licensure from the department. Definitions of "portable electronics" and "portable electronics transaction" are also created.

Licensees may bill and collect the premium for the purchase of portable electronics insurance if (1) the insurance is included with the purchase or lease of portable electronics or related services and that fact is disclosed to the purchaser, (2) premiums are incidental to other fees being collected and remitted to the insurer or supervising entity within 60 days of receipt, and (3) all funds are held in trust by the licensee as a fiduciary for the benefit for the insurer.

The bill eliminates the requirement that employees, agents, and authorized representatives selling such insurance be licensed. Instead, employees or authorized representatives will be authorized to sell such insurance if all of the following conditions are met:

- The insurance is offered or sold at a licensed location or a branch location of the licensee appointed by the licensed lead business location or its appointing insurers;
- The insurer issuing the insurance directly supervises the sale of insurance or appoints a general lines agent to supervise the sale of such insurance; and
- Written material providing required information to customers are made available at each location where such insurance is sold. The written material must notify the reader that portable electronics insurance may duplicate coverage, need not be purchased, summarize the terms of the insurance, identify the insurer and supervising entity, summarize the claim filing process, and state that coverage may be cancelled at any time and receive a refund of unearned premium.

Unlicensed sellers of portable electronics insurance cannot receive commissions on the sale of coverage, but may include compensation for selling such insurance as part of a compensation plan that provides supplemental compensation for selling noninsurance products in addition to a regular salary or hourly wages. The terms for terminating or modifying the policy are those

contained in the policy. Notice required by the policy or by law may be made by electronic means if the insurer or licensee maintains proof that the notice or correspondence was sent.

A “branch location” is defined as any physical location in Florida at which a licensee offers its products or services for sale. Branch locations may obtain a single appointment from the lead business location licensee and pay an appointment fee prescribed in s. 624.501, F.S. In order for the branch location to obtain such an appointment, the lead business location must have a single appointment from each insurer or warranty association represented and its appointment must apply to the lead business location and all branch locations. Branch location appointments must be initially renewed on the first anniversary of licensure of the lead business location that occurs more than 24 months after the initial appointment and every 24 months thereafter. The renewal fee for branch location appointments is \$30 per appointment.

**Section 17.** Technically amends s. 626.342, F.S., regarding the prohibition against providing supplies to unlicensed agents.

**Section 18.** Amends s. 626.381, F.S., revising the date on which the appointment of an entity appointee is renewed to the month the original appointment was issued.

**Section 19.** Amends s. 626.536, F.S., expanding the requirement to report to the department any final agency action in Florida or other jurisdictions relating to insurance, securities, fraud, or breach of fiduciary duty. All licensees (agents and adjusters) will be required to submit the report, instead of only agents under current law. The bill also states that reporting must be provided for final action by an “other regulatory agency” in addition to a “governmental agency” as required under current law. The bill continues to apply the section to insurance agencies.

**Section 20.** Amends s. 626.551, F.S., reducing from 60 days to 30 days the time that licensees have to notify the department of a change of name or address. The bill also authorizes the department to discipline insurance agencies as well as agents and adjusters, and grants rulemaking authority to the department to enforce the section.

**Section 21.** Amends s. 626.621, F.S., authorizing the department to refuse, suspend, or revoke the license or appointment of applicants, agents, adjusters, customer representatives, service representatives, or managing general agents for failure to comply with civil, criminal or administrative action taken by the child support enforcement program. Under the child support program, the Florida Department of Revenue may petition a court to file an order with the Division of Agent and Agency Services to deny or suspend an agents license under s. 61.13015, F.S.

**Section 22.** Amends s. 626.641(4), F.S., to clarify that a former licensee or appointee whose license has been suspended or revoked may not engage in transactions requiring a license until the license has been reinstated or a new license has been issued.

**Section 23.** Amends s. 626.651(1), F.S., allowing the department to deny, suspend, or revoke a license of any licensee or applicant, thus applying the section to adjusters and other licensees. Current law limits the application of this section to insurance agents and customer representatives.

**Section 24.** Amends s. 626.730(4), F.S., regarding the purpose of licenses to refer to the new limited licensure category of credit insurance created by the bill.

**Section 25.** Amends s. 626.732, F.S., exempting limited license lines from the knowledge, experience, and educational requirements for licensure as a general lines agent. The section also places the requirements for licensure as a personal lines agent into a separate subsection to provide further clarity.

**Section 26.** Amends s. 626.8411, F.S., containing statutory provisions that apply to title insurance agents or agencies. The bill repeals the application of s. 626.175, F.S., (temporary agent licensure) to title insurance agents but applies s. 626.749, F.S., (place of business in residence) and s. 626.172, F.S. (agent in full-time charge) to such agents or agencies.

**Section 27.** Amends s. 626.8418, F.S., to repeal the security deposit or bond requirement for title insurance agencies. Under current law each title insurance agency must deposit with the department securities or a security bond with a value of at least \$35,000. The security deposit proceeds are for the benefit of insurers damaged by a violation by the title insurance agency of its contract with the appointing insurer.

**Section 28.** Creates s. 626.8548, F.S., defining an “all-lines adjuster” as a person who, on behalf of insurers, ascertains and determines the amount of any claim, loss, or damage payable under an insurance contract or tries to settle claims, losses or damage. The all-lines adjuster may be self-employed, employed by an insurer or its wholly owned subsidiary, or an independent adjusting firm or other independent adjuster. Section 34 of the bill eliminates the license types of independent adjuster and company employee adjuster; replacing them with the all-lines adjuster license.

**Section 29.** Amends s. 626.855, F.S., converting “independent adjusters” from a separate license type to a form of appointment. An independent adjuster is defined as a licensed all-lines adjuster that is appointed and employed by an independent adjusting firm or other independent adjuster.

**Section 30.** Amends s. 626.856, F.S., converting “company employee adjusters” from a separate license type to a form of appointment. A company employee adjuster is defined as a licensed all-lines adjuster that is appointed and employed on an insurer’s staff of adjuster or a wholly owned subsidiary of the insurer.

**Section 31.** Repeals s. 626.867, F.S., which defines a “nonresident company employee adjuster.”

**Section 32.** Amends s. 626.8584, F.S., defining “nonresident all-lines adjuster” as a person who (1) is not a Florida resident, (2) is an adjuster licensed in his or her state of residence for all lines of insurance except for life and annuities, or, if a resident of a state that does not license such adjusters, meets the qualifications for a non-resident all-lines adjuster in s. 626.8734, F.S., and (3) is licensed as an all-lines adjuster and self-appointed or appointed and employed by an independent adjusting firm or other independent adjuster, by an admitted insurer or its wholly owned subsidiary, or by other insurers under common control or ownership of an admitted insurer.

**Section 33.** Amends s. 626.863, F.S., making conforming changes to the new licensure and appointment adjuster classifications created by the bill.

**Section 34.** Amends s. 626.864, F.S., creating the “all-lines adjuster” licensure and deleting the licenses for independent adjusters and company employee adjusters. All-lines adjusters cannot be concurrently licensed as a public adjuster and are prohibited from accepting appointments as an independent adjuster and company employee adjuster concurrently.

**Section 35.** Amends s. 626.865, F.S., containing the requirements for licensure as a public adjuster by requiring the applicant to be a licensed public adjuster apprentice pursuant to s. 626.8651, F.S.

**Section 36.** Amends s. 626.866, F.S., which will now contain the qualifications for licensure as an all-lines adjuster rather than an independent adjuster, which is no longer a license type under the bill. The qualifications are the same as those under current law for independent adjusters, except that all lines adjuster may be exempt from the examination requirements pursuant to s. 626.221, F.S.

**Section 37.** Repeals s. 626.867, F.S., which contains the qualifications for licensure as a company employee adjuster license. The section is being repealed because that licensure type is being replaced by the all-lines adjuster license.

**Section 38.** Amends s. 626.869, F.S., to specify that all-lines adjusters may adjust all lines of insurance except life and annuities. As of October 1, 2012, no new limited licenses for motor vehicle physical damage and mechanical breakdown, property and casualty, workers’ compensation, or health insurance will be issued, though existing license holders will be able to renew such appointments. All-lines adjusters and public adjusters must complete the continuing education requirements contained in s. 626.2815, F.S., thus adjusters will be subject to the same continuing education requirements as agents. The separate continuing education requirements for adjusters contained in this section are repealed.

**Section 39.** Amends s. 626.8697, F.S., to provide that the DFS may refuse, suspend, or revoke an adjusting firm license for violation of a department rule. Current law only authorizes such action for the violation of an OIR or Financial Services Commission rule.

**Section 40.** Amends s. 626.872, F.S., revising the requirements for issuance of a temporary adjuster’s license to conform to the new all-lines adjuster license. The application for a temporary all-lines adjuster license will no longer need to be accompanied by a certificate of employment and a report on the applicant’s moral character and integrity completed by the employer.

**Section 41.** Repeals s. 626.873, F.S., containing the qualifications for licensure as a nonresident company employee adjuster, a license type that will no longer exist. Instead, such adjusters will be classified as nonresident all-lines adjusters, whose requirements are contained in s. 626.8734, F.S.

**Section 42.** Amends s. 626.8734, F.S., to provide qualifications for licensure as a nonresident all-lines adjuster. Qualifications are the same as those for a nonresident independent adjuster under current law with the following revisions:

- Pass a written Florida all-lines adjuster exam or is licensed as a nonresident all-lines adjuster or an all-lines adjuster in the applicant's home state (if that state has a reciprocal licensure agreement with Florida);
- Be licensed as an all-lines adjuster;
- Be self-appointed or employed and appointed by an independent adjusting firm or other independent adjuster, is an employee of an admitted Florida insurer or other insurers under common control and ownership of such insurer;
- Be appointed as an independent adjuster or company employee adjuster;
- Waives the requirement to provide a certificate or letter from the insurance commissioner of applicant's home state verifying an existing all-lines adjuster license or other specified licensure (if an all-lines adjuster license is unavailable in that state) if the applicant's licensure status can be verified through the NAIC Producer Database;
- Nonresident independent adjuster appointees need only submit once an affidavit certifying the licensee understands the insurance laws and rules of Florida and the provisions of contracts to be negotiated. Current law requires an annual affidavit.

**Section 43.** Amends s. 626.8736, F.S., revising the service of process requirements for nonresident public adjusters to reflect the new licensure for all-lines adjusters and apply the requirements to such adjusters appointed as independent adjusters.

**Section 44.** Amends s. 626.874, F.S., regarding catastrophe or emergency adjuster to reflect the new licensure for all-lines resident adjusters.

**Section 45.** Amends s. 626.875, F.S., regarding records maintained by independent adjusters to reflect that an independent adjuster is now a type of appointment for all-lines adjusters rather than a separate license type.

**Section 46.** Amends s. 626.876, F.S., which prohibits all-lines adjusters appointed as an independent adjuster from being simultaneously employed by multiple adjusters or independent adjuster firms or corporations.

**Section 47.** Amends s. 626.927, F.S., to conform to the repeal of s. 626.928, F.S. The exemption from examination for persons holding a surplus lines agent's license as of January 1, 1959, is also repealed.

**Section 48.** Repeals s. 626.928, F.S., which currently requires surplus lines agents to file with the department a \$50,000 surety bond in favor of the department.

**Section 49.** Amends s. 626.933, F.S., providing a conforming change to the repeal of the surety bond requirement in s. 626.928, F.S.

**Section 50.** Amends s. 626.935, F.S., providing a conforming change to the repeal of the surety bond requirement in s. 626.928, F.S.

**Section 51.** Amends s. 627.952, F.S., to maintain the requirement that risk retention and purchasing group agents maintain a \$50,000 surety bond with the department. The amended language is necessary due to the repeal of s. 626.928, F.S.

**Section 52.** Amends s. 635.051, F.S., repealing the mortgage guaranty insurance agent license and instead requiring persons transacting mortgage guaranty insurance to obtain credit insurance licensure. Effective October 1, 2012, all existing mortgage guaranty agent licenses will be converted to credit insurance agent licenses.

**Section 53.** Amends s. 648.38, F.S., to allow the department to notify applicants for bail bond agent licensure by e-mail the time and place of the licensure examination.

**Section 54.** Amends s. 648.385, F.S., deleting the continuing education requirements for bail bond agents because such requirements will be contained in s. 626.2815, F.S.

**Section 55.** Amends s. 903.27, F.S., to remove the requirement that the Clerk of Court furnish to the DFS and OIR notice of a bail bond forfeiture judgment. The bill also expands from 35 to 60 days the time before which the clerk must inform the OIR and county sheriff of the failure to pay a bail bond forfeiture judgment, removes the requirement that the clerk notify the DFS, and requires the clerk to provide two certified copies of the transcript of the docket of the judgment. Current law does not specify that the copies of the judgment must be certified and include a transcript of the docket of the judgment.

**Section 56.** The bill is effective October 1, 2012, except as otherwise provided.

#### **IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

#### **V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

**B. Private Sector Impact:**

Title insurance agencies will no longer be subject to the administrative surcharge in s. 624.501, F.S. The DFS estimates that this will result in approximately \$300,000 to \$400,000 savings for such entities statewide.

**C. Government Sector Impact:**

The Bill Analysis & Fiscal Impact Statement provided by the Department of Financial Services estimates that repealing the requirement for title insurance agencies to pay the administrative surcharge will reduce the revenue deposited in the Insurance Regulatory Trust Fund by approximately \$300,000 to \$400,000. In 2011, the surcharge generated approximately \$952,000, of which title insurers paid approximately \$526,800. The department has indicated this is not a significant impact.

The DFS also estimates that combining the credit lines of insurance and mortgage guaranty insurance licenses will result in the loss of approximately \$12,000 annually in license and appointment fees. Elimination of the county tax for additional business locations outside the county of residence will have an insignificant fiscal impact as only \$60 was collected statewide during the 2010 – 2011 fiscal year.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Additional Information:****A. Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)**CS by Banking and Insurance on January 9, 2012:**

The committee substitute (CS) reinstates two consumer protections that were inadvertently deleted from the bill. It requires the newly created 7 hour mandatory continuing education course for agents to include instruction on premium discounts for consumers and reinstates the requirement that life insurance agents take a 3 hour course on the suitability of annuity and life insurance contracts. The CS increases applicants taking the agent licensure exam 5 chances to pass the exam, instead of 3 under the bill originally filed. The strike all also corrects a number of technical deficiencies and internal inconsistencies.

**B. Amendments:**

None.

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This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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By the Committee on Banking and Insurance; and Senator Richter

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1 A bill to be entitled  
 2 An act relating to insurance agents and adjusters;  
 3 amending s. 624.501, F.S.; deleting a title insurer  
 4 administrative surcharge for a licensed title  
 5 insurance agency; amending s. 624.505, F.S.; deleting  
 6 a requirement that an insurer pay an agent tax for  
 7 each county in which an agent represents the insurer  
 8 and has a place of business; amending s. 626.015,  
 9 F.S.; revising the definitions of "adjuster" and "home  
 10 state"; amending s. 626.0428, F.S.; revising  
 11 provisions relating to who may bind insurance  
 12 coverage; amending s. 626.171, F.S.; providing that an  
 13 applicant is responsible for the information in an  
 14 application even if completed by a third party;  
 15 requiring an application to include a statement about  
 16 the method used to meet certain requirements; amending  
 17 s. 626.191, F.S.; revising provisions relating to when  
 18 an applicant may apply for a license after an initial  
 19 application is denied by the Department of Financial  
 20 Services; amending s. 626.221, F.S.; revising  
 21 provisions relating to license examinations;  
 22 conforming provisions relating to all-lines adjusters;  
 23 deleting an exemption from examination for certain  
 24 adjusters; amending s. 626.231, F.S.; providing for  
 25 submitting an application for examination on a  
 26 designee's website; requiring the applicant's e-mail  
 27 address; amending s. 626.241, F.S.; revising the scope  
 28 of the examination for an all-lines adjuster; amending  
 29 s. 626.251, F.S.; providing for e-mailing notices of

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30 examinations; amending s. 626.281, F.S.; specifying  
 31 how many times an applicant may take an examination  
 32 during a year; amending s. 626.2815, F.S.; revising  
 33 provisions relating to continuing education  
 34 requirements; providing that persons on active  
 35 military duty may seek a waiver; providing for an  
 36 update course and the contents of such course;  
 37 deleting requirements relating specifically to certain  
 38 types of insurance; providing education requirements  
 39 for bail bond agents and public adjusters; eliminating  
 40 the continuing education advisory board; amending s.  
 41 626.292, F.S.; conforming provisions to changes made  
 42 by the act relating to all-lines adjusters; amending  
 43 s. 626.311, F.S.; conforming provisions to changes  
 44 made by the act relating to limited licenses; amending  
 45 s. 626.321, F.S.; revising provisions relating to  
 46 limited licenses; prohibiting the future issuance of  
 47 new limited licenses for motor vehicle physical damage  
 48 and mechanical breakdown insurance; combining limited  
 49 licenses relating to credit insurance; specifying  
 50 events covered by crop hail and multiple-peril crop  
 51 insurance; revising in-transit and storage personal  
 52 property insurance to create a limited license for  
 53 portable electronics insurance; amending s. 626.342,  
 54 F.S.; clarifying that the prohibition relating to the  
 55 furnishing of supplies to unlicensed agents applies to  
 56 all unlicensed agents; amending s. 626.381, F.S.;  
 57 revising provisions relating to the reporting of  
 58 administrative actions; amending s. 626.536, F.S.;

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59 clarifying requirements for reporting administrative  
60 actions taken against a licensee; amending s. 626.551,  
61 F.S.; shortening the time within which a licensee must  
62 report to the department a change in certain  
63 information; authorizing the Department of Financial  
64 Services to adopt rules relating to notification of a  
65 change of address; amending s. 626.621, F.S.; adding  
66 failure to comply with child support requirements as  
67 grounds for action against a license; amending s.  
68 626.641, F.S.; clarifying provisions relating to the  
69 suspension or revocation of a license or appointment;  
70 amending s. 626.651, F.S.; revising provisions  
71 relating to the suspension or revocation of licenses;  
72 amending ss. 626.730 and 626.732, F.S.; revising  
73 provisions relating to the purpose of the general  
74 lines and personal lines license and certain  
75 requirements related to general lines and personal  
76 lines agents; conforming provisions to changes made by  
77 the act relating to limited licenses; amending s.  
78 626.8411, F.S.; revising requirements and exemptions  
79 relating to title insurance agents or agencies;  
80 amending s. 626.8418, F.S.; deleting the requirement  
81 that a title insurance agency deposit certain  
82 securities with the department; creating s. 626.8548,  
83 F.S.; defining the term "all-lines adjuster"; amending  
84 s. 626.855, F.S.; revising the definition of  
85 "independent adjuster"; amending s. 626.856, F.S.;  
86 revising the definition of "company employee  
87 adjuster"; repealing s. 626.858, F.S., relating to

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88 defining "nonresident company employee adjuster";  
89 amending s. 626.8584, F.S.; revising the definition of  
90 "nonresident all-lines adjuster"; amending s. 626.863,  
91 F.S.; conforming provisions to changes made by the act  
92 relating to all-lines adjusters; amending s. 626.864,  
93 F.S.; revising provisions relating to adjuster license  
94 types; amending s. 626.865, F.S.; requiring an  
95 applicant for public adjuster to be licensed as a  
96 public adjuster apprentice; amending s. 626.866, F.S.;  
97 conforming provisions to changes made by the act  
98 relating to all-lines adjusters; repealing s. 626.867,  
99 F.S., relating to qualifications for company employee  
100 adjusters; amending s. 626.869, F.S.; revising  
101 provisions relating to an all-lines adjuster license;  
102 ceasing the issuance of certain adjuster licenses;  
103 revising continuing education requirements; amending  
104 s. 626.8697, F.S.; revising provisions relating to the  
105 violation of rules resulting in the suspension or  
106 revocation of an adjuster's license; amending s.  
107 626.872, F.S.; conforming provisions to changes made  
108 by the act relating to all-lines adjusters; repealing  
109 s. 626.873, F.S., relating to licensure for  
110 nonresident company employee adjusters; amending s.  
111 626.8734, F.S.; amending provisions relating to  
112 nonresident all-lines adjusters; providing for  
113 verifying an applicant's status through the National  
114 Association of Insurance Commissioners' Producer  
115 Database; amending ss. 626.8736, 626.874, 626.875, and  
116 626.876, F.S.; conforming provisions to changes made

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117 by the act relating to all-lines adjusters; amending  
 118 s. 626.927, F.S.; deleting a requirement that a  
 119 licensed surplus lines agent maintain a bond;  
 120 repealing s. 626.928, F.S., relating to a surplus  
 121 lines agent's bond; amending ss. 626.933, 626.935, and  
 122 627.952, F.S.; conforming cross-references; amending  
 123 s. 635.051, F.S.; requiring persons transacting  
 124 mortgage guaranty insurance to be licensed and  
 125 appointed as a credit insurance agent; amending s.  
 126 648.34, F.S.; revising the licensure application for  
 127 bail bond agents to include certain information;  
 128 amending s. 648.38, F.S.; revising the notice of  
 129 examination requirements for bail bond agents;  
 130 amending s. 648.385, F.S.; revising continuing  
 131 education courses for bail bond agents, to conform to  
 132 changes made by the act; amending s. 648.421, F.S.;  
 133 revising the notice of change of address or telephone  
 134 number for bail bond agents to include the agent's e-  
 135 mail address; amending s. 903.27, F.S.; revising  
 136 provisions relating to the provision of forfeiture  
 137 documents and notification of certain actions;  
 138 providing effective dates.

139  
 140 Be It Enacted by the Legislature of the State of Florida:

141  
 142 Section 1. Paragraph (e) of subsection (27) of section  
 143 624.501, Florida Statutes, is amended to read:  
 144 624.501 Filing, license, appointment, and miscellaneous  
 145 fees.—The department, commission, or office, as appropriate,

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146 shall collect in advance, and persons so served shall pay to it  
 147 in advance, fees, licenses, and miscellaneous charges as  
 148 follows:

149 (27) Title insurance agents:

150 (e) Title insurer and title insurance agency administrative  
 151 surcharge:

152 ~~1.~~ On or before January 30 of each calendar year, each  
 153 title insurer shall pay an administrative surcharge of \$200.00  
 154 to the office for each licensed title insurance agency appointed  
 155 by the title insurer and for each retail office of the insurer  
 156 on January 1 of that calendar year ~~an administrative surcharge~~  
 157 ~~of \$200.00.~~

158 ~~2. On or before January 30 of each calendar year, each~~  
 159 ~~licensed title insurance agency shall remit to the department an~~  
 160 ~~administrative surcharge of \$200.00. The administrative~~  
 161 ~~surcharge may be used solely to defray the costs to the~~  
 162 ~~department and office for gathering and evaluating in their~~  
 163 ~~examination or audit of title insurance agencies and retail~~  
 164 ~~offices of title insurers and to gather title insurance data~~  
 165 ~~from title insurance agencies and insurers for statistical~~  
 166 ~~purposes, which shall~~ to be furnished to and used by the office  
 167 in its regulation of title insurance.

168 Section 2. Subsection (1) of section 624.505, Florida  
 169 Statutes, is amended to read:

170 624.505 County tax; determination; ~~additional offices;~~  
 171 nonresident agents.—

172 (1) The county tax imposed ~~provided for~~ under s. 624.501  
 173 ~~for as to~~ an agent shall be paid by each insurer for each agent  
 174 only for the county where the agent resides, or if the such

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175 agent's place of business is not located in the a county where  
 176 the agent resides other than that of her or his residence, then  
 177 for the county in which the agent's wherein is located such  
 178 place of business is located. If an agent maintains an office or  
 179 place of business in more than one county, the tax shall be paid  
 180 for her or him by each such insurer for each county wherein the  
 181 agent represents such insurer and has a place of business. If  
 182 When under this subsection an insurer is paying the required to  
 183 pay county tax for an agent for a county or counties other than  
 184 the agent's county of residence, the insurer must shall  
 185 designate the county or counties for which the taxes are paid.

186 Section 3. Subsections (1) and (7) of section 626.015,  
 187 Florida Statutes, are amended to read:

188 626.015 Definitions.—As used in this part:

189 (1) "Adjuster" means a public adjuster as defined in s.  
 190 626.854, a public adjuster apprentice as defined in s. 626.8541,  
 191 or an all-lines adjuster as defined in s. 626.8548 independent  
 192 adjuster as defined in s. 626.855, or company employee adjuster  
 193 as defined in s. 626.856.

194 (7) "Home state" means the District of Columbia and any  
 195 state or territory of the United States in which an insurance  
 196 agent or adjuster maintains his or her principal place of  
 197 residence or principal place of business and is licensed to act  
 198 as an insurance agent or adjuster.

199 Section 4. Subsections (2) and (3) of section 626.0428,  
 200 Florida Statutes, are amended to read:

201 626.0428 Agency personnel powers, duties, and limitations.—

202 (2) An ~~Ne~~ employee of an agent or agency may not bind  
 203 insurance coverage unless licensed and appointed as an a general

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204 ~~lines~~ agent or customer representative.

205 (3) An ~~Ne~~ employee of an agent or agency may not initiate  
 206 contact with any person for the purpose of soliciting insurance  
 207 unless licensed and appointed as an a general lines agent or  
 208 customer representative.

209 Section 5. Subsection (1) and paragraph (b) of subsection  
 210 (2) of section 626.171, Florida Statutes, are amended to read:

211 626.171 Application for license as an agent, customer  
 212 representative, adjuster, service representative, managing  
 213 general agent, or reinsurance intermediary.—

214 (1) The department may shall not issue a license as agent,  
 215 customer representative, adjuster, service representative,  
 216 managing general agent, or reinsurance intermediary to any  
 217 person except upon written application ~~therefor~~ filed with the  
 218 department it, meeting the qualifications for the license  
 219 applied for as determined by the department qualification  
 220 ~~therefor~~, and payment in advance of all applicable fees. The Any  
 221 such application must shall be made under the oath of the  
 222 applicant and be signed by the applicant. An applicant may  
 223 permit a third party to complete, submit, and sign an  
 224 application on the applicant's behalf, but is responsible for  
 225 ensuring that the information on the application is true and  
 226 correct and is accountable for any misstatements or  
 227 misrepresentations. The department shall accept the uniform  
 228 application for nonresident agent licensing. The department may  
 229 adopt revised versions of the uniform application by rule.

230 (2) In the application, the applicant shall set forth:

231 (b) A statement indicating the method the applicant used or  
 232 is using to meet any required preclicensing education, knowledge,

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233 experience, or instructional requirements for the type of  
 234 license applied for. Proof that he or she has completed or is in  
 235 the process of completing any required prelicensing course.  
 236

237 However, the application must contain a statement that an  
 238 applicant is not required to disclose his or her race or  
 239 ethnicity, gender, or native language, that he or she will not  
 240 be penalized for not doing so, and that the department will use  
 241 this information exclusively for research and statistical  
 242 purposes and to improve the quality and fairness of the  
 243 examinations.

244 Section 6. Section 626.191, Florida Statutes, is amended to  
 245 read:

246 626.191 Repeated applications.—The failure of an applicant  
 247 to secure a license upon ~~an~~ application does shall not preclude  
 248 the applicant from applying again. However as many times as  
 249 desired, but the department may shall not consider give  
 250 consideration to or accept any further application by the same  
 251 applicant individual for a similar license dated or filed within  
 252 30 days after subsequent to the date the department denied the  
 253 last application, except as provided under in s. 626.281.

254 Section 7. Subsection (2) of section 626.221, Florida  
 255 Statutes, is amended to read:

256 626.221 Examination requirement; exemptions.—

257 (2) However, an no such examination is not shall be  
 258 necessary for in any of the following cases:

259 (a) An applicant for renewal of appointment as an agent,  
 260 customer representative, or adjuster, unless the department  
 261 determines that an examination is necessary to establish the

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262 competence or trustworthiness of the such applicant.

263 (b) An applicant for a limited license as agent for travel  
 264 insurance, motor vehicle rental personal accident insurance,  
 265 baggage and motor vehicle excess liability insurance, credit  
 266 life or disability insurance, credit insurance, credit property  
 267 insurance, in-transit and storage personal property insurance,  
 268 or portable electronics communications equipment property  
 269 insurance or communication equipment inland marine insurance  
 270 under s. 626.321.

271 (c) In the discretion of the department, an applicant for  
 272 reinstatement of license or appointment as an agent, customer  
 273 representative, ~~company employee adjuster,~~ or all-lines  
 274 independent adjuster whose license has been suspended within the  
 275 4 years before prior to the date of application or written  
 276 request for reinstatement.

277 (d) An applicant who, within the 4 years before prior to  
 278 application for license and appointment as an agent, customer  
 279 representative, or adjuster, was a full-time salaried employee  
 280 of the department who and had continuously been such an employee  
 281 with responsible insurance duties for at least not less than 2  
 282 continuous years and who had been a licensee within the 4 years  
 283 before prior to employment by the department with the same class  
 284 of license as that being applied for.

285 (e) An applicant A person who has been licensed as an all-  
 286 lines adjuster and appointed as an independent adjuster or  
 287 company employee adjuster as to all property, casualty, and  
 288 surety insurances may be licensed and appointed as a company  
 289 employee adjuster or independent adjuster, as to these kinds of  
 290 insurance, without additional written examination if an

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291 application for licensure is filed with the department within 48  
 292 months following the date of cancellation or expiration of the  
 293 prior appointment.

294 ~~(f) A person who has been licensed as a company employee  
 295 adjuster or independent adjuster for motor vehicle, property and  
 296 casualty, workers' compensation, and health insurance may be  
 297 licensed as such an adjuster without additional written  
 298 examination if his or her application for licensure is filed  
 299 with the department within 48 months after cancellation or  
 300 expiration of the prior license.~~

301 (f)(g) An applicant for a temporary license, except as  
 302 otherwise provided in this code.

303 (g)(h) An applicant for a license as a life or health agent  
 304 license who has received the designation of chartered life  
 305 underwriter (CLU) from the American College of Life Underwriters  
 306 and ~~who~~ has been engaged in the insurance business within the  
 307 past 4 years, except that the applicant ~~such an individual~~ may  
 308 be examined on pertinent provisions of this code.

309 (h)(i) An applicant for license as a general lines agent,  
 310 customer representative, or adjuster who has received the  
 311 designation of chartered property and casualty underwriter  
 312 (CPCU) from the American Institute for Property and Liability  
 313 Underwriters and ~~who~~ has been engaged in the insurance business  
 314 within the past 4 years, except that the applicant ~~such an~~  
 315 ~~individual~~ may be examined on pertinent provisions of this code.

316 (i)(j) An applicant for license as a customer  
 317 representative who has earned the designation of Accredited  
 318 Advisor in Insurance (AAI) from the Insurance Institute of  
 319 America, the designation of Certified Insurance Counselor (CIC)

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320 from the Society of Certified Insurance Service Counselors, the  
 321 designation of Accredited Customer Service Representative (ACSR)  
 322 from the Independent Insurance Agents of America, the  
 323 designation of Certified Professional Service Representative  
 324 (CPSR) from the National Foundation for Certified Professional  
 325 Service Representatives, the designation of Certified Insurance  
 326 Service Representative (CISR) from the Society of Certified  
 327 Insurance Service Representatives, or the designation of  
 328 Certified Insurance Representative (CIR) from the National  
 329 Association of Christian Catastrophe Insurance Adjusters. Also,  
 330 an applicant for license as a customer representative who has  
 331 earned an associate degree or bachelor's degree from an  
 332 accredited college or university and has completed with at least  
 333 9 academic hours of property and casualty insurance curriculum,  
 334 or the equivalent, or has earned the designation of Certified  
 335 Customer Service Representative (CCSR) from the Florida  
 336 Association of Insurance Agents, or the designation of  
 337 Registered Customer Service Representative (RCSR) from a  
 338 regionally accredited postsecondary institution in this state,  
 339 or the designation of Professional Customer Service  
 340 Representative (PCSR) from the Professional Career Institute,  
 341 whose curriculum has been approved by the department and which  
 342 ~~whose curriculum~~ includes comprehensive analysis of basic  
 343 property and casualty lines of insurance and testing at least  
 344 equal to that of standard department testing for the customer  
 345 representative license. The department shall adopt rules  
 346 establishing standards for the approval of curriculum.

347 (j)(k) An applicant for license as a resident or  
 348 nonresident all-lines ~~an independent or company employee~~

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349 adjuster who has the designation of Accredited Claims Adjuster  
 350 (ACA) from a regionally accredited postsecondary institution in  
 351 this state, Professional Claims Adjuster (PCA) from the  
 352 Professional Career Institute, Professional Property Insurance  
 353 Adjuster (PPIA) from the HurriClaim Training Academy, Certified  
 354 Adjuster (CA) from ALL LINES Training, or Certified Claims  
 355 Adjuster (CCA) from the Association of Property and Casualty  
 356 Claims Professionals whose curriculum has been approved by the  
 357 department and which ~~whose curriculum~~ includes comprehensive  
 358 analysis of basic property and casualty lines of insurance and  
 359 testing at least equal to that of standard department testing  
 360 for the all-lines adjuster license. The department shall adopt  
 361 rules establishing standards for the approval of curriculum.

362 (k)(1) ~~(l)~~ An applicant qualifying for a license transfer under  
 363 s. 626.292~~7~~ if the applicant:

364 1. Has successfully completed the prelicensing examination  
 365 requirements in the applicant's previous home state which are  
 366 substantially equivalent to the examination requirements in this  
 367 state, as determined by the department;

368 2. Has received the designation of chartered property and  
 369 casualty underwriter (CPCU) from the American Institute for  
 370 Property and Liability Underwriters and ~~has~~ been engaged in the  
 371 insurance business within the past 4 years if applying to  
 372 transfer a general lines agent license; or

373 3. Has received the designation of chartered life  
 374 underwriter (CLU) from the American College of Life Underwriters  
 375 and ~~has~~ been engaged in the insurance business within the past 4  
 376 years~~7~~ if applying to transfer a life or health agent license.

377 (l)(m) ~~(n)~~ An applicant for a license as a nonresident agent

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378 ~~license~~, if the applicant:

379 1. Has successfully completed prelicensing examination  
 380 requirements in the applicant's home state which are  
 381 substantially equivalent to the examination requirements in this  
 382 state, as determined by the department, as a requirement for  
 383 obtaining a resident license in his or her home state;

384 2. Held a general lines agent license, life agent license,  
 385 or health agent license before ~~prior to the time~~ a written  
 386 examination was required;

387 3. Has received the designation of chartered property and  
 388 casualty underwriter (CPCU) from the American Institute for  
 389 Property and Liability Underwriters and has been engaged in the  
 390 insurance business within the past 4 years, if an applicant for  
 391 a nonresident license as a general lines agent; or

392 4. Has received the designation of chartered life  
 393 underwriter (CLU) from the American College of Life Underwriters  
 394 and ~~has~~ been in the insurance business within the past 4 years,  
 395 if an applicant for a nonresident license as a life agent or  
 396 health agent.

397 Section 8. Subsection (2) of section 626.231, Florida  
 398 Statutes, is amended to read:

399 626.231 Eligibility; application for examination.—

400 (2) A person required to take an examination for a license  
 401 may ~~be permitted to~~ take an examination before ~~prior to~~  
 402 submitting an application for licensure pursuant to s. 626.171  
 403 by submitting an application for examination through the  
 404 department's Internet website or the website of a person  
 405 designated by the department to administer the examination. The  
 406 department may require ~~In the application,~~ the applicant to

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407 provide the following information as part of the application  
 408 ~~shall set forth:~~

409 (a) His or her full name, date of birth ~~age~~, social  
 410 security number, residence address, business address, ~~and~~  
 411 mailing address, and e-mail address.

412 (b) The type of license which ~~that~~ the applicant intends to  
 413 apply for.

414 (c) The name of any required prelicensing course he or she  
 415 has completed or is in the process of completing.

416 (d) The method by which the applicant intends to qualify  
 417 for the type of license if other than by completing a  
 418 prelicensing course.

419 (e) The applicant's gender ~~(male or female)~~.

420 (f) The applicant's native language.

421 (g) The highest level of education achieved by the  
 422 applicant.

423 (h) The applicant's race or ethnicity ~~(African American,  
 424 white, American Indian, Asian, Hispanic, or other)~~.

425  
 426 However, the application form must contain a statement that an  
 427 applicant is not required to disclose his or her race or  
 428 ethnicity, gender, or native language, that he or she will not  
 429 be penalized for not doing so, and that the department will use  
 430 this information exclusively for research and statistical  
 431 purposes and to improve the quality and fairness of the  
 432 examinations.

433 Section 9. Subsection (6) of section 626.241, Florida  
 434 Statutes, is amended to read:

435 626.241 Scope of examination.—

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436 (6) In order to reflect the differences between adjusting  
 437 claims for an insurer and adjusting claims for an insured, the  
 438 department shall create an examination for applicants seeking  
 439 licensure as a public adjuster and a separate examination for  
 440 applicants seeking licensure as an all-lines ~~a company employee~~  
 441 ~~adjuster or independent~~ adjuster.

442 (a) Examinations ~~given applicants~~ for a license as an all-  
 443 lines adjuster must ~~shall~~ cover adjusting in all lines of  
 444 insurance, other than life and annuity; ~~or, in accordance with~~  
 445 ~~the application for the license, the examination may be limited~~  
 446 ~~to adjusting in:~~

447 ~~(a) Automobile physical damage insurance;~~

448 ~~(b) Property and casualty insurance;~~

449 ~~(c) Workers' compensation insurance; or~~

450 ~~(d) Health insurance.~~

451 (b) An ~~No~~ examination for ~~on~~ worker's compensation  
 452 insurance or health insurance is not ~~shall be~~ required for  
 453 public adjusters.

454 Section 10. Subsection (1) of section 626.251, Florida  
 455 Statutes, is amended to read:

456 626.251 Time and place of examination; notice.—

457 (1) The department, or a person designated by the  
 458 department, shall provide ~~mail written~~ notice of the time and  
 459 place of the examination to each applicant for examination and  
 460 each applicant for license required to take an examination who  
 461 will be eligible to take the examination as of the examination  
 462 date. The notice shall be e-mailed ~~so mailed, postage prepaid,~~  
 463 ~~and addressed~~ to the applicant at the e-mail ~~his or her~~ address  
 464 shown on the application for license or examination ~~at such~~

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465 ~~other address as requested by the applicant in writing filed~~  
 466 ~~with the department prior to the mailing of the notice.~~ Notice  
 467 is shall be deemed given when so mailed.

468 Section 11. Section 626.281, Florida Statutes, is amended  
 469 to read:

470 626.281 Reexamination.—

471 (1) ~~An Any~~ applicant for license or ~~applicant for~~  
 472 examination who has ~~either~~:

473 (a) Taken an examination and failed to make a passing  
 474 grade, or

475 (b) Failed to appear for the examination or to take or  
 476 complete the examination at the time and place specified in the  
 477 notice of the department,

478 may take additional examinations, after filing with the  
 479 department or its designee an application for reexamination  
 480 together with applicable fees. The failure of an applicant to  
 481 pass an examination, ~~or the failure to appear for the~~  
 482 examination, or to take or complete the examination does not  
 483 preclude the applicant from taking subsequent examinations.

484 (2) Applicants may take an examination for a license type  
 485 up to five times in a 12-month period.

486 ~~(3)(2)~~ The department may require an any individual whose  
 487 license as an agent, customer representative, or adjuster has  
 488 expired or ~~has~~ been suspended to pass an examination before  
 489 ~~prior to~~ reinstating or relicensing the individual as to any  
 490 class of license. The examination fee must shall be paid for as  
 491 ~~to~~ each examination.

492 Section 12. Section 626.2815, Florida Statutes, is amended

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494 to read:

495 626.2815 Continuing education ~~required, application,~~  
 496 ~~exceptions, requirements, penalties.~~—

497 (1) The purpose of this section is to establish  
 498 requirements and standards for continuing education courses for  
 499 individuals persons licensed to solicit, ~~or~~ sell, or adjust  
 500 insurance in the state.

501 (2) Except as otherwise provided in this section, ~~the~~  
 502 ~~provisions of this section applies apply~~ to individuals persons  
 503 licensed to engage in the sale of insurance or adjustment of  
 504 insurance claims in this state for all lines of insurance for  
 505 which an examination is required for licensing and to each  
 506 insurer, employer, or appointing entity, including, but not  
 507 limited to, those created or existing pursuant to s. 627.351.  
 508 ~~The provisions of This section does shall~~ not apply to an any  
 509 individual who holds person holding a license for the sale of  
 510 any line of insurance for which an examination is not required  
 511 by the laws of this state or who holds a, ~~nor shall the~~  
 512 ~~provisions of this section apply to any limited license as a~~  
 513 crop or hail and multiple-peril crop insurance agent the  
 514 department may exempt by rule. Licensees who are unable to  
 515 comply with the continuing education requirements due to active  
 516 duty in the military may submit a written request to the  
 517 department for a waiver.

518 (3) ~~(a)~~ Each licensee person subject to the ~~provisions of~~  
 519 this section must, except as set forth in paragraphs (b), (c),  
 520 ~~and~~ (d), and (g), complete a minimum of 24 hours of continuing  
 521 education courses every 2 years in basic or higher-level courses  
 522 prescribed by this section or in other courses approved by the

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523 department.

524 (a) Each licensee person subject to the provisions of this  
 525 section must complete, as part of his or her required number of  
 526 continuing education hours, 3 hours of continuing education,  
 527 approved by the department, every 2 years on the subject matter  
 528 of ethics. Each licensed general lines agent and customer  
 529 representative subject to this section must complete, as part of  
 530 his or her required number of continuing education hours, 1 hour  
 531 of continuing education, approved by the department, every 2  
 532 years on the subject matter of premium discounts available on  
 533 property insurance policies based on various hurricane  
 534 mitigation options and the means for obtaining the discounts.

535 (b) A licensee person who has been licensed for a period of  
 536 6 or more years must complete 20 hours of continuing education  
 537 every 2 years in intermediate or advanced-level courses  
 538 prescribed by this section or in other courses approved by the  
 539 department.

540 (c) A licensee who has been licensed for 25 years or more  
 541 and is a CLU or a CPCU or has a Bachelor of Science degree in  
 542 risk management or insurance with evidence of 18 or more  
 543 semester hours in upper-level insurance-related courses must  
 544 complete 10 hours of continuing education courses every 2 years  
 545 in courses prescribed by this section or in other courses  
 546 approved by the department.

547 (d) An individual Any person who holds a license as a  
 548 customer representative, limited customer representative, title  
 549 agent, motor vehicle physical damage and mechanical breakdown  
 550 insurance agent, crop or hail and multiple-peril crop insurance  
 551 agent, or as an industrial fire insurance or burglary insurance

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552 agent and who is not a licensed life or health ~~insurance~~ agent,  
 553 ~~must shall be required to~~ complete 10 hours of continuing  
 554 education courses every 2 years.

555 (e) An individual Any person who holds a license to solicit  
 556 or sell life or health insurance and a license to solicit or  
 557 sell property, casualty, surety, or surplus lines insurance must  
 558 complete the continuing education requirements by completing  
 559 courses in life or health insurance for one-half of the total  
 560 hours required and courses in property, casualty, surety, or  
 561 surplus lines insurance for one-half of the total hours  
 562 required. However, a licensee who holds an industrial fire or  
 563 burglary insurance license and who is a licensed life or health  
 564 agent ~~must shall be required to~~ complete 4 hours of continuing  
 565 education courses every 2 years related to industrial fire or  
 566 burglary insurance and the remaining number of hours of  
 567 continuing education courses ~~required~~ related to life or health  
 568 insurance.

569 (f) An individual who holds a license to solicit or sell  
 570 life insurance must complete a minimum of 3 hours in continuing  
 571 education on suitability in annuity and life insurance  
 572 transactions. This requirement does not apply to an agent who  
 573 does not have any active life insurance or annuity contracts. In  
 574 applying this exemption, the department may require the agent to  
 575 file a certification attesting that the agent has not sold life  
 576 insurance or annuities during the continuing education  
 577 compliance cycle in question and does not have any active life  
 578 insurance or annuity contracts. A licensee may use the hours  
 579 obtained under this paragraph to satisfy the requirement for  
 580 continuing education in ethics under paragraph (a).

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581 (g) An individual subject to chapter 648 must complete a  
 582 minimum of 14 hours of continuing education courses every 2  
 583 years.

584 (h) Excess hours accumulated during any 2-year compliance  
 585 period may be carried forward to the next compliance period.

586 (i) An individual teaching an approved course of  
 587 instruction or lecturing at an approved seminar and attending  
 588 the entire course or seminar qualifies for the same number of  
 589 classroom hours as would be granted to a person taking and  
 590 successfully completing such course or seminar. Credit is  
 591 limited to the number of hours actually taught unless a person  
 592 attends the entire course or seminar. An individual who is an  
 593 official of or employed by a governmental entity in this state  
 594 and serves as a professor, instructor, or other position or  
 595 office, the duties and responsibilities of which are determined  
 596 by the department to require monitoring and review of insurance  
 597 laws or insurance regulations and practices, is exempt from this  
 598 section.

599 ~~(4)(f)1. Except as provided in subparagraph 2.,~~ Compliance  
 600 with continuing education requirements is a condition precedent  
 601 to the issuance, continuation, reinstatement, or renewal of any  
 602 appointment subject to this section. However:

603 ~~(a)2.a.~~ An appointing entity, except one that appoints  
 604 individuals who are employees or exclusive independent  
 605 contractors of the appointing entity, may not require, directly  
 606 or indirectly, as a condition of such appointment or the  
 607 continuation of such appointment, the taking of an approved  
 608 course or program by any appointee or potential appointee which  
 609 ~~that~~ is not of the appointee's choosing.

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610 ~~(b)2.~~ Any entity created or existing pursuant to s. 627.351  
 611 may require employees to take training of any type relevant to  
 612 their employment but may not require appointees who are not  
 613 employees to take any approved course or program unless the  
 614 course or program deals solely with the appointing entity's  
 615 internal procedures or products or with subjects substantially  
 616 unique to the appointing entity.

617 ~~(g) A person teaching any approved course of instruction or~~  
 618 ~~lecturing at any approved seminar and attending the entire~~  
 619 ~~course or seminar shall qualify for the same number of classroom~~  
 620 ~~hours as would be granted to a person taking and successfully~~  
 621 ~~completing such course, seminar, or program. Credit shall be~~  
 622 ~~limited to the number of hours actually taught unless a person~~  
 623 ~~attends the entire course or seminar. Any person who is an~~  
 624 ~~official of or employed by any governmental entity in this state~~  
 625 ~~and serves as a professor, instructor, or in any other position~~  
 626 ~~or office the duties and responsibilities of which are~~  
 627 ~~determined by the department to require monitoring and review of~~  
 628 ~~insurance laws or insurance regulations and practices shall be~~  
 629 ~~exempt from this section.~~

630 ~~(h) Excess classroom hours accumulated during any~~  
 631 ~~compliance period may be carried forward to the next compliance~~  
 632 ~~period.~~

633 ~~(5)(i)~~ For good cause shown, the department may grant an  
 634 extension of time during which the requirements of imposed by  
 635 this section may be completed, but such extension ~~of time~~ may  
 636 not exceed 1 year.

637 ~~(6)(j)~~ A nonresident licensee who must complete continuing  
 638 education requirements in his or her home state may use the home

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639 state requirements to also meet this state's continuing  
 640 education requirements ~~as well~~, if the licensee's resident's  
 641 home state recognizes reciprocity with this state's continuing  
 642 education requirements. A nonresident licensee whose home state  
 643 does not have a continuing education requirement but is licensed  
 644 for the same class of business in another state that has ~~which~~  
 645 ~~does have~~ a continuing education requirement may comply with  
 646 this section by furnishing proof of compliance with the other  
 647 state's requirement if that state has a reciprocal agreement  
 648 with this state relative to continuing education. A nonresident  
 649 licensee whose home state does not have such continuing  
 650 education requirements, and who is not licensed as a nonresident  
 651 licensee agent in a state that has continuing education  
 652 requirements and reciprocates with this state, must meet the  
 653 continuing education requirements of this state.

654 ~~(k) Any person who holds a license to solicit or sell life~~  
 655 ~~insurance in this state must complete a minimum of 3 hours in~~  
 656 ~~continuing education, approved by the department, on the subject~~  
 657 ~~of suitability in annuity and life insurance transactions. This~~  
 658 ~~requirement does not apply to an agent who does not have any~~  
 659 ~~active life insurance or annuity contracts. In applying this~~  
 660 ~~exemption, the department may require the filing of a~~  
 661 ~~certification attesting that the agent has not sold life~~  
 662 ~~insurance or annuities during the continuing education~~  
 663 ~~compliance cycle in question and does not have any active life~~  
 664 ~~insurance or annuity contracts. A licensee may use the hours~~  
 665 ~~obtained under this paragraph to satisfy the requirement for~~  
 666 ~~continuing education in ethics under paragraph (a).~~

667 (7)(4) The following courses may be completed in order to

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668 meet the elective continuing education course requirements:

669 (a) Any part of the Life Underwriter Training Council Life  
 670 Course Curriculum: 24 hours; Health Course: 12 hours.

671 (b) Any part of the American College "CLU" diploma  
 672 curriculum: 24 hours.

673 (c) Any part of the Insurance Institute of America's  
 674 program in general insurance: 12 hours.

675 (d) Any part of the American Institute for Property and  
 676 Liability Underwriters' Chartered Property Casualty Underwriter  
 677 (CPCU) professional designation program: 24 hours.

678 (e) Any part of the Certified Insurance Counselor program:  
 679 21 hours.

680 (f) Any part of the Accredited Advisor in Insurance: 21  
 681 hours.

682 (g) In the case of title agents, completion of the  
 683 Certified Land Closer (CLC) professional designation program and  
 684 receipt of the designation: 24 hours.

685 (h) In the case of title agents, completion of the  
 686 Certified Land Searcher (CLS) professional designation program  
 687 and receipt of the designation: 24 hours.

688 (i) Any insurance-related course that ~~which~~ is approved by  
 689 the department and taught by an accredited college or university  
 690 per credit hour granted: 12 hours.

691 (j) Any course, including courses relating to agency  
 692 management or errors and omissions, developed or sponsored by an  
 693 ~~any~~ authorized insurer or recognized agents' association or  
 694 insurance trade association or an ~~any~~ independent study program  
 695 of instruction, subject to approval by the department, qualifies  
 696 for the equivalency of the number of classroom hours assigned

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697 ~~thereto~~ by the department. However, unless otherwise provided in  
 698 this section, continuing education hours may not be credited  
 699 toward meeting the requirements of this section unless the  
 700 course is provided by classroom instruction or results in a  
 701 monitored examination. A monitored examination is not required  
 702 for:

703 1. An independent study program of instruction presented  
 704 through interactive, online technology that the department  
 705 determines has sufficient internal testing to validate the  
 706 student's full comprehension of the materials presented; or  
 707 2. An independent study program of instruction presented on  
 708 paper or in printed material which that imposes a final closed  
 709 book examination that meets the requirements of the department's  
 710 rule for self-study courses. The examination may be taken  
 711 without a proctor if provided the student presents to the  
 712 provider a sworn affidavit certifying that the student did not  
 713 consult any written materials or receive outside assistance of  
 714 any kind or from any person, directly or indirectly, while  
 715 taking the examination. If the student is an employee of an  
 716 agency or corporate entity, the student's supervisor or a  
 717 manager or owner of the agency or corporate entity must also  
 718 sign the sworn affidavit. If the student is self-employed, a  
 719 sole proprietor, or a partner, or if the examination is  
 720 administered online, the sworn affidavit must also be signed by  
 721 a disinterested third party. The sworn affidavit must be  
 722 received by the approved provider before prior to reporting  
 723 continuing education credits to the department.

724 (8) (k) Each person or entity sponsoring a course for  
 725 continuing education credit must furnish, within 15 ~~30~~ days

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726 after completion of the course, in a form satisfactory to the  
 727 department or its designee, a ~~written and certified~~ roster  
 728 showing the name and license number of all persons successfully  
 729 completing such course and requesting credit, ~~accompanied by the~~  
 730 ~~required fee.~~

731 (9) (5) The department may immediately terminate or shall  
 732 refuse to renew the appointment of an ~~any~~ agent or adjuster who  
 733 has been notified by the department that ~~who has not had~~ his or  
 734 her continuing education requirements ~~have not been~~ certified,  
 735 unless the agent or adjuster has been granted an extension or  
 736 waiver by the department. The department may not issue a new  
 737 appointment of the same or similar type, ~~with any insurer,~~ to a  
 738 licensee ~~an agent~~ who was denied a renewal appointment for  
 739 failing ~~failure~~ to complete continuing education as required  
 740 until the licensee agent completes his or her continuing  
 741 education requirement.

742 ~~(6) (a) There is created an 11-member continuing education~~  
 743 ~~advisory board to be appointed by the Chief Financial Officer.~~  
 744 ~~Appointments shall be for terms of 4 years. The purpose of the~~  
 745 ~~board is to advise the department in determining standards by~~  
 746 ~~which courses may be evaluated and categorized as basic,~~  
 747 ~~intermediate, or advanced. The board shall submit~~  
 748 ~~recommendations to the department of changes needed in such~~  
 749 ~~criteria not less frequently than every 2 years. The department~~  
 750 ~~shall require all approved course providers to submit courses~~  
 751 ~~for approval to the department using the criteria. All~~  
 752 ~~materials, brochures, and advertisements related to the approved~~  
 753 ~~courses must specify the level assigned to the course.~~

754 ~~(b) The board members shall be appointed as follows:~~

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755 1. Seven members representing agents of which at least one  
 756 must be a representative from each of the following  
 757 organizations: the Florida Association of Insurance Agents; the  
 758 Florida Association of Insurance and Financial Advisors; the  
 759 Professional Insurance Agents of Florida, Inc.; the Florida  
 760 Association of Health Underwriters; the Specialty Agents'  
 761 Association; the Latin American Agents' Association; and the  
 762 National Association of Insurance Women. Such board members must  
 763 possess at least a bachelor's degree or higher from an  
 764 accredited college or university with major coursework in  
 765 insurance, risk management, or education or possess the  
 766 designation of CLU, CPCU, ChFC, CFP, AAI, or CIC. In addition,  
 767 each member must possess 5 years of classroom instruction  
 768 experience or 5 years of experience in the development or design  
 769 of educational programs or 10 years of experience as a licensed  
 770 resident agent. Each organization may submit to the department a  
 771 list of recommendations for appointment. If one organization  
 772 does not submit a list of recommendations, the Chief Financial  
 773 Officer may select more than one recommended person from a list  
 774 submitted by other eligible organizations.

775 2. Two members representing insurance companies at least  
 776 one of whom must represent a Florida Domestic Company and one of  
 777 whom must represent the Florida Insurance Council. Such board  
 778 members must be employed within the training department of the  
 779 insurance company. At least one such member must be a member of  
 780 the Society of Insurance Trainers and Educators.

781 3. One member representing the general public who is not  
 782 directly employed in the insurance industry. Such board member  
 783 must possess a minimum of a bachelor's degree or higher from an

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784 accredited college or university with major coursework in  
 785 insurance, risk management, training, or education.

786 4. One member, appointed by the Chief Financial Officer,  
 787 who represents the department.

788 ~~(e)~~ The members of the board shall serve at the pleasure of  
 789 the Chief Financial Officer. Each board member shall be entitled  
 790 to reimbursement for expenses pursuant to s. 112.061. The board  
 791 shall designate one member as chair. The board shall meet at the  
 792 call of the chair or the Chief Financial Officer.

793 ~~(10)~~(7) The department may contract services relative to  
 794 the administration of the continuing education program to a  
 795 private entity. The contract shall be procured as a ~~contract for~~  
 796 a contractual service pursuant to s. 287.057.

797 Section 13. Effective October 1, 2014, subsection (3) of  
 798 section 626.2815, Florida Statutes, as amended by this act, is  
 799 amended to read:

800 626.2815 Continuing education requirements.-

801 (3) Each licensee subject to this section must, ~~except as~~  
 802 ~~set forth in paragraphs (b), (c), (d), and (g),~~ complete a 7-  
 803 hour update course every 2 years which is specific to the  
 804 license held by the licensee. The course must be developed and  
 805 offered by providers and approved by the department. The content  
 806 of the course must address all lines of insurance for which  
 807 examination and license is required and include the following  
 808 subject areas: insurance law updates, ethics for insurance  
 809 professionals, disciplinary trends and case studies, industry  
 810 trends, premium discounts, determining suitability of products  
 811 and services, and other similar insurance-related topics the  
 812 department determines are relevant to legally and ethically

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813 carrying out the responsibilities of the license granted. A  
 814 licensee who holds multiple insurance licenses must complete an  
 815 update course that is specific to at least one of the licenses  
 816 held. Except as otherwise specified, any remaining required  
 817 hours of continuing education are elective and may consist of  
 818 any continuing education course approved by the department or  
 819 under this section minimum of 24 hours of continuing education  
 820 courses every 2 years in basic or higher-level courses  
 821 prescribed by this section or in other courses approved by the  
 822 department.

823 (a) Except as provided in paragraphs (b), (c), (d), and  
 824 (e), each licensee must also complete 17 3 hours of elective  
 825 continuing education courses, approved by the department, every  
 826 2 years on the subject matter of ethics. Each licensed general  
 827 lines agent and customer representative must complete 1 hour of  
 828 continuing education, approved by the department, every 2 years  
 829 on the subject matter of premium discounts available on property  
 830 insurance policies based on various hurricane mitigation options  
 831 and the means for obtaining the discounts.

832 (b) A licensee who has been licensed for 6 or more years  
 833 must also complete a minimum of 13 20 hours of elective  
 834 continuing education every 2 years in intermediate or advanced-  
 835 level courses prescribed by this section or in other courses  
 836 approved by the department.

837 (c) A licensee who has been licensed for 25 years or more  
 838 and is a CLU or a CPCU or has a Bachelor of Science degree in  
 839 risk management or insurance with evidence of 18 or more  
 840 semester hours in upper-level insurance-related courses must  
 841 also complete a minimum of 3 10 hours of elective continuing

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842 education courses every 2 years ~~in courses prescribed by this~~  
 843 ~~section or in other courses approved by the department.~~

844 (d) An individual who holds a license as a customer  
 845 representative, limited customer representative, title agent,  
 846 motor vehicle physical damage and mechanical breakdown insurance  
 847 agent, or an industrial fire insurance or burglary insurance  
 848 agent and who is not a licensed life or health agent, must also  
 849 complete a minimum of 3 10 hours of continuing education courses  
 850 every two years.

851 ~~(e) An individual who holds a license to solicit or sell~~  
 852 ~~life or health insurance and a license to solicit or sell~~  
 853 ~~property, casualty, surety, or surplus lines insurance must~~  
 854 ~~complete courses in life or health insurance for one-half of the~~  
 855 ~~total hours required and courses in property, casualty, surety,~~  
 856 ~~or surplus lines insurance for one-half of the total hours~~  
 857 ~~required. However, a licensee who holds an industrial fire or~~  
 858 ~~burglary insurance license and who is a licensed life or health~~  
 859 ~~agent must complete 4 hours of continuing education courses~~  
 860 ~~every 2 years related to industrial fire or burglary insurance~~  
 861 ~~and the remaining number of hours of continuing education~~  
 862 ~~courses related to life or health insurance.~~

863 ~~(f) An individual who holds a license to solicit or sell~~  
 864 ~~life insurance must complete a minimum of 3 hours in continuing~~  
 865 ~~education on suitability in annuity and life insurance~~  
 866 ~~transactions. This requirement does not apply to an agent who~~  
 867 ~~does not have any active life insurance or annuity contracts. In~~  
 868 ~~applying this exemption, the department may require the agent to~~  
 869 ~~file a certification attesting that the agent has not sold life~~  
 870 ~~insurance or annuities during the continuing education~~

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871 ~~compliance cycle in question and does not have any active life~~  
 872 ~~insurance or annuity contracts. A licensee may use the hours~~  
 873 ~~obtained under this paragraph to satisfy the requirement for~~  
 874 ~~continuing education in ethics under paragraph (a).~~

875 (e)(g) An individual subject to chapter 648 must complete  
 876 the 7-hour update course and a minimum of 7 ~~14~~ hours of  
 877 continuing education courses every 2 years.

878 (f) Elective continuing education courses for public  
 879 adjusters must be specifically designed for public adjusters and  
 880 approved by the department. Notwithstanding this subsection,  
 881 public adjusters for workers' compensation insurance or health  
 882 insurance are not required to take continuing education courses  
 883 pursuant to this section.

884 (g)(h) Excess hours accumulated during any 2-year  
 885 compliance period may be carried forward to the next compliance  
 886 period.

887 (h)(i) An individual teaching an approved course of  
 888 instruction or lecturing at an approved seminar and attending  
 889 the entire course or seminar qualifies for the same number of  
 890 classroom hours as would be granted to a person taking and  
 891 successfully completing such course or seminar. Credit is  
 892 limited to the number of hours actually taught unless a person  
 893 attends the entire course or seminar. An individual who is an  
 894 official of or employed by a governmental entity in this state  
 895 and serves as a professor, instructor, or other position or  
 896 office, the duties and responsibilities of which are determined  
 897 by the department to require monitoring and review of insurance  
 898 laws or insurance regulations and practices, is exempt from this  
 899 section.

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900 Section 14. Subsections (1) and (2) of section 626.292,  
 901 Florida Statutes, are amended to read:

902 626.292 Transfer of license from another state.—

903 (1) An ~~Any~~ individual licensed in good standing in another  
 904 state may apply to the department to have the license  
 905 transferred to this state to obtain a ~~Florida~~ resident agent or  
 906 all-lines adjuster license for the same lines of authority  
 907 covered by the license in the other state.

908 (2) To qualify for a license transfer, an individual  
 909 applicant must meet the following requirements:

910 (a) The individual must ~~shall~~ become a resident of this  
 911 state.

912 (b) The individual must ~~shall~~ have been licensed in another  
 913 state for a minimum of 1 year immediately preceding the date the  
 914 individual became a resident of this state.

915 (c) The individual must ~~shall~~ submit a completed  
 916 application for this state which is received by the department  
 917 within 90 days after the date the individual became a resident  
 918 of this state, along with payment of the applicable fees set  
 919 forth in s. 624.501 and submission of the following documents:

920 1. A certification issued by the appropriate official of  
 921 the applicant's home state identifying the type of license and  
 922 lines of authority under the license and stating that, at the  
 923 time the license from the home state was canceled, the applicant  
 924 was in good standing in that state or that the state's Producer  
 925 Database records, maintained by the National Association of  
 926 Insurance Commissioners, its affiliates, or subsidiaries,  
 927 indicate that the agent or all-lines adjuster is or was licensed  
 928 in good standing for the line of authority requested.

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929 2. A set of the ~~individual~~ applicant's fingerprints in  
930 accordance with s. 626.171(4).

931 (d) The individual ~~must shall~~ satisfy prelicensing  
932 education requirements in this state, unless the completion of  
933 prelicensing education requirements was a prerequisite for  
934 licensure in the other state and the prelicensing education  
935 requirements in the other state are substantially equivalent to  
936 the prelicensing requirements of this state as determined by the  
937 department. This paragraph does not apply to all-lines  
938 adjusters.

939 (e) The individual ~~must shall~~ satisfy the examination  
940 requirement under s. 626.221, unless ~~exempted exempt thereunder.~~

941 Section 15. Subsections (2) and (3) of section 626.311,  
942 Florida Statutes, are amended to read:

943 626.311 Scope of license.—

944 (2) Except with respect as to a limited license as a credit  
945 ~~life or disability~~ insurance agent, the license of a life agent  
946 covers shall cover all classes of life insurance business.

947 (3) Except with respect as to a limited license as a travel  
948 ~~personal accident~~ insurance agent, the license of a health agent  
949 covers shall cover all kinds of health insurance, and such no  
950 license may not shall be ~~issued~~ limited to a particular class of  
951 health insurance.

952 Section 16. Subsections (1) and (4) of section 626.321,  
953 Florida Statutes, are amended to read:

954 626.321 Limited licenses.—

955 (1) The department shall issue to a qualified applicant  
956 ~~individual, or a qualified individual or entity under paragraphs~~  
957 ~~(e), (d), (e), and (i),~~ a license as agent authorized to

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958 transact a limited class of business in any of the following  
959 categories of limited lines insurance:

960 (a) *Motor vehicle physical damage and mechanical breakdown*  
961 *insurance.*—License covering insurance against only the loss of  
962 or damage to ~~a any~~ motor vehicle ~~that which~~ is designed for use  
963 upon a highway, including trailers and semitrailers designed for  
964 use with such vehicles. Such license also covers insurance  
965 against the failure of an original or replacement part to  
966 perform any function for which it was designed. A licensee under  
967 this paragraph may not ~~The applicant for such a license shall~~  
968 ~~pass a written examination covering motor vehicle physical~~  
969 ~~damage insurance and mechanical breakdown insurance. No~~  
970 ~~individual while so licensed shall~~ hold a license as an agent  
971 ~~for as to~~ any other or additional kind or class of insurance  
972 coverage except ~~as to~~ a limited license for credit insurance  
973 ~~life and disability insurances~~ as provided in paragraph (e).  
974 Effective October 1, 2012, all licensees holding such limited  
975 license and appointment may renew the license and appointment,  
976 but no new or additional licenses may be issued pursuant to this  
977 paragraph, and a licensee whose limited license under this  
978 paragraph has been terminated, suspended, or revoked may not  
979 have such license reinstated.

980 (b) *Industrial fire insurance or burglary insurance.*—  
981 License covering only industrial fire insurance or burglary  
982 insurance. The applicant for such a license ~~must shall~~ pass a  
983 written examination covering such insurance. A licensee under  
984 this paragraph may not ~~No individual while so licensed shall~~  
985 hold a license as an agent ~~for as to~~ any other or additional  
986 kind or class of insurance coverage except ~~for as to~~ life

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987 insurance and health insurance ~~insurances~~.

988 (c) *Travel insurance*.—License covering only policies and  
 989 certificates of travel insurance, which are subject to review by  
 990 the office under s. 624.605(1)(g). Policies and certificates of  
 991 travel insurance may provide coverage for risks incidental to  
 992 travel, planned travel, or accommodations while traveling,  
 993 including, but not limited to, accidental death and  
 994 dismemberment of a traveler; trip cancellation, interruption, or  
 995 delay; loss of or damage to personal effects or travel  
 996 documents; baggage delay; emergency medical travel or evacuation  
 997 of a traveler; or medical, surgical, and hospital expenses  
 998 related to an illness or emergency of a traveler. ~~Any~~ Such  
 999 policy or certificate may be issued for terms longer than 60  
 1000 days, but ~~each policy or certificate~~, other than a policy or  
 1001 certificate providing coverage for air ambulatory services only,  
 1002 each policy or certificate must be limited to coverage for  
 1003 travel or use of accommodations of no longer than 60 days. The  
 1004 license may be issued only:

1005 1. To a full-time salaried employee of a common carrier or  
 1006 a full-time salaried employee or owner of a transportation  
 1007 ticket agency and may authorize the sale of such ticket policies  
 1008 only in connection with the sale of transportation tickets, or  
 1009 to the full-time salaried employee of such an agent. ~~No~~ Such  
 1010 policy ~~may not shall~~ be for a ~~duration of~~ more than 48 hours or  
 1011 more than ~~for~~ the duration of a specified one-way trip or round  
 1012 trip.

1013 2. To an entity or individual that is:

1014 a. The developer of a timeshare plan that is the subject of  
 1015 an approved public offering statement under chapter 721;

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1016 b. An exchange company operating an exchange program  
 1017 approved under chapter 721;

1018 c. A managing entity operating a timeshare plan approved  
 1019 under chapter 721;

1020 d. A seller of travel as defined in chapter 559; or

1021 e. A subsidiary or affiliate of any of the entities  
 1022 described in sub-subparagraphs a.-d.

1023

1024 A licensee shall require each employee who offers policies or  
 1025 certificates under this subparagraph to receive initial training  
 1026 from a general lines agent or an insurer authorized under  
 1027 chapter 624 to transact insurance within this state. For an  
 1028 entity applying for a license as a travel insurance agent, the  
 1029 fingerprinting requirement of this section applies only to the  
 1030 president, secretary, and treasurer and to any other officer or  
 1031 person who directs or controls the travel insurance operations  
 1032 of the entity.

1033

(d) *Motor vehicle rental insurance*.—

1034

1. License covering only insurance of the risks set forth  
 1035 in this paragraph when offered, sold, or solicited with and  
 1036 incidental to the rental or lease of a motor vehicle and which  
 1037 applies only to the motor vehicle that is the subject of the  
 1038 lease or rental agreement and the occupants of the motor  
 1039 vehicle:

1040

a. Excess motor vehicle liability insurance providing  
 1041 coverage in excess of the standard liability limits provided by  
 1042 the lessor in the lessor's lease to a person renting or leasing  
 1043 a motor vehicle from the licensee's employer for liability  
 1044 arising in connection with the negligent operation of the leased

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1045 or rented motor vehicle.

1046 b. Insurance covering the liability of the lessee to the  
1047 lessor for damage to the leased or rented motor vehicle.

1048 c. Insurance covering the loss of or damage to baggage,  
1049 personal effects, or travel documents of a person renting or  
1050 leasing a motor vehicle.

1051 d. Insurance covering accidental personal injury or death  
1052 of the lessee and any passenger who is riding or driving with  
1053 the covered lessee in the leased or rented motor vehicle.

1054 2. Insurance under a motor vehicle rental insurance license  
1055 may be issued only if the lease or rental agreement is for no  
1056 more than 60 days, the lessee is not provided coverage for more  
1057 than 60 consecutive days per lease period, and the lessee is  
1058 given written notice that his or her personal insurance policy  
1059 providing coverage on an owned motor vehicle may provide  
1060 coverage of such risks and that the purchase of the insurance is  
1061 not required in connection with the lease or rental of a motor  
1062 vehicle. If the lease is extended beyond 60 days, the coverage  
1063 may be extended one time only for a period not to exceed an  
1064 additional 60 days. Insurance may be provided to the lessee as  
1065 an additional insured on a policy issued to the licensee's  
1066 employer.

1067 3. The license may be issued only to the full-time salaried  
1068 employee of a licensed general lines agent or to a business  
1069 entity that offers motor vehicles for rent or lease if insurance  
1070 sales activities authorized by the license are in connection  
1071 with and incidental to the rental or lease of a motor vehicle.

1072 a. A license issued to a business entity that offers motor  
1073 vehicles for rent or lease encompasses ~~shall encompass~~ each

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1074 office, branch office, or place of business making use of the  
1075 entity's business name in order to offer, solicit, and sell  
1076 insurance pursuant to this paragraph.

1077 b. The application for licensure must list the name,  
1078 address, and phone number for each office, branch office, or  
1079 place of business that is to be covered by the license. The  
1080 licensee shall notify the department of the name, address, and  
1081 phone number of any new location that is to be covered by the  
1082 license before the new office, branch office, or place of  
1083 business engages in the sale of insurance pursuant to this  
1084 paragraph. The licensee must ~~shall~~ notify the department within  
1085 30 days after closing or terminating an office, branch office,  
1086 or place of business. Upon receipt of the notice, the department  
1087 shall delete the office, branch office, or place of business  
1088 from the license.

1089 c. A licensed and appointed entity is directly responsible  
1090 and accountable for all acts of the licensee's employees.

1091 (e) ~~Credit life or disability insurance.~~ License covering  
1092 only credit life, credit or disability insurance, credit  
1093 property, credit unemployment, involuntary unemployment,  
1094 mortgage life, mortgage guaranty, mortgage disability,  
1095 guaranteed automobile protection (GAP) insurance, and any other  
1096 form of insurance offered in connection with an extension of  
1097 credit which is limited to partially or wholly extinguishing a  
1098 credit obligation that the department determines should be  
1099 designated a form of limited line credit insurance. The license  
1100 may be issued only to an individual employed by a life or health  
1101 insurer as an officer or other salaried or commissioned  
1102 representative, to an individual employed by or associated with

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 1103 a lending or financial institution or creditor, or to a lending  
 1104 or financial institution or creditor, and may authorize the sale  
 1105 of such insurance only with respect to borrowers or debtors of  
 1106 such lending or financing institution or creditor. However, only  
 1107 the individual or entity whose tax identification number is used  
 1108 in receiving or is credited with receiving the commission from  
 1109 the sale of such insurance shall be the licensed agent of the  
 1110 insurer. ~~An~~ ~~no~~ individual ~~while~~ so licensed ~~may not~~ ~~shall~~ hold a  
 1111 license as an agent as to any other or additional kind or class  
 1112 of life or health insurance coverage. Effective October 1, 2012,  
 1113 all valid licenses held by persons for any of the lines of  
 1114 insurance listed in this paragraph shall be converted to a  
 1115 credit insurance license. Licensees who wish to obtain a new  
 1116 license reflecting such change must request a duplicate license  
 1117 and pay a \$5 fee as specified in s. 624.501(15). An entity  
 1118 holding a limited license under this paragraph is also  
 1119 authorized to sell credit insurance and credit property  
 1120 insurance.

~~(f) Credit insurance. License covering only credit  
 1122 insurance, as such insurance is defined in s. 624.605(1)(i), and  
 1123 no individual or entity so licensed shall, during the same  
 1124 period, hold a license as an agent as to any other or additional  
 1125 kind of life or health insurance with the exception of credit  
 1126 life or disability insurance as defined in paragraph (e). The  
 1127 same licensing provisions as outlined in paragraph (e) apply to  
 1128 entities licensed as credit insurance agents under this  
 1129 paragraph.~~

~~(g) Credit property insurance. A license covering only  
 1130 credit property insurance may be issued to any individual except~~

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 1132 ~~an individual employed by or associated with a financial~~  
 1133 ~~institution as defined in s. 655.005 and authorized to sell such~~  
 1134 ~~insurance only with respect to a borrower or debtor, not to~~  
 1135 ~~exceed the amount of the loan.~~

(f)(h) Crop hail and multiple-peril crop insurance.—License  
 1137 for insurance covering crops subject to unfavorable weather  
 1138 conditions, fire or lightening, flood, hail, insect infestation,  
 1139 disease, or other yield-reducing conditions or perils which is  
 1140 provided by the private insurance market, or which is subsidized  
 1141 by the Federal Group Insurance Corporation including multi-peril  
 1142 crop insurance only crop hail and multiple peril crop insurance.  
 1143 Notwithstanding any other provision of law, the limited license  
 1144 may be issued to a bona fide salaried employee of an association  
 1145 chartered under the Farm Credit Act of 1971, 12 U.S.C. ss. 2001  
 1146 et seq., who satisfactorily completes the examination prescribed  
 1147 by the department pursuant to s. 626.241(5). The limited agent  
 1148 must be appointed by, and his or her limited license requested  
 1149 by, a licensed general lines agent. All business transacted by  
 1150 the limited agent ~~must be on~~ ~~shall be in~~ behalf of, in the name  
 1151 of, and countersigned by the agent by whom he or she is  
 1152 appointed. Sections 626.561 and 626.748, relating to records,  
 1153 apply to all business written pursuant to this section. The  
 1154 limited licensee may be appointed by and licensed for only one  
 1155 general lines agent or agency.

~~(g)(i) In-transit and storage personal property insurance,  
 1157 communications equipment property insurance, communications  
 1158 equipment inland marine insurance, and communications equipment  
 1159 service warranty agreement sales.~~

1. A License for insurance covering only the insurance of

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1161 personal property not held for resale, covering the risks of  
 1162 transportation or storage in rented or leased motor vehicles,  
 1163 trailers, or self-service storage facilities, ~~as the latter are~~  
 1164 defined in s. 83.803. Such license, may be issued, without  
 1165 examination, only to employees or authorized representatives of  
 1166 lessors who rent or lease motor vehicles, trailers, or self-  
 1167 service storage facilities and who are authorized by an insurer  
 1168 to issue certificates or other evidences of insurance to lessees  
 1169 of such motor vehicles, trailers, or self-service storage  
 1170 facilities under an insurance policy issued to the lessor. A  
 1171 person licensed under this paragraph must ~~shall~~ give a  
 1172 prospective purchaser of in-transit or storage personal property  
 1173 insurance written notice that his or her homeowner's policy may  
 1174 provide coverage for the loss of personal property and that the  
 1175 purchase of such insurance is not required under the lease  
 1176 terms.

1177 2. ~~A license covering only communications equipment, for~~  
 1178 ~~the loss, theft, mechanical failure, malfunction of or damage~~  
 1179 ~~to, communications equipment. The license may be issued only to:~~

1180 a. ~~Employees or authorized representatives of a licensed~~  
 1181 ~~general lines agent;~~

1182 b. ~~The lead business location of a retail vendor of~~  
 1183 ~~communications equipment and its branch locations; or~~

1184 c. ~~Employees, agents, or authorized representatives of a~~  
 1185 ~~retail vendor of communications equipment.~~

1186

1187 ~~The license authorizes the sale of such policies, or~~  
 1188 ~~certificates under a group master policy, only with respect to~~  
 1189 ~~the sale of, or provision of communications service for,~~

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1190 ~~communications equipment. A general lines agent is not required~~  
 1191 ~~to obtain a license under this subparagraph to offer or sell~~  
 1192 ~~communications equipment property insurance or communication~~  
 1193 ~~equipment inland marine insurance. The license also authorizes~~  
 1194 ~~sales of service warranty agreements covering only~~  
 1195 ~~communications equipment to the same extent as if licensed under~~  
 1196 ~~s. 634.419 or s. 634.420. The provisions of this chapter~~  
 1197 ~~requiring submission of fingerprints do not apply to~~  
 1198 ~~communications equipment licenses issued to qualified entities~~  
 1199 ~~under this subparagraph. Licensees offering policies under this~~  
 1200 ~~subparagraph must receive initial training from, and have a~~  
 1201 ~~contractual relationship with, a general lines agent. For the~~  
 1202 ~~purposes of this subparagraph, the term "communications~~  
 1203 ~~equipment" means handsets, pagers, personal digital assistants,~~  
 1204 ~~portable computers, automatic answering devices, and other~~  
 1205 ~~devices or accessories used to originate or receive~~  
 1206 ~~communications signals or service, and includes services related~~  
 1207 ~~to the use of such devices, such as consumer access to a~~  
 1208 ~~wireless network; however, the term does not include~~  
 1209 ~~telecommunications switching equipment, transmission wires, cell~~  
 1210 ~~site transceiver equipment, or other equipment and systems used~~  
 1211 ~~by telecommunications companies to provide telecommunications~~  
 1212 ~~service to consumers. A branch location of a retail vendor of~~  
 1213 ~~communications equipment licensed pursuant to paragraph (2)(b)~~  
 1214 ~~may, in lieu of obtaining an appointment from an insurer or~~  
 1215 ~~warranty association as provided in paragraph (2)(c), obtain a~~  
 1216 ~~single appointment from the associated lead business location~~  
 1217 ~~licensee licensed under paragraph (2)(a) and pay the prescribed~~  
 1218 ~~appointment fee under s. 624.501 provided the lead business~~

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1219 ~~location has a single appointment from each insurer or warranty~~  
 1220 ~~association represented and such appointment provides that it~~  
 1221 ~~applies to the lead business location and all of its branch~~  
 1222 ~~locations. Any branch location individually appointed by an~~  
 1223 ~~insurer under paragraph (2)(c) prior to January 1, 2006, may~~  
 1224 ~~replace its appointments with an appointment from its lead~~  
 1225 ~~location at no charge. Branch location appointments shall be~~  
 1226 ~~renewed on the first annual anniversary of licensure of the lead~~  
 1227 ~~business location occurring more than 24 months after the~~  
 1228 ~~initial appointment date and every 24 months thereafter.~~  
 1229 ~~Notwithstanding s. 624.501, after July 1, 2006, the renewal fee~~  
 1230 ~~applicable to such branch location appointments shall be \$30 per~~  
 1231 ~~appointment.~~

1232 (h) Portable electronics insurance.-License for property  
 1233 insurance or inland marine insurance that covers only loss,  
 1234 theft, mechanical failure, malfunction, or damage for portable  
 1235 electronics.

1236 1. The license may be issued only to:

1237 a. Employees or authorized representatives of a licensed  
 1238 general lines agent; or

1239 b. The lead business location of a retail vendor that sells  
 1240 portable electronics insurance. The lead business location must  
 1241 have a contractual relationship with a general lines agent.

1242 2. Employees or authorized representatives of a licensee  
 1243 under subparagraph 1. may sell or offer for sale portable  
 1244 electronics coverage without being subject to licensure as an  
 1245 insurance agent if:

1246 a. Such insurance is sold or offered for sale at a licensed  
 1247 location or at one of the licensee's branch locations if the

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1248 branch location is appointed by the licensed lead business  
 1249 location or its appointing insurers;

1250 b. The insurer issuing the insurance directly supervises or  
 1251 appoints a general lines agent to supervise the sale of such  
 1252 insurance, including the development of a training program for  
 1253 the employees and authorized representatives of vendors that are  
 1254 directly engaged in the activity of selling or offering the  
 1255 insurance; and

1256 c. At each location where the insurance is offered,  
 1257 brochures or other written materials that provide the  
 1258 information required by this subparagraph are made available to  
 1259 all prospective customers. The brochures or written materials  
 1260 may include information regarding portable electronics  
 1261 insurance, service warranty agreements, or other incidental  
 1262 services or benefits offered by a licensee.

1263 3. Individuals not licensed to sell portable electronics  
 1264 insurance may not be paid commissions based on the sale of such  
 1265 coverage. However, a licensee who uses a compensation plan for  
 1266 employees and authorized representatives which includes  
 1267 supplemental compensation for the sale of noninsurance products,  
 1268 in addition to a regular salary or hourly wages, may include  
 1269 incidental compensation for the sale of portable electronics  
 1270 insurance as a component of the overall compensation plan.

1271 4. Brochures or other written materials related to portable  
 1272 electronics insurance must:

1273 a. Disclose that such insurance may duplicate coverage  
 1274 already provided by a customer's homeowners' insurance policy,  
 1275 renters' insurance policy, or other source of coverage;

1276 b. State that enrollment in insurance coverage is not

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1277 required in order to purchase or lease portable electronics or  
 1278 services;

1279 c. Summarize the material terms of the insurance coverage,  
 1280 including the identity of the insurer, the identity of the  
 1281 supervising entity, the amount of any applicable deductible and  
 1282 how it is to be paid, the benefits of coverage, and key terms  
 1283 and conditions of coverage, such as whether portable electronics  
 1284 may be repaired or replaced with similar make and model  
 1285 reconditioned or nonoriginal manufacturer parts or equipment;

1286 d. Summarize the process for filing a claim, including a  
 1287 description of how to return portable electronics and the  
 1288 maximum fee applicable if the customer fails to comply with  
 1289 equipment return requirements; and

1290 e. State that an enrolled customer may cancel coverage at  
 1291 any time and that the person paying the premium will receive a  
 1292 refund of any unearned premium.

1293 5. A licensed and appointed general lines agent is not  
 1294 required to obtain a portable electronics insurance license to  
 1295 offer or sell portable electronics insurance at locations  
 1296 already licensed as an insurance agency, but may apply for a  
 1297 portable electronics insurance license for branch locations not  
 1298 otherwise licensed to sell insurance.

1299 6. A portable electronics license authorizes the sale of  
 1300 individual policies or certificates under a group or master  
 1301 insurance policy. The license also authorizes the sale of  
 1302 service warranty agreements covering only portable electronics  
 1303 to the same extent as if licensed under s. 634.419 or s.  
 1304 634.420.

1305 7. A licensee may bill and collect the premium for the

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1306 purchase of portable electronics insurance provided that:

1307 a. If the insurance is included with the purchase or lease  
 1308 of portable electronics or related services, the licensee  
 1309 clearly and conspicuously discloses that insurance coverage is  
 1310 included with the purchase. Disclosure of the dollar amount of  
 1311 the premium for the insurance must be made on the customer's  
 1312 bill and in any marketing materials made available at the point  
 1313 of sale. If the insurance is not included, the charge to the  
 1314 customer for the insurance must be separately itemized on the  
 1315 customer's bill.

1316 b. Premiums are incidental to other fees collected, are  
 1317 maintained in a manner that is readily identifiable, and are  
 1318 accounted for and remitted to the insurer or supervising entity  
 1319 within 60 days of receipt. Licensees are not required to  
 1320 maintain such funds in a segregated account.

1321 c. All funds received by a licensee from an enrolled  
 1322 customer for the sale of the insurance are considered funds held  
 1323 in trust by the licensee in a fiduciary capacity for the benefit  
 1324 of the insurer. Licensees may receive compensation for billing  
 1325 and collection services.

1326 8. Notwithstanding any other provision of law, the terms  
 1327 for the termination or modification of coverage under a policy  
 1328 of portable electronics insurance are those set forth in the  
 1329 policy.

1330 9. Notice or correspondence required by the policy, or  
 1331 otherwise required by law, may be provided by electronic means  
 1332 if the insurer or licensee maintains proof that the notice or  
 1333 correspondence was sent. Such notice or correspondence may be  
 1334 sent on behalf of the insurer or licensee by the general lines

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1335 agent appointed by the insurer to supervise the administration  
 1336 of the program. For purposes of this subparagraph, an enrolled  
 1337 customer's provision of an electronic mail address to the  
 1338 insurer or licensee is deemed to be consent to receive notices  
 1339 and correspondence by electronic means if a conspicuously  
 1340 located disclosure is provided to the customer indicating the  
 1341 same.

1342 10. The provisions of this chapter requiring submission of  
 1343 fingerprints do not apply to licenses issued to qualified  
 1344 entities under this paragraph.

1345 11. A branch location that sells portable electronics  
 1346 insurance may, in lieu of obtaining an appointment from an  
 1347 insurer or warranty association, obtain a single appointment  
 1348 from the associated lead business location licensee and pay the  
 1349 prescribed appointment fee under s. 624.501 if the lead business  
 1350 location has a single appointment from each insurer or warranty  
 1351 association represented and such appointment applies to the lead  
 1352 business location and all of its branch locations. Branch  
 1353 location appointments shall be renewed 24 months after the lead  
 1354 business location initial appointment date and every 24 months  
 1355 thereafter. Notwithstanding s. 624.501, the renewal fee  
 1356 applicable to such branch location appointments is \$30 per  
 1357 appointment.

1358 12. For purposes of this paragraph:

1359 a. "Branch location" means any physical location in this  
 1360 state at which a licensee offers its products or services for  
 1361 sale.

1362 b. "Portable electronics" means personal, self-contained,  
 1363 easily carried by an individual, battery-operated electronic

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1364 communication, viewing, listening, recording, gaming, computing  
 1365 or global positioning devices, including cell or satellite  
 1366 phones, pagers, personal global positioning satellite units,  
 1367 portable computers, portable audio listening, video viewing or  
 1368 recording devices, digital cameras, video camcorders, portable  
 1369 gaming systems, docking stations, automatic answering devices,  
 1370 and other similar devices and their accessories, and service  
 1371 related to the use of such devices.

1372 c. "Portable electronics transaction" means the sale or  
 1373 lease of portable electronics or a related service, including  
 1374 portable electronics insurance.

1375 (4) Except as otherwise expressly provided, a person  
 1376 applying for or holding a limited license ~~is shall be~~ subject to  
 1377 the same applicable requirements and responsibilities ~~that as~~  
 1378 apply to general lines agents in general, if licensed as to  
 1379 motor vehicle physical damage and mechanical breakdown  
 1380 insurance, ~~credit property insurance,~~ industrial fire insurance  
 1381 or burglary insurance, motor vehicle rental insurance, credit  
 1382 insurance, crop hail and multiple-peril crop insurance, in-  
 1383 transit and storage personal property insurance, or portable  
 1384 electronics insurance ~~communications equipment property~~  
 1385 ~~insurance or communications equipment inland marine insurance,~~  
 1386 ~~baggage and motor vehicle excess liability insurance, or credit~~  
 1387 ~~insurance;~~ or as apply to life agents or health agents in  
 1388 general, as applicable ~~the case may be,~~ if licensed as to travel  
 1389 ~~personal accident insurance or credit life or credit disability~~  
 1390 ~~insurance.~~

1391 Section 17. Section 626.342, Florida Statutes, is amended  
 1392 to read:

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1393 626.342 Furnishing supplies to unlicensed ~~life, health, or~~  
 1394 ~~general lines~~ agent prohibited; civil liability.-

1395 (1) An insurer, a managing general agent, an insurance  
 1396 agency, or an agent, directly or through a ~~any~~ representative,  
 1397 may not furnish to an ~~any~~ agent any blank forms, applications,  
 1398 stationery, or other supplies to be used in soliciting,  
 1399 negotiating, or effecting contracts of insurance on its behalf  
 1400 unless such blank forms, applications, stationery, or other  
 1401 supplies relate to a class of business for ~~with respect to~~ which  
 1402 the agent is licensed and appointed, whether for that insurer or  
 1403 another insurer.

1404 (2) ~~An Any~~ insurer, general agent, insurance agency, or  
 1405 agent who furnishes any of the supplies specified in subsection  
 1406 (1) to an ~~any~~ agent or prospective agent not appointed to  
 1407 represent the insurer and who accepts from or writes any  
 1408 insurance business for such agent or agency is subject to civil  
 1409 liability to an ~~any~~ insured of such insurer to the same extent  
 1410 and ~~in the same~~ manner as if such agent or prospective agent had  
 1411 been appointed or authorized by the insurer or such agent to act  
 1412 on ~~in~~ its or his or her behalf. The provisions of this  
 1413 subsection do not apply to insurance risk apportionment plans  
 1414 under s. 627.351.

1415 (3) This section does not apply to the placing of surplus  
 1416 lines business under the provisions of ss. 626.913-626.937.

1417 Section 18. Subsection (1) of section 626.381, Florida  
 1418 Statutes, is amended to read:

1419 626.381 Renewal, continuation, reinstatement, or  
 1420 termination of appointment.-

1421 (1) The appointment of an appointee continues ~~shall~~

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1422 ~~continue~~ in force until suspended, revoked, or otherwise  
 1423 terminated, but is subject to a renewal request filed by the  
 1424 appointing entity in the appointee's birth month as to natural  
 1425 persons or the month the original appointment was issued ~~license~~  
 1426 ~~date~~ as to entities and every 24 months thereafter, accompanied  
 1427 by payment of the renewal appointment fee and taxes as  
 1428 prescribed in s. 624.501.

1429 Section 19. Section 626.536, Florida Statutes, is amended  
 1430 to read:

1431 626.536 Reporting of administrative actions. ~~Each agent and~~  
 1432 ~~insurance agency shall submit to the department,~~ Within 30 days  
 1433 after the final disposition of an ~~any~~ administrative action  
 1434 taken against a licensee ~~the agent~~ or insurance agency by a  
 1435 governmental agency or other regulatory agency in this or any  
 1436 other state or jurisdiction relating to the business of  
 1437 insurance, the sale of securities, or activity involving fraud,  
 1438 dishonesty, trustworthiness, or breach of a fiduciary duty, the  
 1439 licensee or insurance agency must submit a copy of the order,  
 1440 consent to order, or other relevant legal documents to the  
 1441 department. The department may adopt rules to administer  
 1442 ~~implementing the provisions of~~ this section.

1443 Section 20. Section 626.551, Florida Statutes, is amended  
 1444 to read:

1445 626.551 Notice of change of address, name.-~~A Every~~ licensee  
 1446 must ~~shall~~ notify the department, in writing, within 30 ~~60~~ days  
 1447 after a change of name, residence address, principal business  
 1448 street address, mailing address, contact telephone numbers,  
 1449 including a business telephone number, or e-mail address. A  
 1450 licensee ~~licensed agent~~ who has moved his or her residence from

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1451 this state shall have his or her license and all appointments  
 1452 immediately terminated by the department. Failure to notify the  
 1453 department within the required time ~~period~~ shall result in a  
 1454 fine not to exceed \$250 for the first offense and, ~~for~~  
 1455 ~~subsequent offenses~~, a fine of at least \$500 or suspension or  
 1456 revocation of the license pursuant to s. 626.611, s. 626.6115,  
 1457 ~~or s. 626.621, or s. 626.6215~~ for a subsequent offense. The  
 1458 department may adopt rules to administer and enforce this  
 1459 section.

1460 Section 21. Subsection (14) is added to section 626.621,  
 1461 Florida Statutes, to read:

1462 626.621 Grounds for discretionary refusal, suspension, or  
 1463 revocation of agent's, adjuster's, customer representative's,  
 1464 service representative's, or managing general agent's license or  
 1465 appointment.—The department may, in its discretion, deny an  
 1466 application for, suspend, revoke, or refuse to renew or continue  
 1467 the license or appointment of any applicant, agent, adjuster,  
 1468 customer representative, service representative, or managing  
 1469 general agent, and it may suspend or revoke the eligibility to  
 1470 hold a license or appointment of any such person, if it finds  
 1471 that as to the applicant, licensee, or appointee any one or more  
 1472 of the following applicable grounds exist under circumstances  
 1473 for which such denial, suspension, revocation, or refusal is not  
 1474 mandatory under s. 626.611:

1475 (14) Failure to comply with any civil, criminal, or  
 1476 administrative action taken by the child support enforcement  
 1477 program under Title IV-D of the Social Security Act, 42 U.S.C.  
 1478 ss. 651 et seq., to determine paternity or to establish, modify,  
 1479 enforce, or collect support.

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1480 Section 22. Subsection (4) of section 626.641, Florida  
 1481 Statutes, is amended to read:

1482 626.641 Duration of suspension or revocation.—

1483 (4) During the period of suspension or revocation of a the  
 1484 license or appointment, and until the license is reinstated or,  
 1485 if revoked, a new license issued, the former licensee or  
 1486 appointee ~~may shall~~ not engage in or attempt or profess to  
 1487 engage in any transaction or business for which a license or  
 1488 appointment is required under this code or directly or  
 1489 indirectly own, control, or be employed in any manner by ~~an any~~  
 1490 ~~insurance agent, or agency, or adjuster, or adjusting firm.~~

1491 Section 23. Subsection (1) of section 626.651, Florida  
 1492 Statutes, is amended to read:

1493 626.651 Effect of suspension, revocation upon associated  
 1494 licenses and appointments and licensees and appointees.—

1495 (1) Upon suspension, revocation, or refusal to renew or  
 1496 continue any one license of a licensee ~~an agent or customer~~  
 1497 ~~representative~~, or upon suspension or revocation of eligibility  
 1498 to hold a license or appointment, the department shall at the  
 1499 same time likewise suspend or revoke all other licenses,  
 1500 appointments, or status of eligibility held by the licensee or  
 1501 appointee under this code.

1502 Section 24. Subsection (4) of section 626.730, Florida  
 1503 Statutes, is amended to read:

1504 626.730 Purpose of license.—

1505 (4) This section does not prohibit a person who is employed  
 1506 by or associated with a motor vehicle sales or financing agency,  
 1507 a retail sales establishment, or a consumer loan office from  
 1508 holding the licensing under a limited license for credit

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1509 ~~insurance or as to~~ motor vehicle physical damage and mechanical  
 1510 ~~breakdown insurance for the purpose of insuring or credit~~  
 1511 ~~property insurance of any person employed by or associated with~~  
 1512 ~~a motor vehicle sales or financing agency, a retail sales~~  
 1513 ~~establishment, or a consumer loan office, other than a consumer~~  
 1514 ~~loan office owned by or affiliated with a financial institution~~  
 1515 ~~as defined in s. 655.005, with respect to insurance of the~~  
 1516 ~~interest of such entity ~~agency~~ in a motor vehicle sold or~~  
 1517 ~~financed by it or in personal property if used as collateral for~~  
 1518 ~~a loan.~~

1519 (5) This section does not apply ~~with respect~~ to the  
 1520 interest of a real estate mortgagee in or as to insurance  
 1521 covering such interest or in the real estate subject to such  
 1522 mortgage.

1523 Section 25. Section 626.732, Florida Statutes, is amended  
 1524 to read:

1525 626.732 Requirement as to knowledge, experience, or  
 1526 instruction.—

1527 (1) Except as provided in subsection (4) ~~(3)~~, an ~~no~~  
 1528 applicant for a license as a general lines agent ~~or personal~~  
 1529 ~~lines agent~~, except for a chartered property and casualty  
 1530 underwriter (CPCU), ~~may not other than as to a limited license~~  
 1531 ~~as to baggage and motor vehicle excess liability insurance,~~  
 1532 ~~credit property insurance, credit insurance, in-transit and~~  
 1533 ~~storage personal property insurance, or communications equipment~~  
 1534 ~~property insurance or communication equipment inland marine~~  
 1535 ~~insurance, shall be qualified or licensed unless, within the 4~~  
 1536 ~~years immediately preceding the date the application for license~~  
 1537 ~~is filed with the department, the applicant has:~~

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1538 (a) Taught or successfully completed classroom courses in  
 1539 insurance, 3 hours of which ~~must shall~~ be on the subject matter  
 1540 of ethics, ~~satisfactory to the department~~ at a school, college,  
 1541 or extension division thereof, approved by the department. ~~To~~  
 1542 ~~qualify for licensure as a personal lines agent, the applicant~~  
 1543 ~~must complete a total of 52 hours of classroom courses in~~  
 1544 ~~insurance;~~

1545 (b) Completed a correspondence course in insurance, 3 hours  
 1546 of which ~~must shall~~ be on the subject matter of ethics,  
 1547 satisfactory to the department and regularly offered by  
 1548 accredited institutions of higher learning in this state, and  
 1549 ~~have, except if he or she is applying for a limited license~~  
 1550 ~~under s. 626.321, for licensure as a general lines agent, has~~  
 1551 ~~had~~ at least 6 months of responsible insurance duties as a  
 1552 substantially full-time bona fide employee in all lines of  
 1553 property and casualty insurance set forth in the definition of  
 1554 general lines agent under s. 626.015 ~~or, for licensure as a~~  
 1555 ~~personal lines agent, has completed at least 3 months in~~  
 1556 ~~responsible insurance duties as a substantially full-time~~  
 1557 ~~employee in property and casualty insurance sold to individuals~~  
 1558 ~~and families for noncommercial purposes;~~

1559 (c) ~~For licensure as a general lines agent,~~ Completed at  
 1560 least 1 year in responsible insurance duties as a substantially  
 1561 full-time bona fide employee in all lines of property and  
 1562 casualty insurance, ~~exclusive of aviation and wet marine and~~  
 1563 ~~transportation insurances but not exclusive of boats of less~~  
 1564 ~~than 36 feet in length or aircraft not held out for hire, as set~~  
 1565 ~~forth in the definition of a general lines agent under s.~~  
 1566 626.015, but without the education requirement described

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1567 mentioned in paragraph (a) or paragraph (b) ~~or, for licensure as~~  
 1568 ~~a personal lines agent, has completed at least 6 months in~~  
 1569 ~~responsible insurance duties as a substantially full-time~~  
 1570 ~~employee in property and casualty insurance sold to individuals~~  
 1571 ~~and families for noncommercial purposes without the education~~  
 1572 ~~requirement in paragraph (a) or paragraph (b);~~

1573 (d) ~~1. For licensure as a general lines agent,~~ Completed at  
 1574 least 1 year of responsible insurance duties as a licensed and  
 1575 appointed customer representative or limited customer  
 1576 representative in commercial or personal lines of property and  
 1577 casualty insurance and 40 hours of classroom courses approved by  
 1578 the department covering the areas of property, casualty, surety,  
 1579 health, and marine insurance; or

1580 2. ~~For licensure as a personal lines agent, completed at~~  
 1581 ~~least 6 months of responsible duties as a licensed and appointed~~  
 1582 ~~customer representative or limited customer representative in~~  
 1583 ~~property and casualty insurance sold to individuals and families~~  
 1584 ~~for noncommercial purposes and 20 hours of classroom courses~~  
 1585 ~~approved by the department which are related to property and~~  
 1586 ~~casualty insurance sold to individuals and families for~~  
 1587 ~~noncommercial purposes;~~

1588 (e) ~~1. For licensure as a general lines agent,~~ Completed at  
 1589 least 1 year of responsible insurance duties as a licensed and  
 1590 appointed service representative in ~~either~~ commercial or  
 1591 personal lines of property and casualty insurance and 80 hours  
 1592 of classroom courses approved by the department covering the  
 1593 areas of property, casualty, surety, health, and marine  
 1594 insurance. ~~or~~

1595 2. ~~For licensure as a personal lines agent, completed at~~

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1596 ~~least 6 months of responsible insurance duties as a licensed and~~  
 1597 ~~appointed service representative in property and casualty~~  
 1598 ~~insurance sold to individuals and families for noncommercial~~  
 1599 ~~purposes and 40 hours of classroom courses approved by the~~  
 1600 ~~department related to property and casualty insurance sold to~~  
 1601 ~~individuals and families for noncommercial purposes; or~~

1602 (2) Except as provided under subsection (4), an applicant  
 1603 for a license as a personal lines agent, except for a chartered  
 1604 property and casualty underwriter (CPCU), may not be qualified  
 1605 or licensed unless, within the 4 years immediately preceding the  
 1606 date the application for license is filed with the department,  
 1607 the applicant has:

1608 (a) Taught or successfully completed classroom courses in  
 1609 insurance, 3 hours of which must be on the subject matter of  
 1610 ethics, at a school, college, or extension division thereof,  
 1611 approved by the department. To qualify for licensure, the  
 1612 applicant must complete a total of 52 hours of classroom courses  
 1613 in insurance;

1614 (b) Completed a correspondence course in insurance, 3 hours  
 1615 of which must be on the subject matter of ethics, satisfactory  
 1616 to the department and regularly offered by accredited  
 1617 institutions of higher learning in this state, and completed at  
 1618 least 3 months of responsible insurance duties as a  
 1619 substantially full-time employee in the area of property and  
 1620 casualty insurance sold to individuals and families for  
 1621 noncommercial purposes;

1622 (c) Completed at least 6 months of responsible insurance  
 1623 duties as a substantially full-time employee in the area of  
 1624 property and casualty insurance sold to individuals and families

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1625 for noncommercial purposes, but without the education  
 1626 requirement described in paragraph (a) or paragraph (b);  
 1627 (d) Completed at least 6 months of responsible duties as a  
 1628 licensed and appointed customer representative or limited  
 1629 customer representative in property and casualty insurance sold  
 1630 to individuals and families for noncommercial purposes and 20  
 1631 hours of classroom courses approved by the department which are  
 1632 related to property and casualty insurance sold to individuals  
 1633 and families for noncommercial purposes;  
 1634 (e) Completed at least 6 months of responsible insurance  
 1635 duties as a licensed and appointed service representative in  
 1636 property and casualty insurance sold to individuals and families  
 1637 for noncommercial purposes and 40 hours of classroom courses  
 1638 approved by the department related to property and casualty  
 1639 insurance sold to individuals and families for noncommercial  
 1640 purposes; or  
 1641 ~~(f) For licensure as a personal lines agent,~~ Completed at  
 1642 least 3 years of responsible duties as a licensed and appointed  
 1643 customer representative in property and casualty insurance sold  
 1644 to individuals and families for noncommercial purposes.  
 1645 ~~(3)(2) If where~~ an applicant's qualifications as required  
 1646 ~~under subsection (1) or subsection (2) in paragraph (1)(b) or~~  
 1647 ~~paragraph (1)(c) are based in part upon the periods of~~  
 1648 ~~employment in at~~ responsible insurance duties ~~prescribed~~  
 1649 ~~therein,~~ the applicant shall submit with the license application  
 1650 ~~for license,~~ on a form prescribed by the department, an the  
 1651 affidavit of his or her employer setting forth the period of  
 1652 such employment, that the employment same was substantially  
 1653 full-time, and giving a brief abstract of the nature of the

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1654 duties performed by the applicant.  
 1655 ~~(4)(3)~~ An individual who was or became qualified to sit for  
 1656 an agent's, customer representative's, or adjuster's examination  
 1657 at or during the time he or she was employed by the department  
 1658 or office and who, while so employed, was employed in  
 1659 responsible insurance duties as a full-time bona fide employee  
 1660 ~~may shall be permitted to~~ take an examination if application for  
 1661 such examination is made within 90 days after the date of  
 1662 termination of ~~his or her~~ employment with the department or  
 1663 office.  
 1664 ~~(5)(4)~~ Classroom and correspondence courses under  
 1665 subsections (1) and (2) subsection (1) must include instruction  
 1666 on the subject matter of unauthorized entities engaging in the  
 1667 business of insurance. The scope of the topic of unauthorized  
 1668 entities must shall include the Florida Nonprofit Multiple-  
 1669 Employer Welfare Arrangement Act and the Employee Retirement  
 1670 Income Security Act, 29 U.S.C. ss. 1001 et seq., as it relates  
 1671 to the provision of health insurance by employers and the  
 1672 regulation thereof.  
 1673 (6) This section does not apply to an individual holding  
 1674 only a limited license for travel insurance, motor vehicle  
 1675 rental insurance, credit insurance, in-transit and storage  
 1676 personal property insurance, or portable electronics insurance.  
 1677 Section 26. Section 626.8411, Florida Statutes, is amended  
 1678 to read:  
 1679 626.8411 Application of Florida Insurance Code provisions  
 1680 to title insurance agents or agencies.—  
 1681 (1) The following provisions of part II, ~~as~~ applicable to  
 1682 general lines agents or agencies, ~~also~~ apply to title insurance

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1683 agents or agencies:

1684 (a) Section 626.734, relating to liability of certain

1685 agents.

1686 ~~(b) Section 626.175, relating to temporary licenses.~~

1687 (b)(e) Section 626.747, relating to branch agencies.

1688 (c) Section 626.749, relating to place of business in

1689 residence.

1690 (d) Section 626.753, relating to sharing of commissions.

1691 (e) Section 626.754, relating to rights of agent following

1692 termination of appointment.

1693 (2) The following provisions of part I do not apply to

1694 title insurance agents or title insurance agencies:

1695 (a) Section 626.112(7), relating to licensing of insurance

1696 agencies.

1697 (b) Section 626.231, relating to eligibility for

1698 examination.

1699 (c) Section 626.572, relating to rebating, when allowed.

1700 (d) Section 626.172, relating to agent in full-time charge.

1701 Section 27. Section 626.8418, Florida Statutes, is amended

1702 to read:

1703 626.8418 Application for title insurance agency license.—

1704 ~~Before~~ ~~Prior~~ to doing business in this state as a title

1705 insurance agency, ~~the~~ a title insurance agency must meet all of

1706 ~~the following requirements:~~

1707 ~~(1) The applicant must file with the department an~~

1708 ~~application for a license as a title insurance agency, on~~

1709 ~~printed forms furnished by the department, which include that~~

1710 ~~includes all of the following:~~

1711 (1)(a) The name of each majority owner, partner, officer,

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1712 and director of the agency.

1713 (2)(b) The residence address of each person required to be

1714 listed under subsection (1) paragraph (a).

1715 (3)(e) The name of the agency and its principal business

1716 address.

1717 (4)(d) The location of each agency office and the name

1718 under which each agency office conducts or will conduct

1719 business.

1720 (5)(e) The name of each agent to be in full-time charge of

1721 an agency office and the identification specification of such

1722 which office.

1723 (6)(f) Such additional information as the department

1724 requires by rule to ascertain the trustworthiness and competence

1725 of persons required to be listed on the application and to

1726 ascertain that such persons meet the requirements of this code.

1727 ~~(2) The applicant must have deposited with the department~~

1728 ~~securities of the type eligible for deposit under s. 625.52 and~~

1729 ~~having at all times a market value of not less than \$35,000. In~~

1730 ~~place of such deposit, the title insurance agency may post a~~

1731 ~~surety bond of like amount payable to the department for the~~

1732 ~~benefit of any appointing insurer damaged by a violation by the~~

1733 ~~title insurance agency of its contract with the appointing~~

1734 ~~insurer. If a properly documented claim is timely filed with the~~

1735 ~~department by a damaged title insurer, the department may remit~~

1736 ~~an appropriate amount of the deposit or the proceeds that are~~

1737 ~~received from the surety in payment of the claim. The required~~

1738 ~~deposit or bond must be made by the title insurance agency, and~~

1739 ~~a title insurer may not provide the deposit or bond directly or~~

1740 ~~indirectly on behalf of the title insurance agency. The deposit~~

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1741 ~~or bond must secure the performance by the title insurance~~  
 1742 ~~agency of its duties and responsibilities under the issuing~~  
 1743 ~~agency contracts with each title insurer for which it is~~  
 1744 ~~appointed. The agency may exchange or substitute other~~  
 1745 ~~securities of like quality and value for securities on deposit,~~  
 1746 ~~may receive the interest and other income accruing on such~~  
 1747 ~~securities, and may inspect the deposit at all reasonable times.~~  
 1748 ~~Such deposit or bond must remain unimpaired as long as the title~~  
 1749 ~~insurance agency continues in business in this state and until 1~~  
 1750 ~~year after termination of all title insurance agency~~  
 1751 ~~appointments held by the title insurance agency. The title~~  
 1752 ~~insurance agency is entitled to the return of the deposit or~~  
 1753 ~~bond together with accrued interest after such year has passed,~~  
 1754 ~~if no claim has been made against the deposit or bond. If a~~  
 1755 ~~surety bond is unavailable generally, the department may adopt~~  
 1756 ~~rules for alternative methods to comply with this subsection.~~  
 1757 ~~With respect to such alternative methods for compliance, the~~  
 1758 ~~department must be guided by the past business performance and~~  
 1759 ~~good reputation and character of the proposed title insurance~~  
 1760 ~~agency. A surety bond is deemed to be unavailable generally if~~  
 1761 ~~the prevailing annual premium exceeds 25 percent of the~~  
 1762 ~~principal amount of the bond.~~

1763 Section 28. Section 626.8548, Florida Statutes, is created  
 1764 to read:

1765 626.8548 "All-lines adjuster" defined.-An "all-lines  
 1766 adjuster" is a person who is self-employed or employed by an  
 1767 insurer, a wholly owned subsidiary of an insurer, or an  
 1768 independent adjusting firm or other independent adjuster, and  
 1769 who undertakes on behalf of an insurer or other insurers under

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1770 common control or ownership to ascertain and determine the  
 1771 amount of any claim, loss, or damage payable under an insurance  
 1772 contract or undertakes to effect settlement of such claim, loss,  
 1773 or damage. The term does not apply to life insurance or annuity  
 1774 contracts.

1775 Section 29. Section 626.855, Florida Statutes, is amended  
 1776 to read:

1777 626.855 "Independent adjuster" defined.-An "independent  
 1778 adjuster" means a ~~is any~~ person licensed as an all-lines  
 1779 adjuster who is self-appointed ~~self-employed~~ or appointed and is  
 1780 ~~associated with or~~ employed by an independent adjusting firm or  
 1781 other independent adjuster, and who undertakes on behalf of an  
 1782 insurer to ascertain and determine the amount of any claim,  
 1783 loss, or damage payable under an insurance contract or  
 1784 undertakes to effect settlement of such claim, loss, or damage.

1785 Section 30. Section 626.856, Florida Statutes, is amended  
 1786 to read:

1787 626.856 "Company employee adjuster" defined.-A "company  
 1788 employee adjuster" means is a person licensed as an all-lines  
 1789 adjuster who is appointed and employed on an insurer's staff of  
 1790 adjusters or a wholly owned subsidiary of the insurer, and who  
 1791 undertakes on behalf of such insurer or other insurers under  
 1792 common control or ownership to ascertain and determine the  
 1793 amount of any claim, loss, or damage payable under a contract of  
 1794 insurance, or undertakes to effect settlement of such claim,  
 1795 loss, or damage.

1796 Section 31. Section 626.858, Florida Statutes, is repealed.

1797 Section 32. Section 626.8584, Florida Statutes, is amended  
 1798 to read:

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1799 626.8584 "Nonresident all-lines independent adjuster"  
 1800 defined.—A "nonresident all-lines independent adjuster" means ~~is~~  
 1801 a person who:

- 1802 (1) Is not a resident of this state;  
 1803 (2) Is a currently licensed as an independent adjuster in  
 1804 his or her state of residence for all lines of insurance except  
 1805 life and annuities the type or kinds of insurance for which the  
 1806 licensee intends to adjust claims in this state or, if a  
 1807 resident of a state that does not license such independent  
 1808 adjusters, meets the qualifications has passed the department's  
 1809 adjuster examination as prescribed in s. 626.8734(1)(b); and  
 1810 (3) Is licensed as an all-lines adjuster and self-appointed  
 1811 or appointed and a self-employed independent adjuster or  
 1812 associated with or employed by an independent adjusting firm or  
 1813 other independent adjuster, by an insurer admitted to do  
 1814 business in this state or a wholly-owned subsidiary of an  
 1815 insurer admitted to do business in this state, or by other  
 1816 insurers under the common control or ownership of such insurer.

1817 Section 33. Section 626.863, Florida Statutes, is amended  
 1818 to read:

1819 626.863 Claims referrals to licensed independent adjusters  
 1820 required; insurers' responsibility.—

- 1821 (1) An insurer may shall not knowingly refer any claim or  
 1822 loss for adjustment in this state to any person purporting to be  
 1823 or acting as an independent adjuster unless the person is  
 1824 currently licensed as an all-lines adjuster and appointed as an  
 1825 independent adjuster under this code.  
 1826 (2) Before referring any claim or loss, the insurer shall  
 1827 ascertain from the department whether the proposed independent

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1828 adjuster is currently licensed as an all-lines adjuster and  
 1829 appointed as an independent adjuster ~~such~~. Having ~~onee~~  
 1830 ascertained that a particular person is so licensed and  
 1831 appointed, the insurer may assume that he or she will continue  
 1832 to be so licensed and appointed until the insurer has knowledge,  
 1833 or receives information from the department, to the contrary.

1834 (3) This section does not apply to catastrophe or emergency  
 1835 adjusters as provided ~~for~~ in this part.

1836 Section 34. Section 626.864, Florida Statutes, is amended  
 1837 to read:

1838 626.864 Adjuster license types.—

1839 (1) A qualified individual may be licensed and appointed as  
 1840 either:

- 1841 (a) A public adjuster; or  
 1842 (b) An all-lines independent adjuster; ~~or~~  
 1843 ~~(c) A company employee adjuster.~~

1844 (2) The same individual may shall not be concurrently  
 1845 licensed appointed as a public adjuster and an all-lines  
 1846 adjuster to more than one of the adjuster types referred to in  
 1847 subsection (1).

1848 (3) An all-lines adjuster may be appointed as an  
 1849 independent adjuster or company employee adjuster, but not both  
 1850 concurrently.

1851 Section 35. Paragraph (e) is added to subsection (1) of  
 1852 section 626.865, Florida Statutes, to read:

1853 626.865 Public adjuster's qualifications, bond.—

1854 (1) The department shall issue a license to an applicant  
 1855 for a public adjuster's license upon determining that the  
 1856 applicant has paid the applicable fees specified in s. 624.501

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1857 and possesses the following qualifications:

1858 (e) Is licensed as a public adjuster apprentice under s.  
 1859 626.8651 and complies with the requirements of that license  
 1860 throughout the licensure period.

1861 Section 36. Section 626.866, Florida Statutes, is amended  
 1862 to read:

1863 626.866 All-lines adjuster ~~Independent adjuster's~~  
 1864 qualifications.—The department shall issue ~~a license to an~~  
 1865 ~~applicant for an~~ all-lines adjuster ~~independent adjuster's~~  
 1866 license to an applicant upon determining that the applicable  
 1867 license fee specified in s. 624.501 has been paid and that the  
 1868 applicant possesses the following qualifications:

- 1869 (1) Is a natural person at least 18 years of age.  
 1870 (2) Is a United States citizen or legal alien who possesses  
 1871 work authorization from the United States Bureau of Citizenship  
 1872 and Immigration Services and a bona fide resident of this state.  
 1873 (3) Is trustworthy and has such business reputation as  
 1874 would reasonably assure that the applicant will conduct his or  
 1875 her business as insurance adjuster fairly and in good faith and  
 1876 without detriment to the public.  
 1877 (4) Has had sufficient experience, training, or instruction  
 1878 concerning the adjusting of damage or loss under insurance  
 1879 contracts, other than life and annuity contracts, is  
 1880 sufficiently informed as to the terms and the effects of the  
 1881 provisions of such types of contracts, and possesses adequate  
 1882 knowledge of the insurance laws of this state relating to such  
 1883 contracts as to enable and qualify him or her to engage in the  
 1884 business of insurance adjuster fairly and without injury to the  
 1885 public or any member thereof with whom he or she may have

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1886 relations as an insurance adjuster and to adjust all claims in  
 1887 accordance with the policy or contract and the insurance laws of  
 1888 this state.

1889 (5) Has passed any required written examination or has met  
 1890 one of the exemptions prescribed under s. 626.221.

1891 Section 37. Section 626.867, Florida Statutes, is repealed.

1892 Section 38. Section 626.869, Florida Statutes, is amended  
 1893 to read:

1894 626.869 License, adjusters; continuing education.—

1895 (1) Having An ~~applicant for a license as an all-lines~~  
 1896 adjuster qualifies the licensee to adjust ~~may qualify and his or~~  
 1897 ~~her license when issued may cover adjusting in any one of the~~  
 1898 ~~following classes of insurance:~~

- 1899 ~~(a) all lines of insurance except life and annuities.~~  
 1900 ~~(b) Motor vehicle physical damage insurance.~~  
 1901 ~~(c) Property and casualty insurance.~~  
 1902 ~~(d) Workers' compensation insurance.~~  
 1903 ~~(e) Health insurance.~~

1904  
 1905 ~~No examination on workers' compensation insurance or health~~  
 1906 ~~insurance shall be required for public adjusters.~~

1907 (2) All individuals who on October 1, 1990, hold an  
 1908 adjuster's license and appointment limited to fire and allied  
 1909 lines, including marine or casualty or boiler and machinery, may  
 1910 remain licensed and appointed under the limited license and may  
 1911 renew their appointment, but ~~a~~ no license or appointment that  
 1912 ~~which~~ has been terminated, not renewed, suspended, or revoked  
 1913 may not shall be reinstated, and ~~no~~ new or additional licenses  
 1914 or appointments may not shall be issued.

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1915 (3) All individuals who on October 1, 2012, hold an  
 1916 adjuster's license and appointment limited to motor vehicle  
 1917 physical damage and mechanical breakdown, property and casualty,  
 1918 workers' compensation, or health insurance may remain licensed  
 1919 and appointed under such limited license and may renew their  
 1920 appointment, but a license that has been terminated, suspended,  
 1921 or revoked may not be reinstated, and new or additional licenses  
 1922 may not be issued. The applicant's application for license shall  
 1923 specify which of the foregoing classes of business the  
 1924 application for license is to cover.

1925 (4)(a) An Any individual holding a license as a public  
 1926 adjuster or an all-lines a company employee adjuster must  
 1927 complete all continuing education requirements as specified in  
 1928 s. 626.2815. or independent adjuster for 24 consecutive months  
 1929 or longer must, beginning in his or her birth month and every 2  
 1930 years thereafter, have completed 24 hours of courses, 2 hours of  
 1931 which relate to ethics, in subjects designed to inform the  
 1932 licensee regarding the current insurance laws of this state, so  
 1933 as to enable him or her to engage in business as an insurance  
 1934 adjuster fairly and without injury to the public and to adjust  
 1935 all claims in accordance with the policy or contract and the  
 1936 laws of this state.

1937 (b) Any individual holding a license as a public adjuster  
 1938 for 24 consecutive months or longer, beginning in his or her  
 1939 birth month and every 2 years thereafter, must have completed 24  
 1940 hours of courses, 2 hours of which relate to ethics, in subjects  
 1941 designed to inform the licensee regarding the current laws of  
 1942 this state pertaining to all lines of insurance other than life  
 1943 and annuities, the current laws of this state pertaining to the

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1944 ~~duties and responsibilities of public adjusters as set forth in~~  
 1945 ~~this part, and the current rules of the department applicable to~~  
 1946 ~~public adjusters and standard or representative policy forms~~  
 1947 ~~used by insurers, other than forms for life insurance and~~  
 1948 ~~annuities, so as to enable him or her to engage in business as~~  
 1949 ~~an adjuster fairly and without injury to the public and to~~  
 1950 ~~adjust all claims in accordance with the policy or contract and~~  
 1951 ~~laws of this state. In order to receive credit for continuing~~  
 1952 ~~education courses, public adjusters must take courses that are~~  
 1953 ~~specifically designed for public adjusters and approved by the~~  
 1954 ~~department, provided, however, no continuing education course~~  
 1955 ~~shall be required for public adjusters for workers' compensation~~  
 1956 ~~insurance or health insurance.~~

1957 (c) The department shall adopt rules necessary to implement  
 1958 and administer the continuing education requirements of this  
 1959 subsection. For good cause shown, the department may grant an  
 1960 extension of time during which the requirements imposed by this  
 1961 section may be completed, but such extension of time may not  
 1962 exceed 1 year.

1963 (d) A nonresident public adjuster must complete the  
 1964 continuing education requirements provided by this section;  
 1965 provided, a nonresident public adjuster may meet the  
 1966 requirements of this section if the continuing education  
 1967 requirements of the nonresident public adjuster's home state are  
 1968 determined to be substantially comparable to the requirements of  
 1969 this state's continuing education requirements and if the  
 1970 resident's state recognizes reciprocity with this state's  
 1971 continuing education requirements. A nonresident public adjuster  
 1972 whose home state does not have such continuing education

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1973 ~~requirements for adjusters, and who is not licensed as a~~  
 1974 ~~nonresident adjuster in a state that has continuing education~~  
 1975 ~~requirements and reciprocates with this state, must meet the~~  
 1976 ~~continuing education requirements of this section.~~

1977 (5) The regulation of continuing education for licensees,  
 1978 course providers, instructors, school officials, and monitor  
 1979 groups shall be as provided ~~for~~ in s. 626.2816.

1980 Section 39. Paragraph (c) of subsection (2) of section  
 1981 626.8697, Florida Statutes, is amended to read:

1982 626.8697 Grounds for refusal, suspension, or revocation of  
 1983 adjusting firm license.—

1984 (2) The department may, in its discretion, deny, suspend,  
 1985 revoke, or refuse to continue the license of any adjusting firm  
 1986 if it finds that any of the following applicable grounds exist  
 1987 with respect to the firm or any owner, partner, manager,  
 1988 director, officer, or other person who is otherwise involved in  
 1989 the operation of the firm:

1990 (c) Violation of an any order or rule of the department,  
 1991 office, or commission.

1992 Section 40. Subsections (1) and (5) of section 626.872,  
 1993 Florida Statutes, are amended to read:

1994 626.872 Temporary license.—

1995 (1) The department may, ~~in its discretion,~~ issue a  
 1996 temporary license as an all-lines independent adjuster ~~or as a~~  
 1997 ~~company employee adjuster,~~ subject to the following conditions:

1998 (a) The applicant must be an employee of an adjuster  
 1999 currently licensed by the department, ~~an employee of an~~  
 2000 ~~authorized insurer, or an employee of an established adjusting~~  
 2001 ~~firm or corporation~~ who ~~which~~ is supervised by a currently

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2002 licensed all-lines independent adjuster.

2003 ~~(b) The application must be accompanied by a certificate of~~  
 2004 ~~employment and a report as to the applicant's integrity and~~  
 2005 ~~moral character on a form prescribed by the department and~~  
 2006 ~~executed by the employer.~~

2007 ~~(b)(e)~~ The applicant must be a natural person of at least  
 2008 18 years of age, ~~must be~~ a bona fide resident of this state,  
 2009 ~~must be~~ trustworthy, and ~~must~~ have a such business reputation  
 2010 ~~that as~~ would reasonably ensure ~~assure~~ that the applicant will  
 2011 conduct his or her business as an adjuster fairly and in good  
 2012 faith and without detriment to the public.

2013 ~~(c)(d)~~ The applicant's employer is responsible for the  
 2014 adjustment acts of the temporary any licensee ~~under this~~  
 2015 ~~section.~~

2016 ~~(d)(e)~~ The applicable license fee ~~specified~~ must be paid  
 2017 before issuance of the temporary license.

2018 ~~(e)(f)~~ The temporary license is ~~shall be~~ effective for a  
 2019 ~~period of~~ 1 year, but is subject to earlier termination at the  
 2020 request of the employer, ~~or~~ if the licensee fails to take an  
 2021 examination as an all-lines independent adjuster ~~or company~~  
 2022 ~~employee adjuster~~ within 6 months after issuance of the  
 2023 temporary license, or if the temporary license is suspended or  
 2024 revoked by the department.

2025 (5) The department may ~~shall~~ not issue a temporary license  
 2026 as an all-lines independent adjuster ~~or as a company employee~~  
 2027 ~~adjuster~~ to an any individual who has ~~ever~~ held such a license  
 2028 in this state.

2029 Section 41. Section 626.873, Florida Statutes, is repealed.

2030 Section 42. Section 626.8734, Florida Statutes, is amended

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2031 to read:

2032 626.8734 Nonresident all-lines adjuster license independent  
 2033 ~~adjuster's~~ qualifications.-

2034 (1) The department shall, ~~upon application therefor,~~ issue  
 2035 a license to an applicant for a nonresident all-lines adjuster  
 2036 ~~independent adjuster's~~ license upon determining that the  
 2037 applicant has paid the applicable license fees required under s.  
 2038 624.501 and:

2039 (a) Is a natural person at least 18 years of age.

2040 (b) Has passed to the satisfaction of the department a  
 2041 written Florida all-lines adjuster independent adjuster's  
 2042 examination of the scope prescribed in s. 626.241(6); however,  
 2043 the requirement for the examination does not apply to ~~any of the~~  
 2044 ~~following:~~

2045 1. An applicant who is licensed as an all-lines a resident  
 2046 ~~independent adjuster~~ in his or her home state if of residence  
 2047 ~~when that state has entered into requires the passing of a~~  
 2048 ~~written examination in order to obtain the license and a~~  
 2049 ~~reciprocal agreement with the appropriate official of that state~~  
 2050 ~~has been entered into by the department; or~~

2051 2. An applicant who is licensed as a nonresident all-lines  
 2052 ~~independent adjuster~~ in a state other than his or her home state  
 2053 ~~of residence when the state of licensure requires the passing of~~  
 2054 ~~a written examination in order to obtain the license and a~~  
 2055 ~~reciprocal agreement with the appropriate official of the state~~  
 2056 ~~of licensure has been entered into with by the department.~~

2057 (c) Is licensed as an all-lines adjuster and is self-  
 2058 appointed, or appointed and employed by an independent adjusting  
 2059 firm or other independent adjuster, or is an employee of an

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2060 insurer admitted to do business in this state, a wholly owned  
 2061 subsidiary of an insurer admitted to business in this state, or  
 2062 other insurers under the common control or ownership of such  
 2063 ~~insurers self-employed or associated with or employed by an~~  
 2064 ~~independent adjusting firm or other independent adjuster.~~  
 2065 Applicants licensed as nonresident all-lines independent  
 2066 adjusters under this section must be appointed as an independent  
 2067 adjuster or company employee adjuster ~~such~~ in accordance with  
 2068 ~~the provisions of~~ ss. 626.112 and 626.451. Appointment fees as  
 2069 ~~in the amount~~ specified in s. 624.501 must be paid to the  
 2070 department in advance. The appointment of a nonresident  
 2071 independent adjuster continues ~~shall continue~~ in force until  
 2072 suspended, revoked, or otherwise terminated, but is subject to  
 2073 biennial renewal or continuation by the licensee in accordance  
 2074 with ~~procedures prescribed in~~ s. 626.381 for licensees in  
 2075 general.

2076 (d) Is trustworthy and has such business reputation as  
 2077 would reasonably ensure ~~assure~~ that he or she will conduct his  
 2078 or her business as a nonresident all-lines independent adjuster  
 2079 fairly and in good faith and without detriment to the public.

2080 (e) Has had sufficient experience, training, or instruction  
 2081 concerning the adjusting of damages or losses under insurance  
 2082 contracts, other than life and annuity contracts; is  
 2083 sufficiently informed as to the terms and effects of ~~the~~  
 2084 ~~provisions of~~ those types of insurance contracts; and possesses  
 2085 adequate knowledge of the laws of this state relating to such  
 2086 contracts as to enable and qualify him or her to engage in the  
 2087 business of insurance adjuster fairly and without injury to the  
 2088 public or any member thereof with whom he or she may have

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2089 business as an all-lines independent adjuster.

2090 (2) The applicant ~~must shall~~ furnish the following with his  
2091 or her application:

2092 (a) A complete set of his or her fingerprints. The  
2093 applicant's fingerprints must be certified by an authorized law  
2094 enforcement officer.

2095 (b) If currently licensed as an all-lines a resident  
2096 ~~independent~~ adjuster in the applicant's home state of residence,  
2097 a certificate or letter of authorization from the licensing  
2098 authority of the applicant's home state of residence, stating  
2099 that the applicant holds a current license to act as an all-  
2100 lines independent adjuster. The Such certificate or letter of  
2101 authorization must be signed by the insurance commissioner, or  
2102 his or her deputy or the appropriate licensing official, and  
2103 must disclose whether the adjuster has ever had a any license or  
2104 eligibility to hold any license declined, denied, suspended,  
2105 revoked, or placed on probation or whether an administrative  
2106 fine or penalty has been levied against the adjuster and, if so,  
2107 the reason for the action. Such certificate or letter is not  
2108 required if the nonresident applicant's licensing status can be  
2109 verified through the Producer Database maintained by the  
2110 National Association of Insurance Commissioners, its affiliates,  
2111 or subsidiaries.

2112 (c) If the applicant's home state of residence does not  
2113 require licensure as an all-lines independent adjuster and the  
2114 applicant has been licensed as a resident insurance adjuster,  
2115 agent, broker, or other insurance representative in his or her  
2116 home state of residence or any other state within the past 3  
2117 years, a certificate or letter of authorization from the

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2118 licensing authority stating that the applicant holds or has held  
2119 a license to act as an insurance adjuster, agent, or other  
2120 insurance representative. The certificate or letter of  
2121 authorization must be signed by the insurance commissioner, or  
2122 his or her deputy or the appropriate licensing official, and  
2123 must disclose whether the adjuster, agent, or other insurance  
2124 representative has ever had a any license or eligibility to hold  
2125 any license declined, denied, suspended, revoked, or placed on  
2126 probation or whether an administrative fine or penalty has been  
2127 levied against the adjuster and, if so, the reason for the  
2128 action. Such certificate or letter is not required if the  
2129 nonresident applicant's licensing status can be verified through  
2130 the Producer Database maintained by the National Association of  
2131 Insurance Commissioners, its affiliates, or subsidiaries.

2132 (3) The usual and customary records pertaining to  
2133 transactions under the license of a nonresident all-lines  
2134 ~~independent~~ adjuster must be retained for at least 3 years after  
2135 completion of the adjustment and ~~must~~ be made available in this  
2136 state to the department upon request. The failure of a  
2137 nonresident all-lines independent adjuster to properly maintain  
2138 records and make them available to the department upon request  
2139 constitutes grounds for the immediate suspension of the license  
2140 issued under this section.

2141 (4) ~~After licensure as a nonresident independent adjuster,~~  
2142 As a condition of doing business in this state as a nonresident  
2143 independent adjuster, the appointee must licensee must annually  
2144 ~~on or before January 1, on a form prescribed by the department,~~  
2145 submit an affidavit to the department certifying that the  
2146 licensee is familiar with and understands the insurance laws and

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2147 administrative rules of this state and the provisions of the  
 2148 contracts negotiated or to be negotiated. Compliance with this  
 2149 filing requirement is a condition precedent to the issuance,  
 2150 continuation, reinstatement, or renewal of a nonresident  
 2151 independent adjuster's appointment.

2152 Section 43. Section 626.8736, Florida Statutes, is amended  
 2153 to read:

2154 626.8736 Nonresident independent or public adjusters;  
 2155 service of process.—

2156 (1) Each licensed nonresident ~~independent or public~~  
 2157 adjuster or all-lines adjuster appointed as an independent  
 2158 adjuster shall appoint the Chief Financial Officer and his or  
 2159 her successors in office as his or her attorney to receive  
 2160 service of legal process issued against such the nonresident  
 2161 ~~independent or public~~ adjuster in this state, upon causes of  
 2162 action arising within this state out of transactions under his  
 2163 license and appointment. Service upon the Chief Financial  
 2164 Officer as attorney constitutes ~~shall constitute~~ effective legal  
 2165 service upon the nonresident independent or public adjuster.

2166 (2) The appointment of the Chief Financial Officer for  
 2167 service of process ~~is shall be~~ irrevocable ~~for~~ as long as there  
 2168 could be any cause of action against the nonresident ~~independent~~  
 2169 ~~or public adjuster or all-lines adjuster appointed as an~~  
 2170 independent adjuster arising out of his or her insurance  
 2171 transactions in this state.

2172 (3) Duplicate copies of legal process against the  
 2173 nonresident ~~independent or public adjuster or all-lines adjuster~~  
 2174 appointed as an independent adjuster shall be served upon the  
 2175 Chief Financial Officer by a person competent to serve a

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2176 summons.

2177 (4) Upon receiving the service, the Chief Financial Officer  
 2178 shall ~~forthwith~~ send one of the copies of the process, by  
 2179 registered mail with return receipt requested, to the defendant  
 2180 nonresident ~~independent or public adjuster or all-lines adjuster~~  
 2181 appointed as an independent adjuster at his or her last address  
 2182 of record with the department.

2183 (5) The Chief Financial Officer shall keep a record of the  
 2184 day and hour of service upon him or her of all legal process  
 2185 received under this section.

2186 Section 44. Subsection (1) of section 626.874, Florida  
 2187 Statutes, is amended to read:

2188 626.874 Catastrophe or emergency adjusters.—

2189 (1) In the event of a catastrophe or emergency, the  
 2190 department may issue a license, for the purposes and under the  
 2191 conditions ~~which it shall fix~~ and for the period of emergency as  
 2192 it shall determine, to persons who are residents or nonresidents  
 2193 of this state, who are at least 18 years of age, who are United  
 2194 States citizens or legal aliens who possess work authorization  
 2195 from the United States Bureau of Citizenship and Immigration  
 2196 Services, and who are not licensed adjusters under this part but  
 2197 who have been designated and certified to it as qualified to act  
 2198 as adjusters by all-lines independent resident adjusters, ~~or~~ by  
 2199 an authorized insurer, or by a licensed general lines agent to  
 2200 adjust claims, losses, or damages under policies or contracts of  
 2201 insurance issued by such insurers. The fee for the license is  
 2202 ~~shall be~~ as provided in s. 624.501(12)(c).

2203 Section 45. Subsection (1) of section 626.875, Florida  
 2204 Statutes, is amended to read:

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2205 626.875 Office and records.-

2206 (1) ~~Each appointed~~ Every licensed independent adjuster and  
 2207 every licensed public adjuster must ~~shall have and~~ maintain in  
 2208 ~~this state~~ a place of business in this state which is accessible  
 2209 to the public and keep therein the usual and customary records  
 2210 pertaining to transactions under the license. This provision  
 2211 ~~does shall not be deemed to~~ prohibit maintenance of such an  
 2212 office in the home of the licensee.

2213 Section 46. Section 626.876, Florida Statutes, is amended  
 2214 to read:

2215 626.876 Exclusive employment; public adjusters, independent  
 2216 adjusters.-

2217 (1) An ~~No~~ individual licensed and appointed as a public  
 2218 adjuster may not ~~shall~~ be ~~se~~ employed during the same period by  
 2219 more than one public adjuster or public adjuster firm or  
 2220 corporation.

2221 (2) An ~~No~~ individual licensed as an all-lines adjuster and  
 2222 appointed as an independent adjuster may not ~~shall~~ be ~~se~~  
 2223 employed during the same period by more than one independent  
 2224 adjuster or independent adjuster firm or corporation.

2225 Section 47. Subsections (5), (6), and (7) of section  
 2226 626.927, Florida Statutes, are amended to read:

2227 626.927 Licensing of surplus lines agent.-

2228 ~~(5) The applicant must file and thereafter maintain the~~  
 2229 ~~bond as required under s. 626.928.~~

2230 ~~(5)(6)~~ Examinations as to surplus lines, as required under  
 2231 subsections (1) and (2), are ~~shall be~~ subject to the provisions  
 2232 of part I as applicable to applicants for licenses in general.  
 2233 ~~No such examination shall be required as to persons who held a~~

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2234 ~~Florida surplus lines agent's license as of January 1, 1959,~~  
 2235 ~~except when examinations subsequent to issuance of an initial~~  
 2236 ~~license are provided for in general under part I.~~

2237 ~~(6)(7)~~ An ~~Any~~ individual who has been licensed by the  
 2238 department as a surplus lines agent as provided in this section  
 2239 may be subsequently appointed without additional written  
 2240 examination if his or her application for appointment is filed  
 2241 with the department within 48 months after ~~next following~~ the  
 2242 date of cancellation or expiration of the prior appointment. The  
 2243 department may, ~~in its discretion,~~ require an ~~any~~ individual to  
 2244 take and successfully pass an examination as for original  
 2245 issuance of license as a condition precedent to the  
 2246 reinstatement or continuation of the licensee's current license  
 2247 or reinstatement or continuation of the licensee's appointment.

2248 Section 48. Section 626.928, Florida Statutes, is repealed.

2249 Section 49. Section 626.933, Florida Statutes, is amended  
 2250 to read:

2251 626.933 Collection of tax and service fee.-If the tax or  
 2252 service fee payable by a surplus lines agent under the ~~this~~  
 2253 Surplus Lines Law is not so paid within the time prescribed, it  
 2254 ~~the same~~ shall be recoverable in a suit brought by the  
 2255 department against the surplus lines agent ~~and the surety or~~  
 2256 ~~sureties on the bond filed by the surplus lines agent under s.~~  
 2257 ~~626.928.~~ The department may authorize the Florida Surplus Lines  
 2258 Service Office to file suit on its behalf. All costs and  
 2259 expenses incurred in a suit brought by the office which are not  
 2260 recoverable from the agent or surety shall be borne by the  
 2261 office.

2262 Section 50. Subsection (1) of section 626.935, Florida

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2263 Statutes, is amended to read:

2264 626.935 Suspension, revocation, or refusal of surplus lines  
2265 agent's license.—2266 (1) The department shall deny an application for, suspend,  
2267 revoke, or refuse to renew the appointment of a surplus lines  
2268 agent and all other licenses and appointments held by the  
2269 licensee under this code, ~~on~~ upon any of the following grounds:2270 (a) Removal of the licensee's office from the licensee's  
2271 state of residence.2272 (b) Removal of the accounts and records of his or her  
2273 surplus lines business from this state or the licensee's state  
2274 of residence during the period when such accounts and records  
2275 are required to be maintained under s. 626.930.2276 (c) Closure of the licensee's office for ~~a period of~~ more  
2277 than 30 consecutive days.2278 (d) Failure to make and file his or her affidavit or  
2279 reports when due as required by s. 626.931.2280 (e) Failure to pay the tax or service fee on surplus lines  
2281 premiums, as provided ~~for~~ in the ~~this~~ Surplus Lines Law.2282 ~~(f) Failure to maintain the bond as required by s. 626.928.~~2283 ~~(f)(g)~~ Suspension, revocation, or refusal to renew or  
2284 continue the license or appointment as a general lines agent,  
2285 service representative, or managing general agent.2286 ~~(g)(h)~~ Lack of qualifications as for an original surplus  
2287 lines agent's license.2288 ~~(h)(i)~~ Violation of this Surplus Lines Law.2289 ~~(i)(j)~~ For any other applicable cause for which the license  
2290 of a general lines agent could be suspended, revoked, or refused  
2291 under s. 626.611 or s. 626.621.

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2292 Section 51. Paragraph (b) of subsection (1) of section  
2293 627.952, Florida Statutes, is amended to read:

2294 627.952 Risk retention and purchasing group agents.—

2295 (1) Any person offering, soliciting, selling, purchasing,  
2296 administering, or otherwise servicing insurance contracts,  
2297 certificates, or agreements for any purchasing group or risk  
2298 retention group to any resident of this state, either directly  
2299 or indirectly, by the use of mail, advertising, or other means  
2300 of communication, shall obtain a license and appointment to act  
2301 as a resident general lines agent, if a resident of this state,  
2302 or a nonresident general lines agent if not a resident. Any such  
2303 person shall be subject to all requirements of the Florida  
2304 Insurance Code.2305 (b) Any person required to be licensed and appointed under  
2306 ~~by~~ this subsection, in order to place business through Florida  
2307 eligible surplus lines carriers, ~~must shall~~, if a resident of  
2308 this state, be licensed and appointed as a surplus lines agent.  
2309 ~~Any such person,~~ If not a resident of this state, such person  
2310 ~~must shall~~ be licensed and appointed as a surplus lines agent in  
2311 her or his state of residence and ~~shall~~ file and ~~thereafter~~  
2312 maintain a fidelity bond in favor of the people of the State of  
2313 Florida executed by a surety company admitted in this state and  
2314 payable to the State of Florida; ~~provided, however, any~~  
2315 ~~activities carried out by~~ such nonresident is pursuant to this  
2316 ~~part shall be~~ limited to the provision of insurance for  
2317 purchasing groups. The bond ~~must shall~~ be continuous in form and  
2318 ~~maintained~~ in the amount of not less than \$50,000, aggregate  
2319 liability set out in s. 626.928. The bond ~~must shall~~ remain in  
2320 force and effect until the surety is released from liability by

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2321 the department or until the bond is canceled by the surety. The  
 2322 surety may cancel the bond and be released from further  
 2323 liability ~~thereunder~~ upon 30 days' prior written notice to the  
 2324 department. The cancellation does ~~shall~~ not affect any liability  
 2325 incurred or accrued ~~thereunder~~ before the termination of the 30-  
 2326 day period. Upon receipt of a notice of cancellation, the  
 2327 department shall immediately notify the agent.

2328 Section 52. Subsections (1) and (2) of section 635.051,  
 2329 Florida Statutes, are amended to read:

2330 635.051 Licensing and appointment of mortgage guaranty  
 2331 insurance agents.-

2332 (1) Effective October 1, 2012, a person may not transact  
 2333 mortgage guaranty insurance unless licensed and appointed as a  
 2334 credit insurance agent in accordance with the applicable  
 2335 provisions of the insurance code. Mortgage guaranty licenses  
 2336 held by persons on October 1, 2012, shall be transferred to a  
 2337 credit insurance agent license. Persons who wish to obtain a new  
 2338 license identification card that reflects this change must  
 2339 submit the \$5 fee as prescribed in s. 624.501(15). ~~Agents of~~  
 2340 ~~mortgage guaranty insurers shall be licensed and appointed and~~  
 2341 ~~shall be subject to the same qualifications and requirements~~  
 2342 ~~applicable to general lines agents under the laws of this state,~~  
 2343 ~~except that:~~

2344 ~~(a) Particular preliminary specialized education or~~  
 2345 ~~training is not required of an applicant for such an agent's~~  
 2346 ~~license, and continuing education is not required for renewal of~~  
 2347 ~~the agent's appointment if, as part of the application for~~  
 2348 ~~license and appointment, the insurer guarantees that the~~  
 2349 ~~applicant will receive the necessary training to enable him or~~

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2350 ~~her properly to hold himself or herself out to the public as a~~  
 2351 ~~mortgage guaranty insurance agent and if the department, in its~~  
 2352 ~~discretion, accepts such guaranty;~~

2353 ~~(b) The agent's license and appointment shall be a limited~~  
 2354 ~~license, limited to the handling of mortgage guaranty insurance~~  
 2355 ~~only; and~~

2356 ~~(c) An examination may be required of an applicant for such~~  
 2357 ~~a license if the insurer fails to provide the guaranty described~~  
 2358 ~~in paragraph (a).~~

2359 (2) Any general lines agent licensed under chapter 626 is  
 2360 qualified to represent a mortgage guaranty insurer without  
 2361 additional licensure examination.

2362 Section 53. Subsection (1) of section 648.34, Florida  
 2363 Statutes, is amended to read

2364 648.34 Bail bond agents; qualifications.-

2365 (1) An application for licensure as a bail bond agent must  
 2366 be submitted on forms prescribed by the department. The  
 2367 application must include the applicant's full name, date of  
 2368 birth, social security number, residence address, business  
 2369 address, mailing address, contact telephone numbers, including a  
 2370 business telephone number and e-mail address.

2371 Section 54. Subsection (2) of section 648.38, Florida  
 2372 Statutes, is amended to read:

2373 648.38 Licensure examination for bail bond agents; time;  
 2374 place; fees; scope.-

2375 (2) The department or a person designated by the department  
 2376 shall provide ~~mail-written~~ notice of the time and place of the  
 2377 examination to each applicant for licensure required to take an  
 2378 examination who will be eligible to take the examination as of

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2379 the examination date. The notice shall be e-mailed ~~so mailed,~~  
 2380 ~~postage prepaid, and addressed to the applicant at the e-mail~~  
 2381 ~~his or her address shown on his or her application for licensure~~  
 2382 ~~or at such other address as requested by the applicant in~~  
 2383 ~~writing filed with the department prior to the mailing of the~~  
 2384 ~~notice.~~ Notice shall be deemed given when so mailed.

2385 Section 55. Section 648.385, Florida Statutes, is amended  
 2386 to read:

2387 648.385 Continuing education required; application;  
 2388 exceptions; requirements; penalties.—

2389 (1) The purpose of this section is to establish  
 2390 requirements and standards for continuing education courses for  
 2391 persons authorized to write bail bonds in this state.

2392 (2)(a) Each person subject to ~~the provisions of this~~  
 2393 ~~chapter must complete a minimum of 14 hours of continuing~~  
 2394 ~~education courses every 2 years as specified in s. 626.2815 in~~  
 2395 ~~courses approved by the department. Compliance with continuing~~  
 2396 ~~education requirements is a condition precedent to the issuance,~~  
 2397 ~~continuation, or renewal of any appointment subject to the~~  
 2398 ~~provisions of this chapter.~~

2399 ~~(b) A person teaching any approved course of instruction or~~  
 2400 ~~lecturing at any approved seminar and attending the entire~~  
 2401 ~~course or seminar shall qualify for the same number of classroom~~  
 2402 ~~hours as would be granted to a person taking and successfully~~  
 2403 ~~completing such course, seminar, or program. Credit shall be~~  
 2404 ~~limited to the number of hours actually taught unless a person~~  
 2405 ~~attends the entire course or seminar.~~

2406 ~~(c) For good cause shown, the department may grant an~~  
 2407 ~~extension of time during which the requirements imposed by this~~

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2408 ~~section may be completed, but such extension of time may not~~  
 2409 ~~exceed 1 year.~~

2410 ~~(3)(a) Any bail-related course developed or sponsored by~~  
 2411 ~~any authorized insurer or recognized bail bond agents'~~  
 2412 ~~association, or any independent study program of instruction,~~  
 2413 ~~subject to approval by the department, qualifies for the~~  
 2414 ~~equivalency of the number of classroom hours assigned to such~~  
 2415 ~~course by the department. However, unless otherwise provided in~~  
 2416 ~~this section, continuing education credit may not be credited~~  
 2417 ~~toward meeting the requirements of this section unless the~~  
 2418 ~~course is provided by classroom instruction or results in a~~  
 2419 ~~monitored examination.~~

2420 ~~(b) Each person or entity sponsoring a course for~~  
 2421 ~~continuing education credit must furnish, within 30 days after~~  
 2422 ~~completion of the course, in a form satisfactory to the~~  
 2423 ~~department or its designee, a written and certified roster~~  
 2424 ~~showing the name and license number of all persons successfully~~  
 2425 ~~completing such course and requesting credit, accompanied by the~~  
 2426 ~~required fee. The department shall refuse to issue, continue, or~~  
 2427 ~~renew the appointment of any bail bond agent who has not had the~~  
 2428 ~~continuing education requirements certified unless the agent has~~  
 2429 ~~been granted an extension by the department.~~

2430 Section 56. Section 648.421, Florida Statutes, is amended  
 2431 to read

2432 648.421 Notice of change of address or telephone number.—  
 2433 Each licensee under this chapter must shall ~~shall~~ notify, in writing,  
 2434 the department, insurer, managing general agent, and the clerk  
 2435 of each court in which the licensee is registered within 10  
 2436 working days after a change in the licensee's principal business

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2437 address or telephone number. The licensee must ~~shall~~ also notify  
 2438 the department within 10 working days after a change of the  
 2439 name, address, or telephone number of each agency or firm for  
 2440 which he or she writes bonds and any change in the licensee's  
 2441 name, home address, e-mail address, or telephone number.

2442 Section 57. Subsection (1) of section 903.27, Florida  
 2443 Statutes, is amended to read:

2444 903.27 Forfeiture to judgment.—

2445 (1) If the forfeiture is not paid or discharged by court  
 2446 ~~order of a court of competent jurisdiction~~ within 60 days and  
 2447 the bond is secured other than by money and bonds authorized  
 2448 under ~~in~~ s. 903.16, the clerk of the circuit court for the  
 2449 county where the order was made shall enter a judgment against  
 2450 the surety for the amount of the penalty and issue execution.  
 2451 However, if in any case in which the bond forfeiture has been  
 2452 ~~discharged by the court of competent jurisdiction~~ conditioned  
 2453 upon the payment by the surety of certain costs or fees as  
 2454 allowed by statute, the amount for which judgment may be entered  
 2455 may not exceed the amount of the unpaid fees or costs upon which  
 2456 the discharge had been conditioned. Judgment for the full amount  
 2457 of the forfeiture may ~~shall~~ not be entered if payment of a  
 2458 lesser amount will satisfy the conditions to discharge the  
 2459 forfeiture. Within 10 days, the clerk shall furnish the  
 2460 ~~Department of Financial Services and the Office of Insurance~~  
 2461 ~~Regulation of the Financial Services Commission with a certified~~  
 2462 ~~copy of the judgment docket and shall furnish the~~ surety company  
 2463 ~~at its home office~~ a copy of the judgment at its home office,  
 2464 which includes ~~shall include~~ the power of attorney number of the  
 2465 bond and the name of the executing agent. If the judgment is not

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2466 paid within 60 ~~35~~ days, the clerk shall furnish ~~the Department~~  
 2467 ~~of Financial Services~~, the Office of Insurance Regulation, and  
 2468 the sheriff of the county in which the bond was executed, or the  
 2469 official responsible for operation of the county jail, if other  
 2470 than the sheriff, two certified copies of the transcript of the  
 2471 docket of the judgment and a certificate stating that the  
 2472 judgment remains unsatisfied. ~~When and~~ If the judgment is  
 2473 properly paid or a court ~~an~~ order to vacate the judgment has  
 2474 been entered ~~by a court of competent jurisdiction~~, the clerk  
 2475 shall immediately notify the sheriff, or the official  
 2476 responsible for the operation of the county jail, if other than  
 2477 the sheriff, ~~and the Department of Financial Services and the~~  
 2478 ~~Office of Insurance Regulation~~, if the ~~department and~~ office had  
 2479 been previously notified of nonpayment, of such payment or order  
 2480 to vacate the judgment. The clerk shall also immediately prepare  
 2481 and record in the public records a satisfaction of the judgment  
 2482 or record the order to vacate judgment. If the defendant is  
 2483 returned to the county of jurisdiction of the court and,  
 2484 ~~whenever~~ a motion to set aside the judgment is filed, the  
 2485 operation of this section is tolled until the court makes a  
 2486 disposition of the motion.

2487 Section 58. Except as otherwise expressly provided in this  
 2488 act, this act shall take effect October 1, 2012.

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## THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

### COMMITTEES:

Banking and Insurance, *Chair*  
Budget  
Budget - Subcommittee on Health and Human Services  
Appropriations  
Community Affairs  
Judiciary  
Rules  
Rules - Subcommittee on Ethics and Elections

### JOINT COMMITTEE:

Legislative Budget Commission

**SENATOR GARRETT RICHTER**  
37th District

January 12, 2012

The Honorable Alan Hays, Chair  
Committee on General Government Appropriations  
201 The Capitol  
404 South Monroe Street  
Tallahassee, FL 32399-1100

Dear Chairman Hays:

Senate Bill 938, related to Insurance Agents and Adjusters, has been referred to General Government Appropriations as its second committee of reference. SB 938 passed favorably through the Banking & Insurance committee by unanimous vote. I would appreciate the placing of this bill on your committee's next available agenda.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Garrett Richter".

Garrett Richter

cc: Jamie DeLoach, Staff Director

### REPLY TO:

- 3299 East Tamiami Trail, Suite 203, Naples, Florida 34112 (239) 417-6205
- 1039 S.E. 9th Place, Room 310, Cape Coral, Florida 33990 (239) 338-2777
- 322 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5124

Senate's Website: [www.flsenate.gov](http://www.flsenate.gov)

**MIKE HARIDOPOLOS**  
President of the Senate

**MICHAEL S. "MIKE" BENNETT**  
President Pro Tempore

**THE FLORIDA SENATE**  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/19/12  
Meeting Date

Topic SB 938

Bill Number 938  
*(if applicable)*

Name Logan McFaddin

Amendment Barcode \_\_\_\_\_  
*(if applicable)*

Job Title Director of Legislative Affairs

Address 200 E. Gaines St.  
*Street*

Phone 413-2890

Tallahassee FL 32399  
*City State Zip*

E-mail logan.mcfaddin@myfloridacfo.com

Speaking:  For  Against  Information

Representing Department of Financial Services

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

**This form is part of the public record for this meeting.**

# South Florida Water Management District Preliminary FY13 Budget

**Senate General Government Appropriations  
Sub-Committee  
Senator Alan Hays, Chair  
January 12, 2012**

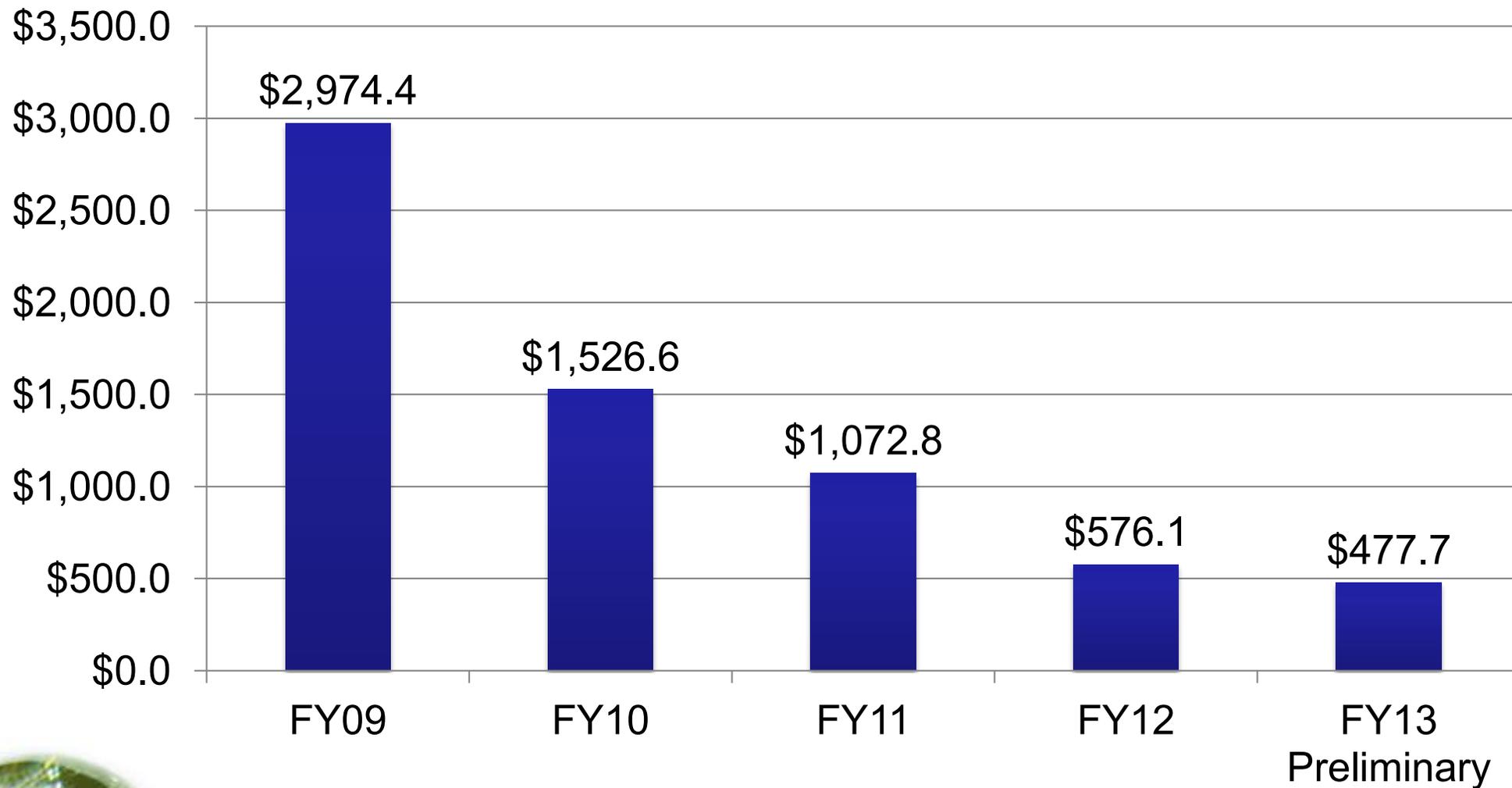
*Ernie Barnett  
Director of Everglades Policy*

# Agency Core Mission Strategic Priorities

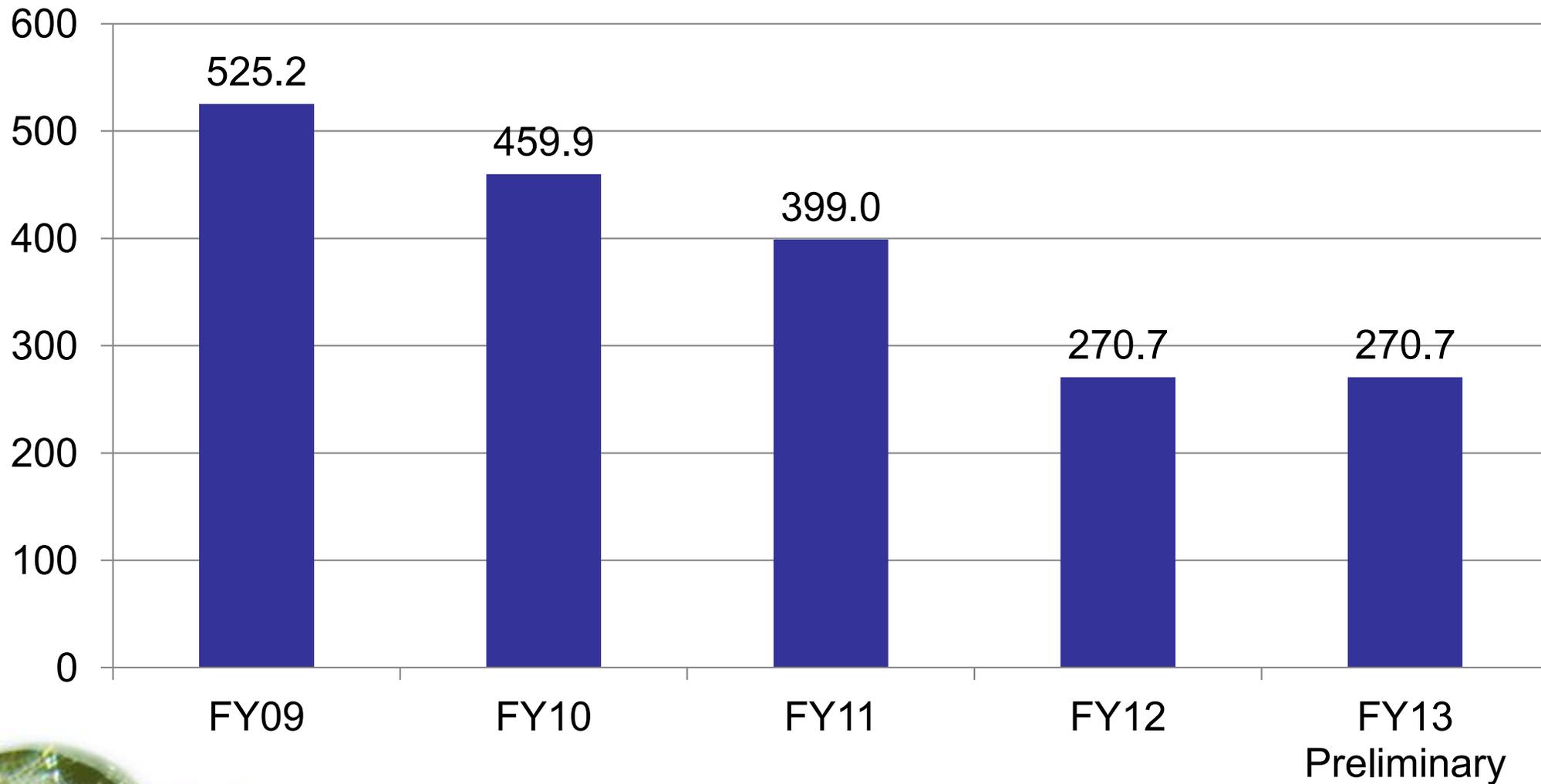
- Refurbish, replace, improve and manage the regional water management system
- Restore the Northern and Southern Everglades
- Meet the current and future demands of water users and the environment



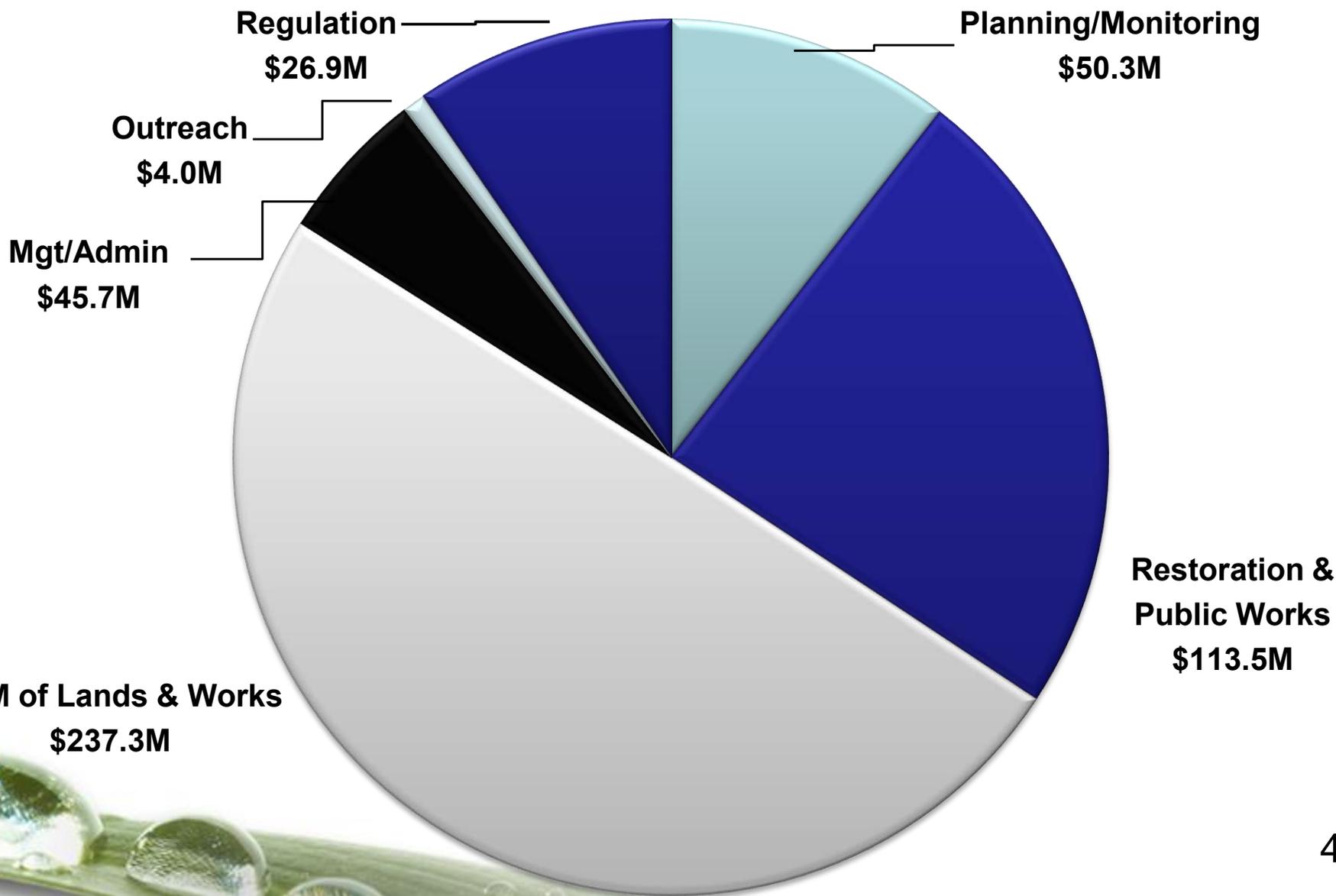
# 5-Year Adopted Budget History (In millions)



# 5-Year Ad Valorem Revenue History (In millions)



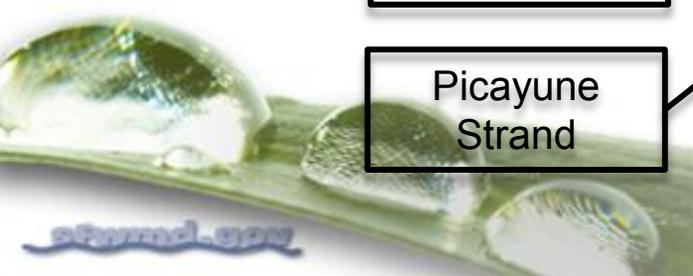
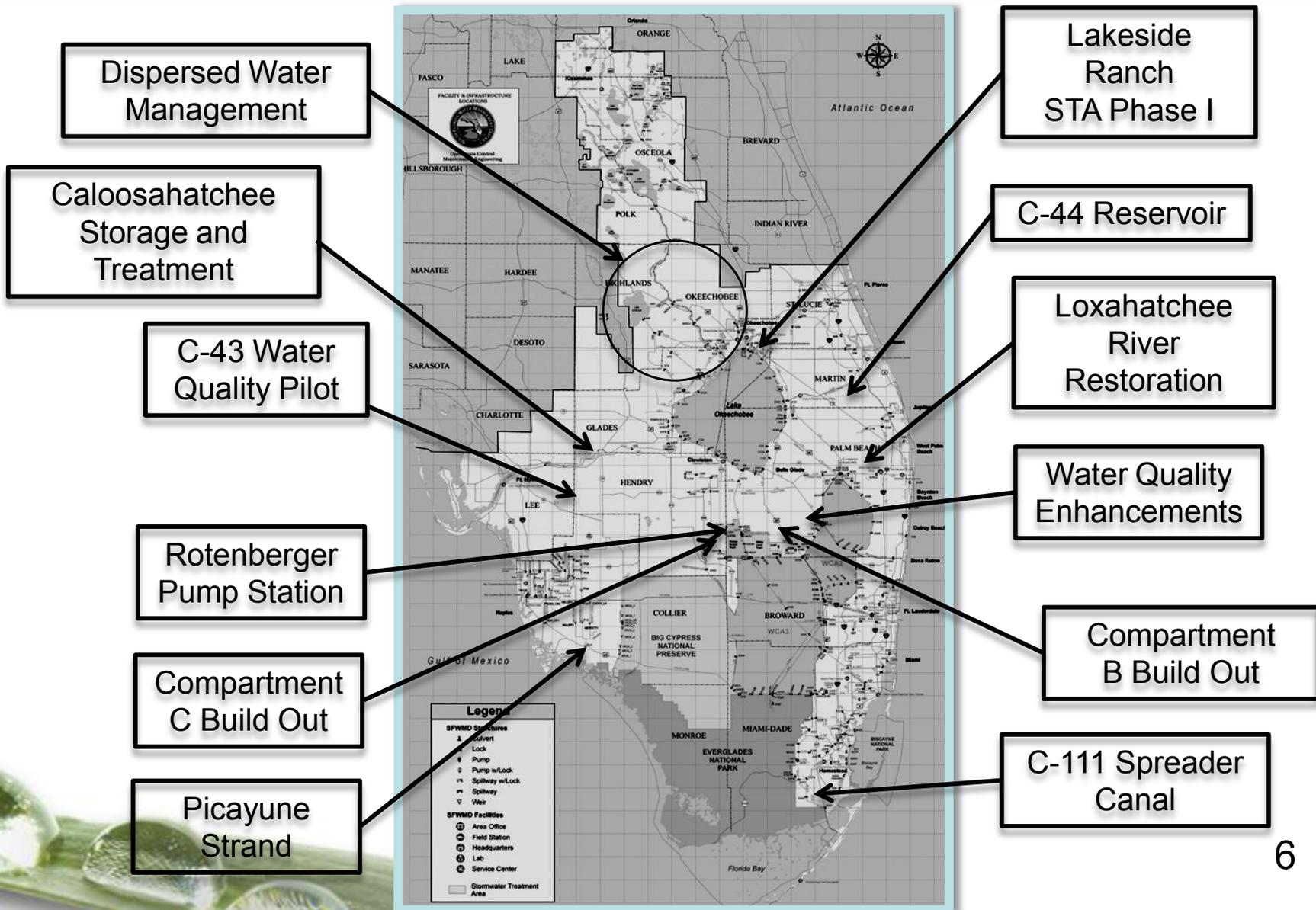
# FY13 Preliminary Budget \$477.7M



# Preliminary FY13 Budget

- \$128.3M long-term Ad Valorem reduction required by SB2142
  - Implemented in a phased approach
  - \$104.5M reduction of achieved in FY12
  - Use of one-time reserves
  - Full reduction realized in FY2014
- FY13 reduction goal of at least \$11.9M
  - ~\$4.5M identified for reduction so far
  - \$11.9M of one-time balance available for FY13
  - Reviewing: vacancies; benefits; monitoring, science & research; regulatory activities; surplus lands; fleet; back office functions; facilities

# Preliminary FY13 Budget – Key Projects Everglades Restoration



# Preliminary FY13 Budget – Key Projects Operations & Maintenance

District Wide  
50 year Capitol  
Improvement  
Plan

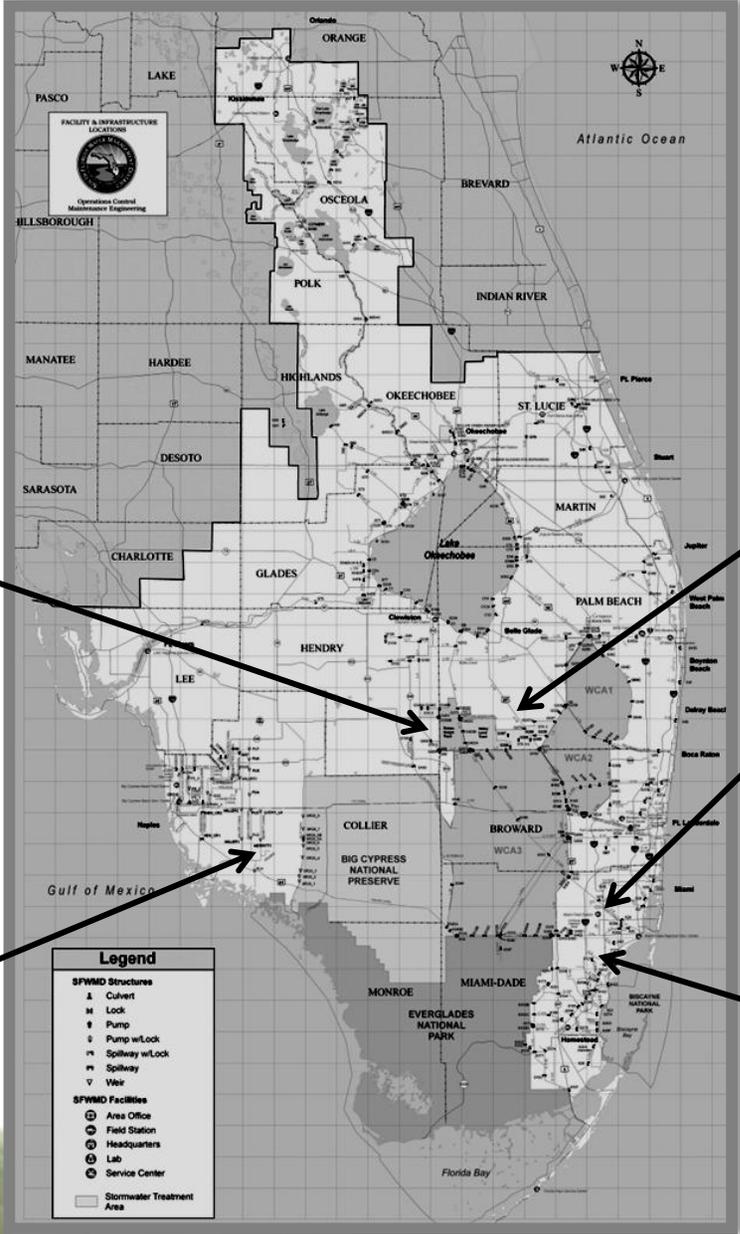
Compartment C

Picayune Strand  
Merritt Pump  
Station Operations

Compartment B

Deering Estates  
Flow Way

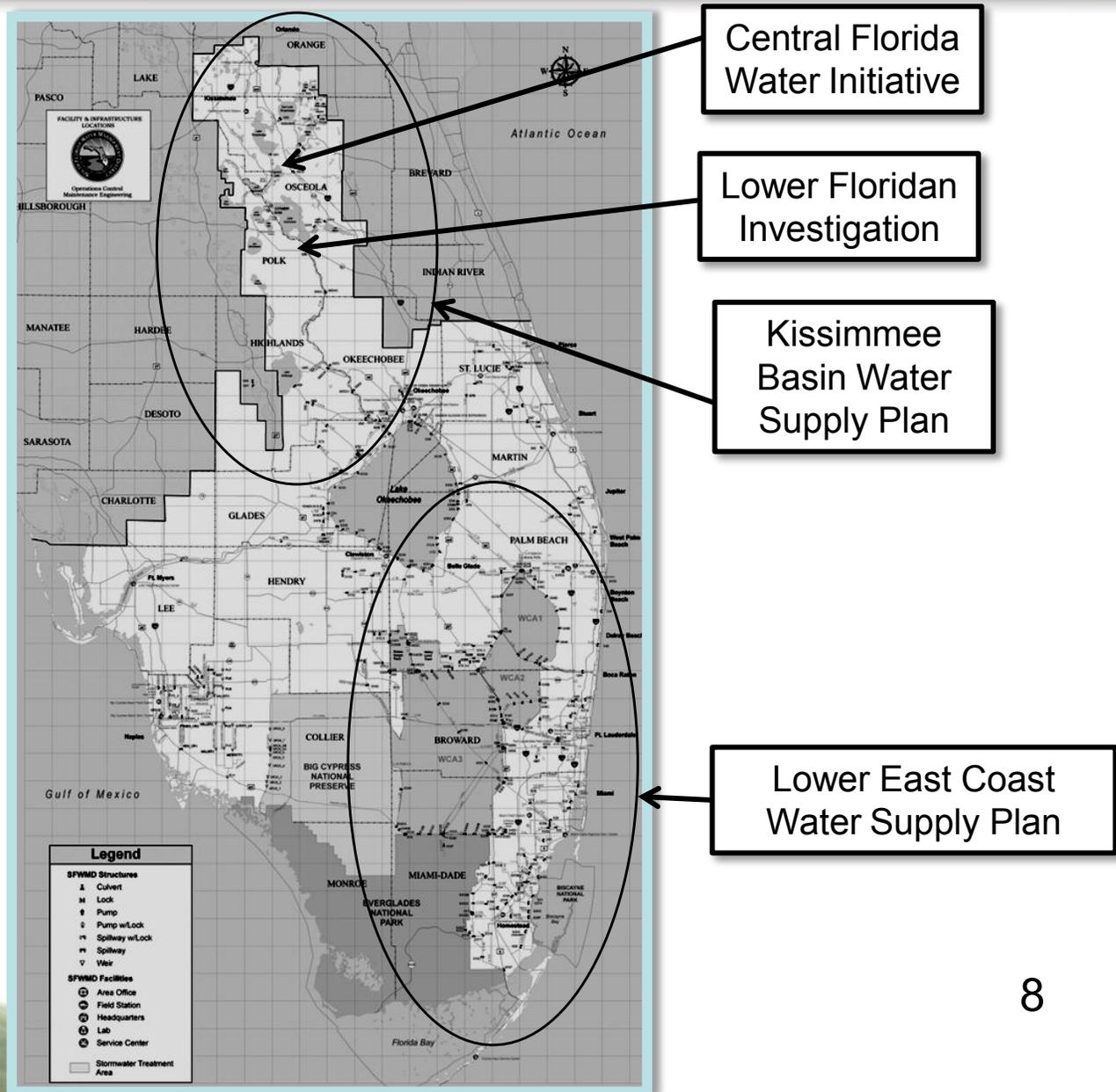
C-111 Spreader  
Canal



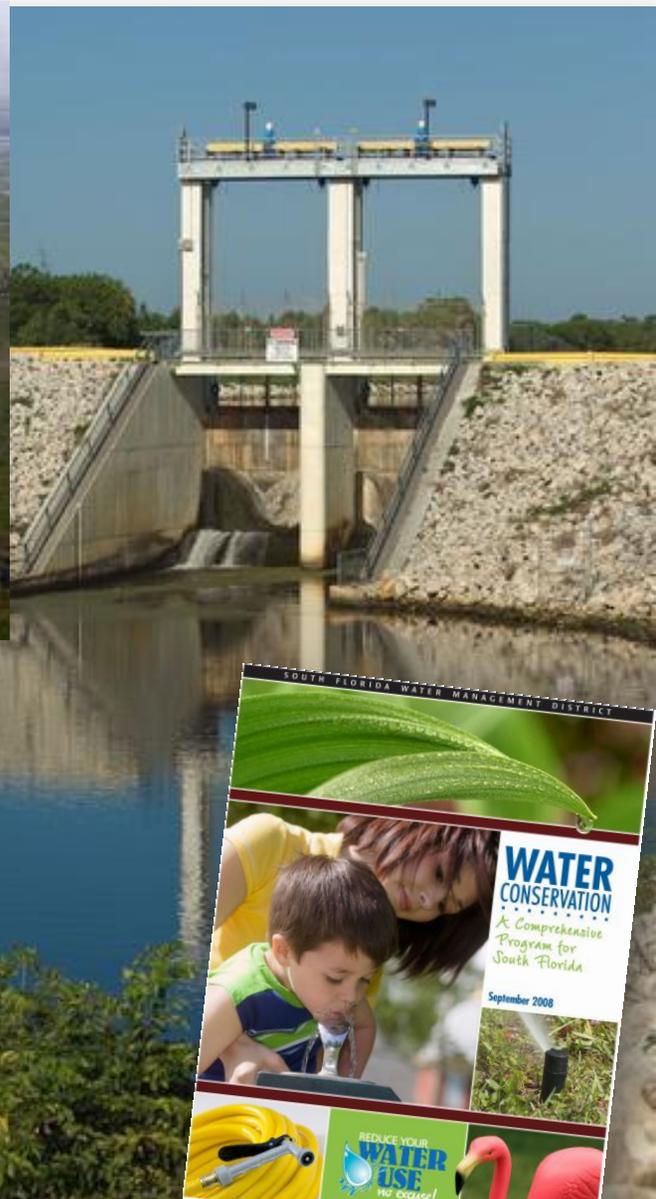
# Preliminary FY13 Budget – Key Projects

## Water Supply

District Wide funding for Alternative Water Supply and Water Conservation Projects



# Questions





# Suwannee River Water Management District 2013 Preliminary Budget Overview

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## Budget Subcommittee on General Government and Appropriations

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Senator Alan Hays, Chair

---

January 19, 2012



# FY 2011-2012 Budget Summary

- ◆ Millage rate 0.4143
- ◆ Tax revenue \$5.4M
- ◆ Budget \$47.4M
- ◆ Decrease \$9.4M
- ◆ Staffing level 63 FTEs and 3 OPS
- ◆ No debt

# FY 2012-2013 Budget Summary

## Reductions:

- ◆ Water Supply and Planning
  - ◆ Planning Contractual Services Completion
  - ◆ Groundwater Modeling
  - ◆ MFL Services and Monitoring Services
  - ◆ Monitoring Equipment
- ◆ Acquisition, Restoration, and Public Works
  - ◆ Water Quality Improvement Project
  - ◆ Poultry BMP Project
- ◆ Operation and Maintenance of Lands and Works
  - ◆ R. O Ranch
  - ◆ General Contracting Services
- ◆ Regulation
  - ◆ Contractual Services



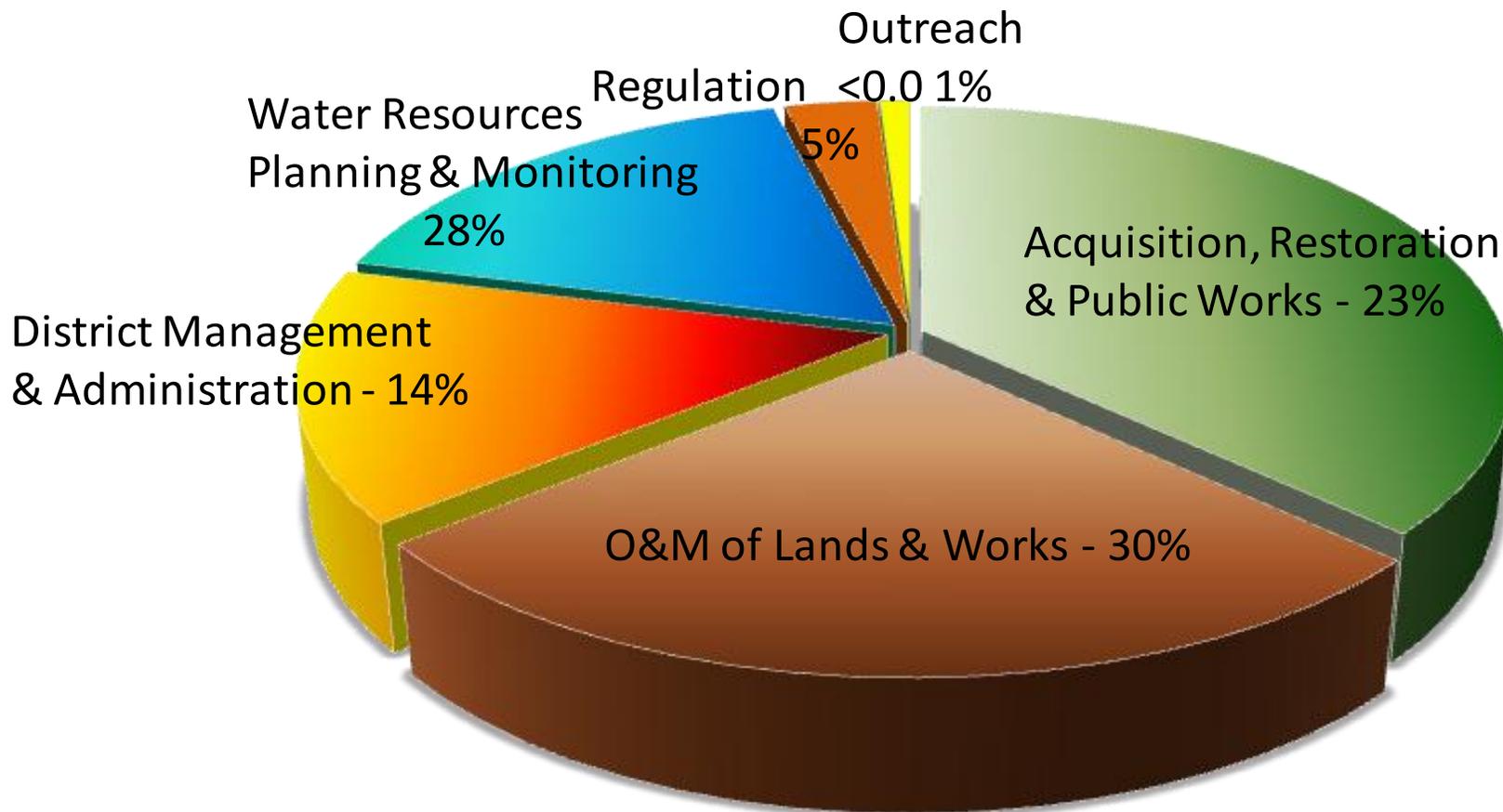


# FY 2012-2013 Budget Summary

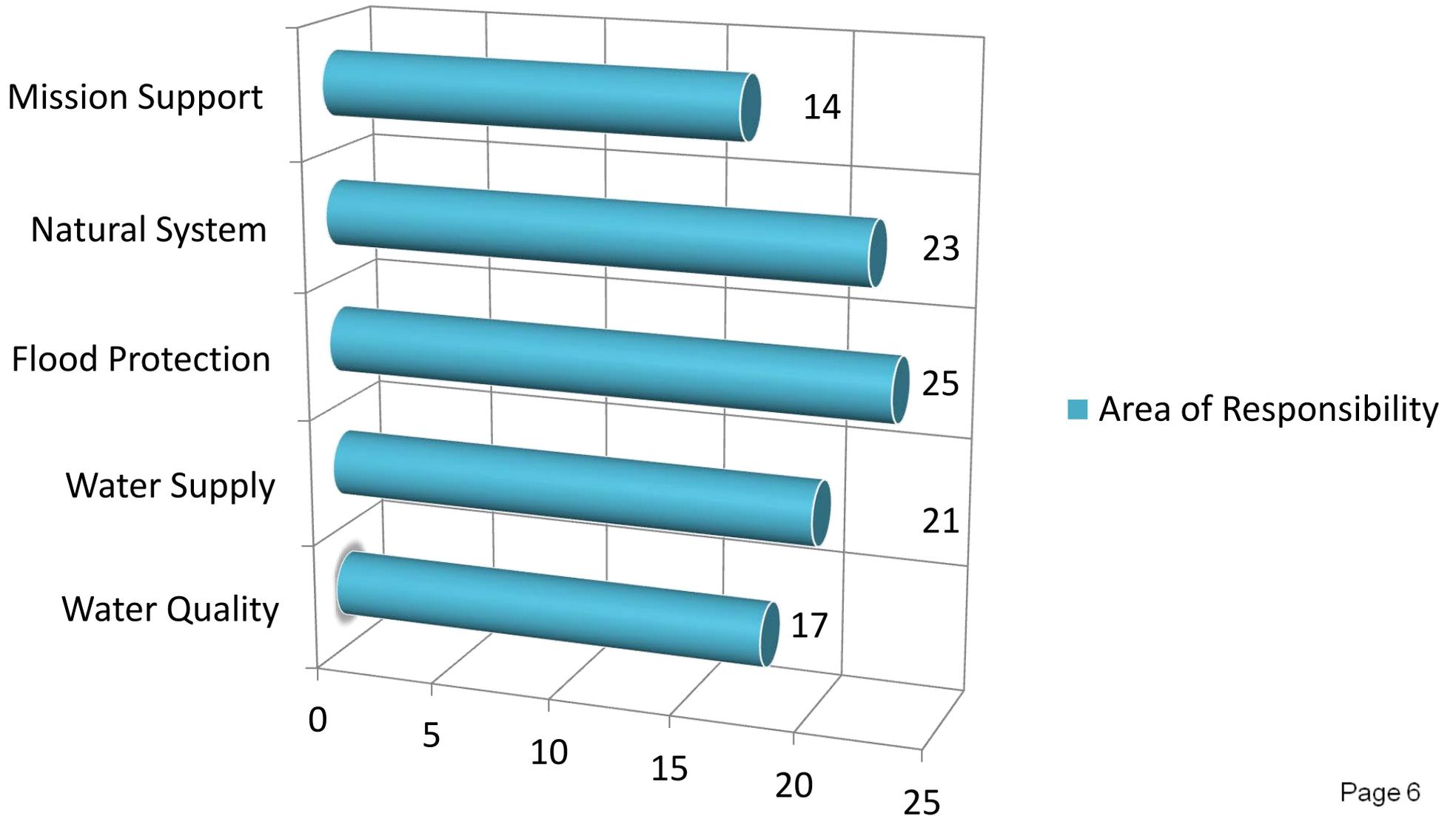
## New Issues:

- ◆ Water Supply and Planning
  - ◆ Upper Florida Aquifer Recharge Study
  - ◆ Test Wells
  - ◆ FEMA Grant
  - ◆ USGS data collection

# FY 2012-2013 Program Budget



# FY 2012-2013 Area of Responsibility Budget Percentage





# District Priorities

## 💧 Springs Protection

- ~ Monitoring & Data Collection
- ~ Minimum Flows and Levels

## 💧 Water Supply

- ~ Regional Water Supply Plans
- ~ Alternative Water Supplies

## 💧 Conservation

- ~ Suwannee River Partnership
- ~ The Ichetucknee Partnership
- ~ Retrofits

## 💧 Surplus Lands

# Program Challenges

## 💧 Funding

~Alternative Water Sources

~ Land Management

## 💧 EPA Nutrient Standards

## 💧 Interstate Coordination

## 💧 Springs

## 💧 Water Supply





# Accomplishments

- 💧 Water Conservation Program
- 💧 Monticello Reuse Project
- 💧 Surplus Lands Program
- 💧 Andrews Tract
- 💧 Suwannee River Partnership
- 💧 Water Supply Assessment



# QUESTIONS?

**Steve Minnis**

**Director of Governmental Affairs**

**Suwannee River Water Management District**

**E-mail: [sam@srwmd.org](mailto:sam@srwmd.org)**

**Phone: 386.362.0434**

**Mobile: 386.362.8313**

**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT**

**Fiscal Year 2012-13 Estimated Budget Presentation  
Senate Budget Subcommittee on  
General Government Appropriations**

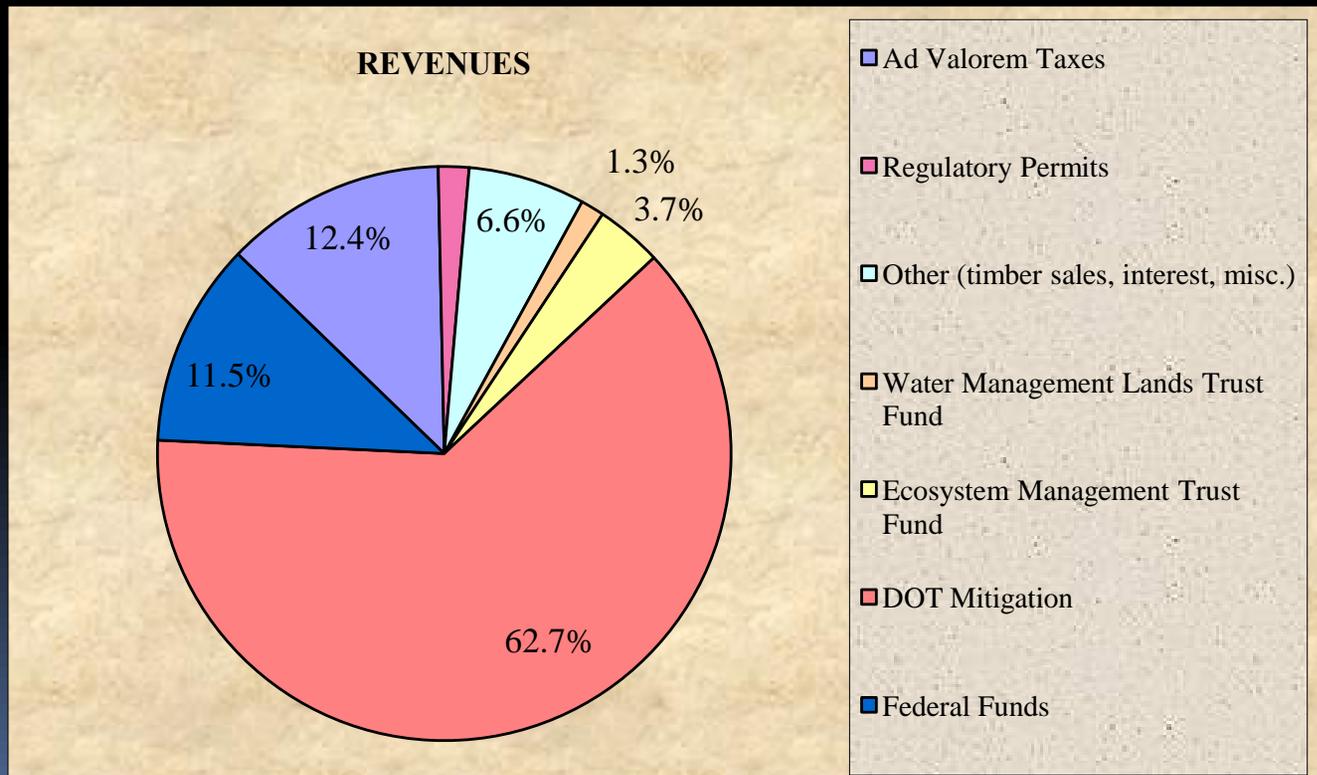
**January 12, 2012**

# Northwest Florida Water Management District

## Estimated Fiscal Year 2012-2013 Budget

### REVENUES

Ad Valorem Taxes	\$	3,371,815
Regulatory Permits	\$	468,500
Other (timber sales, interest, misc.)	\$	1,785,990
Water Management Lands Trust Fund	\$	360,000
Ecosystem Management Trust Fund	\$	1,014,562
DOT Mitigation	\$	16,994,000
Federal Funds	\$	<u>3,111,449</u>
 Total Revenues	 \$	 <u>27,106,316</u>

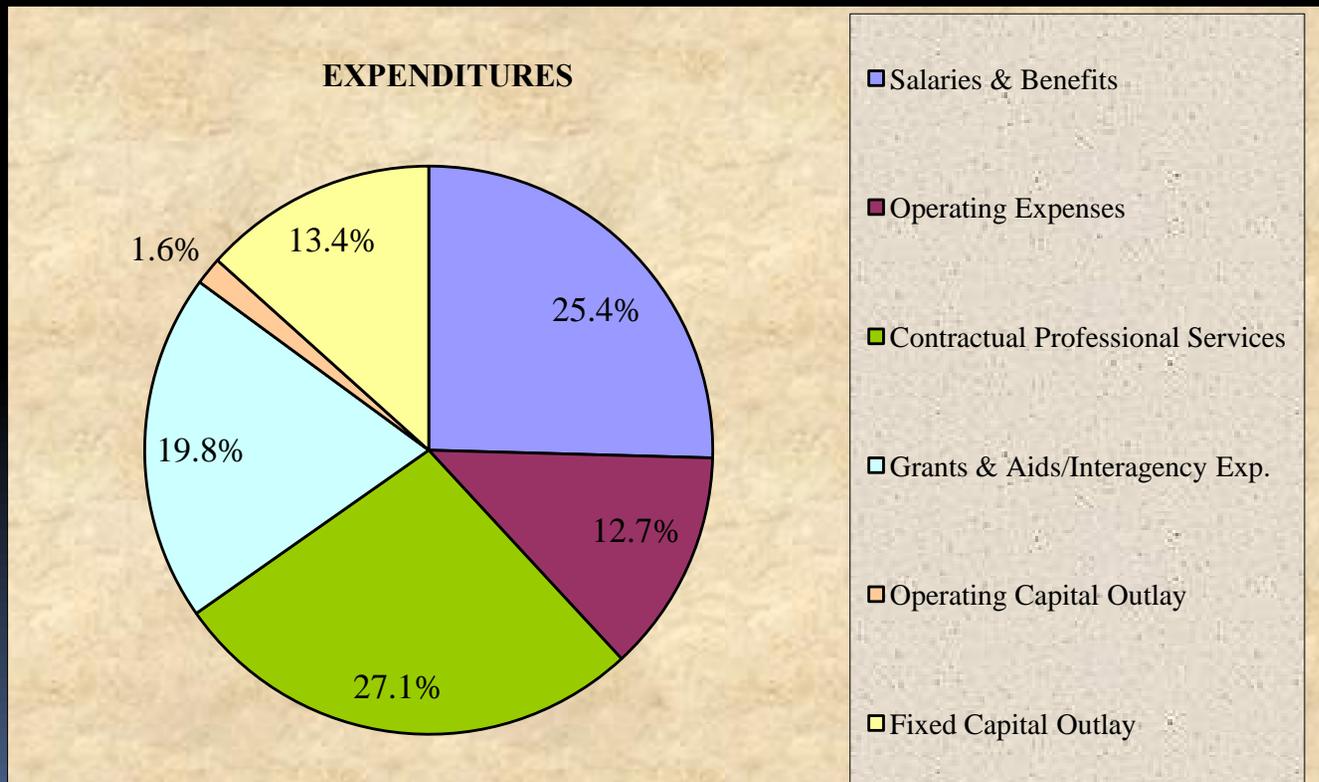


# Northwest Florida Water Management District

## Estimated Fiscal Year 2012-2013 Budget

### EXPENDITURES

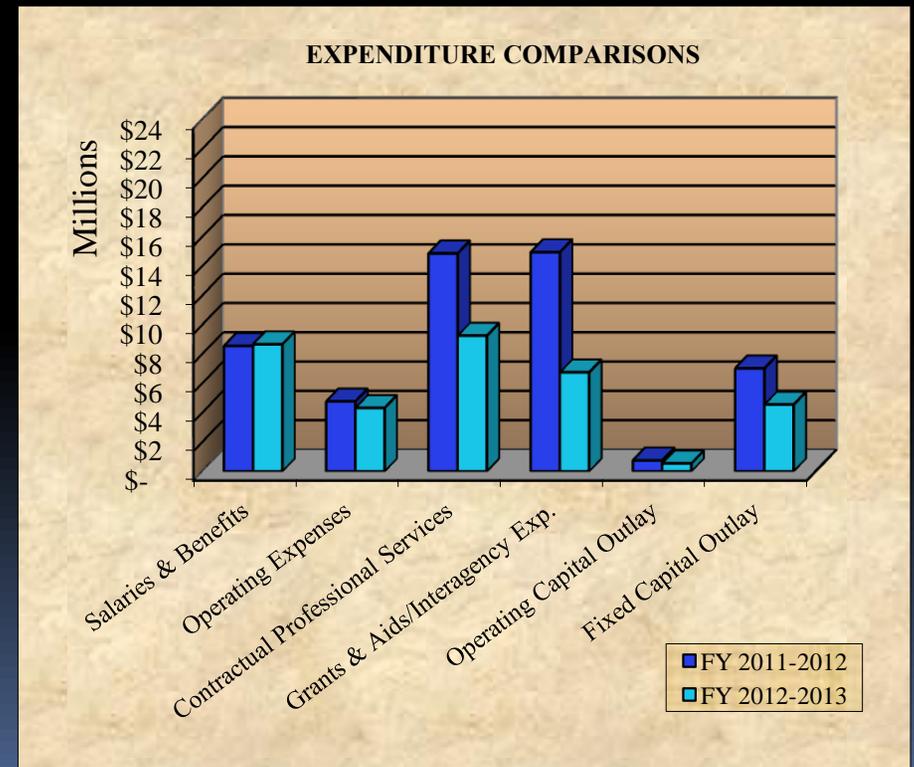
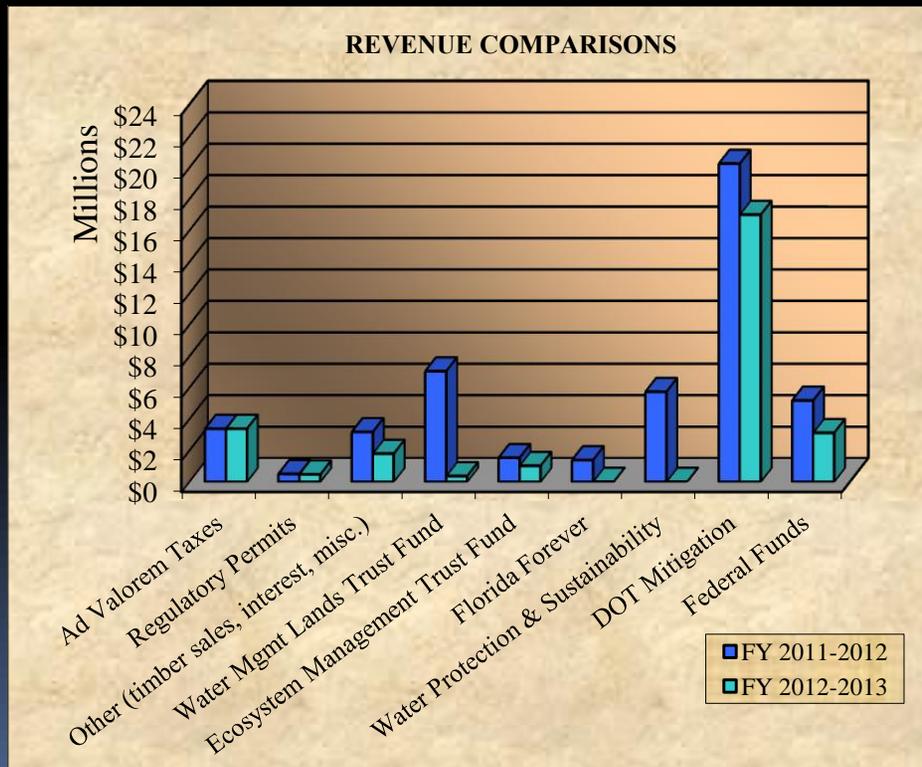
Salaries & Benefits	\$	8,666,872
Operating Expenses	\$	4,322,505
Contractual Professional Services	\$	9,250,478
Grants & Aids/Interagency Expenditures	\$	6,749,316
Operating Capital Outlay	\$	537,250
Fixed Capital Outlay	\$	<u>4,550,819</u>
 Total Expenditures	 \$	 <u>34,077,240</u>



## Northwest Florida Water Management District Adopted FY 2011-12 – Estimated FY 2012-13

<u>REVENUES</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>
Ad Valorem Taxes	\$ 3,371,815	\$ 3,371,815
Regulatory Permits	\$ 498,500	\$ 468,500
Other (timber sales, interest, misc.)	\$ 3,167,759	\$ 1,785,990
Water Mgmt Lands Trust Fund	\$ 7,032,067	\$ 360,000
Ecosystem Management Trust Fund	\$ 1,523,383	\$ 1,014,562
Florida Forever	\$ 1,376,103	\$ -
Water Protection & Sustainability	\$ 5,720,234	\$ -
DOT Mitigation	\$ 20,238,683	\$ 16,994,000
Federal Funds	\$ 5,173,957	\$ 3,111,449
<b>Total Revenues</b>	<b>\$ 48,102,501</b>	<b>\$ 27,106,316</b>

<u>EXPENDITURES</u>	<u>FY 2011-2012</u>	<u>FY 2012-2013</u>
Salaries & Benefits	\$ 8,555,832	\$ 8,666,872
Operating Expenses	\$ 4,767,238	\$ 4,322,505
Contractual Professional Services	\$ 14,864,924	\$ 9,250,478
Grants & Aids/Interagency Exp.	\$ 14,950,103	\$ 6,749,316
Operating Capital Outlay	\$ 745,050	\$ 537,250
Fixed Capital Outlay	\$ 7,025,819	\$ 4,550,819
<b>Total Expenditures</b>	<b>\$ 50,908,966</b>	<b>\$ 34,077,240</b>



**Northwest Florida Water Management District**  
**Ad Valorem Tax and Millage**

	Amount	Millage Rate
<b>Statutory Millage Rate</b>		.05 mill
<b>Authorized Tax Amount in Senate Bill 2142</b>	\$3,946,969	
<b>Fiscal Year 2012-13 Proposed Millage</b>	\$3,371,815	.04 mill

**History of Ad Valorem Tax**

Fiscal Year	Actual Revenue	Millage Rate
2006-07	\$4,897,751	0.050
2007-08	\$4,701,799	0.045
2008-09	\$4,538,582	0.045
2009-10	\$4,141,448	0.045
2010-11	\$3,788,876	0.045
2011-12 (Budget)	\$3,371,815*	0.040

\*14.6% below authorized amount

\*20.0% below authorized millage rate

## Northwest Florida Water Management District Workforce Summary

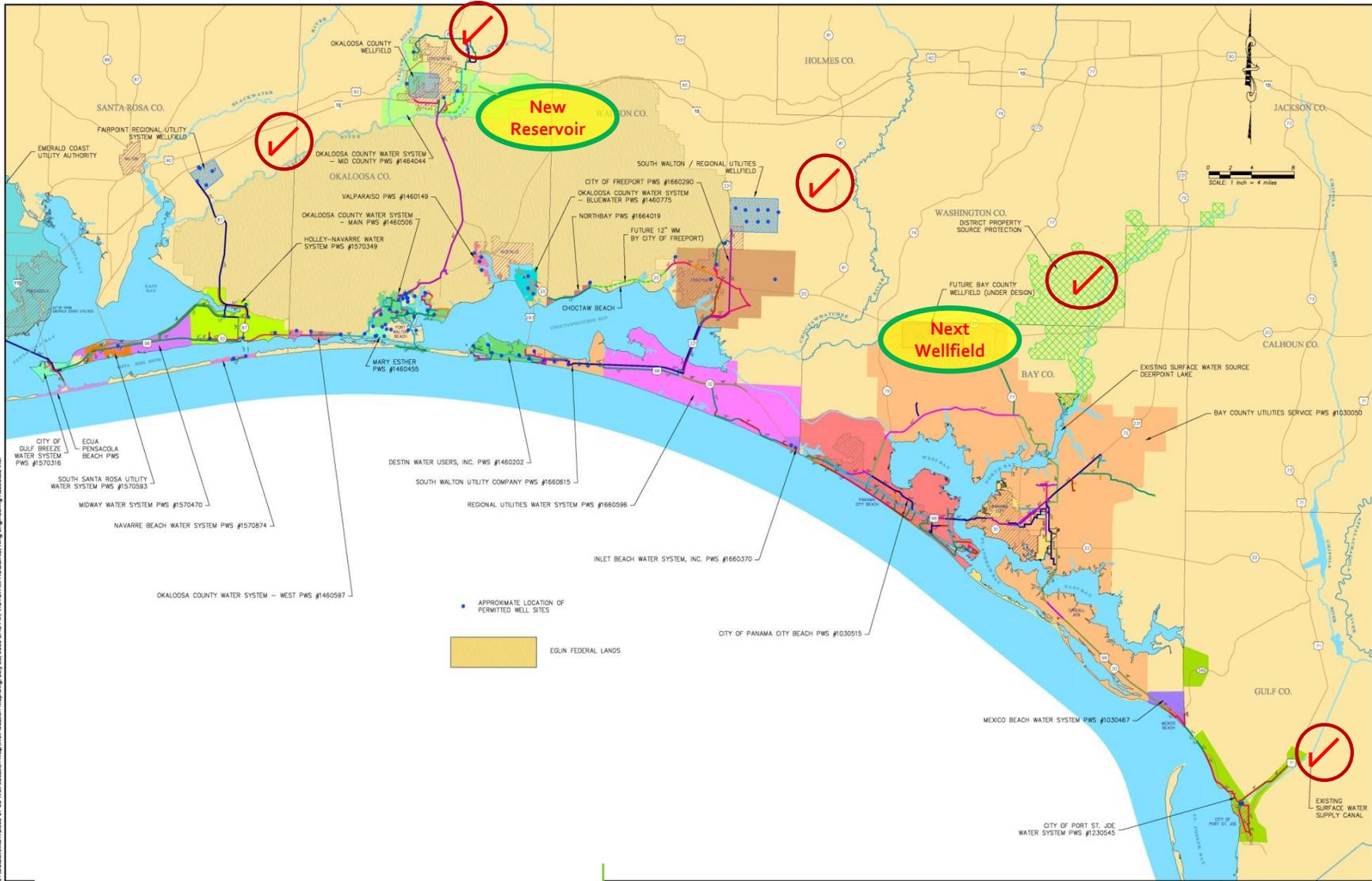
	<u>FTE</u>	<u>Student</u>	<u>Total</u>
Executive Direction/Administrative Services	24	1	25
Division of Lands Management	14	3	17
Division of Resource Management	29	8	37
Division of Resource Regulation	<u>48</u>	<u>3</u>	<u>51</u>
Total by Type	115	15	130

**Northwest Florida Water Management District**  
**Revenues, Expenditures, Reserves & Personnel**  
**Fiscal Year 2012-13 Estimated Budget**

	Adopted Budget 2011-2012	Preliminary Budget 2012-2013
<b>REVENUE</b>		
Carryover (Estimated at 9/30/12)	\$ 54,901,373	\$ 39,794,740
Ad Valorem Taxes	3,371,815	3,371,815
State	36,005,281	18,478,373
Federal	5,173,957	3,111,449
Other	3,551,445	2,144,679
Estimated Revenue	48,102,498	27,106,316
<b>TOTAL AVAILABLE REVENUES</b>	<b>\$ 103,003,871</b>	<b>\$ 66,901,056</b>
<b>EXPENDITURES</b>		
Salaries and Benefits	\$ 8,555,832	\$ 8,666,872
Other Personal Services/Contracted Services	14,864,924	9,250,478
Operating Expenses	4,767,238	4,322,505
Operating Capital Outlay	745,050	537,250
Fixed Capital Outlay	7,025,819	4,550,819
Interagency Expenditures (Cooperative Funding)	14,950,103	6,749,316
Debt	-	-
Contingency/Emergency	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 50,908,966</b>	<b>\$ 34,077,240</b>
<b>RESERVES</b>		
Nonspendable	\$ -	\$ -
Restricted	12,240,575	9,873,569
Committed	31,916,852	15,247,760
Assigned	3,523,538	3,988,547
Unassigned	4,413,940	3,713,940
<b>TOTAL RESERVES</b>	<b>\$ 52,094,905</b>	<b>\$ 32,823,816</b>
<b>TOTAL EXPENDITURES AND RESERVES</b>	<b>\$ 103,003,871</b>	<b>\$ 66,901,056</b>
<b>PERSONNEL</b>		
Full-time Equivalents	115.0	115.0
Temporary/Student	16.0	15.0
Contract/Other	-	-
<b>TOTAL PERSONNEL</b>	<b>131.00</b>	<b>130.00</b>

## Northwest Florida Water Management District Estimated Reserve Balances

Designations (Assigned or Unassigned)	Total Designated Amounts	Five Year Utilization Schedule				
		2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
<b>NONSPENDABLE</b>						
N/A						
<b>RESTRICTED</b>						
Mitigation	11,149,241	1,526,125	1,200,000	1,200,000	1,200,000	1,200,000
Phipps Endowment Account	250,481	30,000	30,000	30,000	30,000	30,000
<b>COMMITTED</b>						
Water Resource & Supply Projects	18,745,641	7,500,000	6,000,000	5,245,641		
Lands Management (Lands Fee Fund)	9,775,713	4,778,078	3,500,000	1,497,635		
Capital Improvement Projects (Cap Improv/Land Acq TF)	1,294,946	199,302	250,000	250,000	250,000	250,000
<b>ASSIGNED</b>						
Small Community Water Supply	1,130,000					
Mitigation Banking Activities	1,000,000					
Capital Improvement Projects	900,000					
Litigation and Expert Witnesses	360,000					
Compensated Absences	688,547					
Other Post Employment Benefits	40,000					
<b>UNASSIGNED</b>						
<b>UNDESIGNATED FUND BALANCE - Estimated at 09/30/2012</b>						
Budget Stabilization Reserve	4,873,940	3,351,188	1,522,752			
<b>Total</b>	<b>50,208,509</b>	<b>17,384,693</b>	<b>12,502,752</b>	<b>8,223,276</b>	<b>1,230,000</b>	<b>1,230,000</b>
<b>Total Remaining Balance at Fiscal Year End</b>		<b>32,823,816</b>	<b>20,321,064</b>	<b>12,097,788</b>	<b>10,617,788</b>	<b>9,137,788</b>
<b>Total Restricted Balance</b>		<b>9,842,597</b>				
<b>Total Unrestricted Balance</b>		<b>22,980,219</b>				



O:\ENV\_E\106100001\04\env\mem\0009-07-23 Well Location map\Well Location Map.dwg, July 23, 2009 8:48 PM, VICTOR M. HUGENIS, King Engineering Associates Inc.

WELL LOCATION MAP

JOB NO. <b>4506-090-001</b> DATE <b>JULY 2009</b> DRAWN AS SHOWN	FIGURE <b>1 OF 1</b>
---	-------------------------

## Northwest Florida Water Management District Water Supply Reserve Expenditures

### FY 2011/12 Water Supply Expenditures

- Shoal River Water Supply Reservoir - \$2.0M+
- Walton County Inland Wellfield - \$2.0M (30" transmission main) to \$3.5M (42" transmission main) plus \$500,000 for auxiliary transmission lines.
- Bay County Wellfield Construction and Monitoring - \$3.0M+

**Total = \$7.5 M to \$9.0M**

### FY 2012/13 (currently anticipated)

- Santa Rosa County Inland Wellfield - \$2.0M (additional wells)
- Coastal Interconnect Project – \$1.0M final design of eastern sub-region interconnect
- Shoal River Reservoir - \$3.0M

**Total = \$6.0 M**

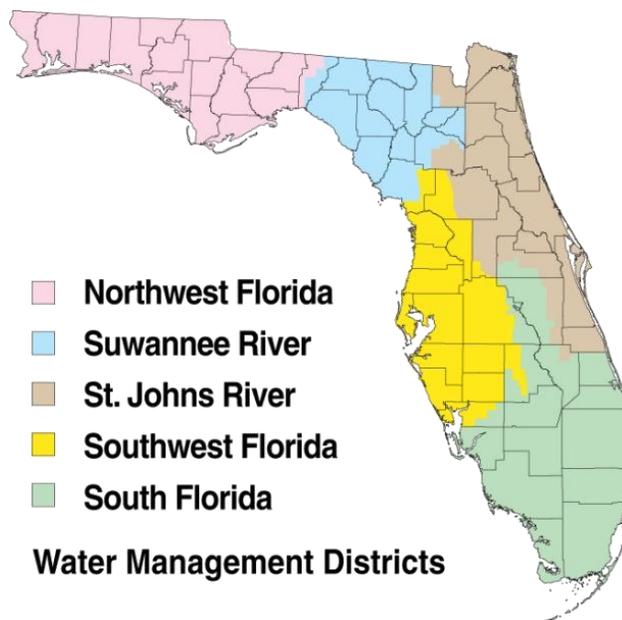
**Northwest Florida Water Management District  
FY 2012-13 Budget Issues (2012 Legislative Session)**

- Environmental Resource Permitting (ERP) Funding
- Land Management Funding

*Presentation to*  
**Senate Budget Subcommittee on  
General Government Appropriations**

**Southwest Florida Water Management District**  
Fiscal Year 2012–2013 Budget Presentation

**January 12, 2012**



# SWFWMD Priorities

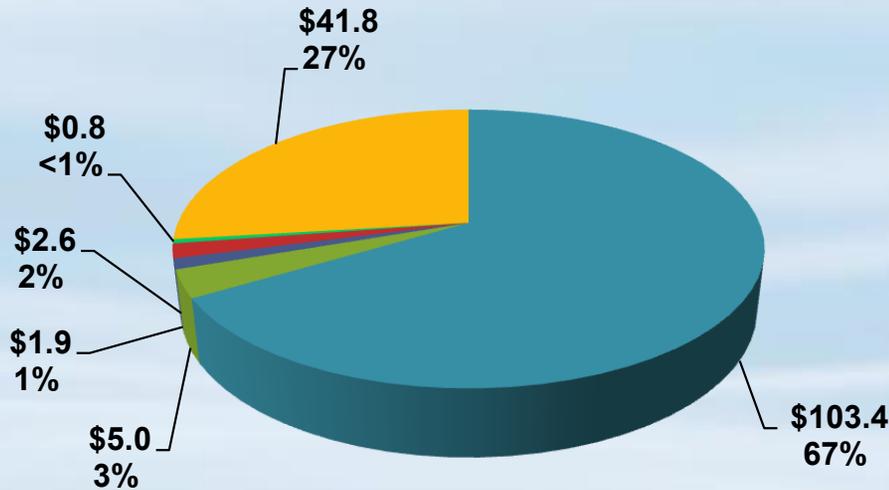
- Sustainable Water Supply
  - Alternative water source development
  - Water storage (reservoirs)
  - Reclaimed water
  - Water Conservation
- Facilitating Agricultural Resource Management Systems (FARMS)
- Environmental Restoration
  - Surface Water Improvement & Management (SWIM) program
- Stormwater Improvements (water quality and flood protection)
- Cooperative Funding



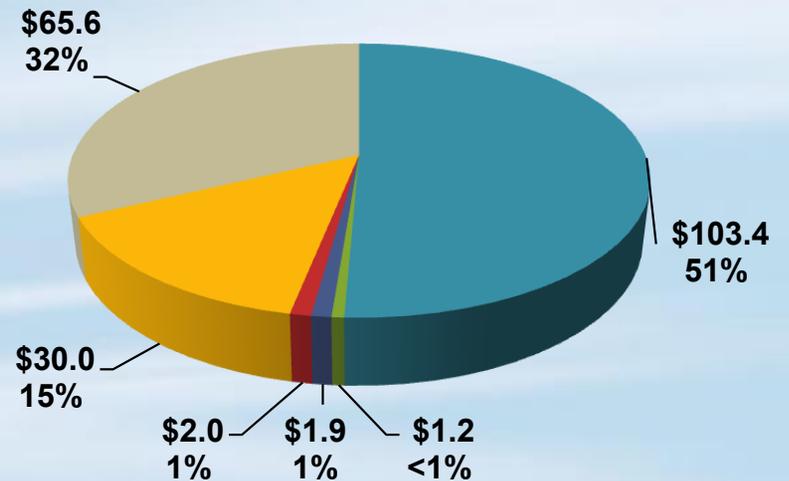
# Revenues

(in millions)

**Adopted  
FY2011-12 Budget  
(\$156 Million)**



**Preliminary  
FY2012-13 Budget  
(\$204 Million)**

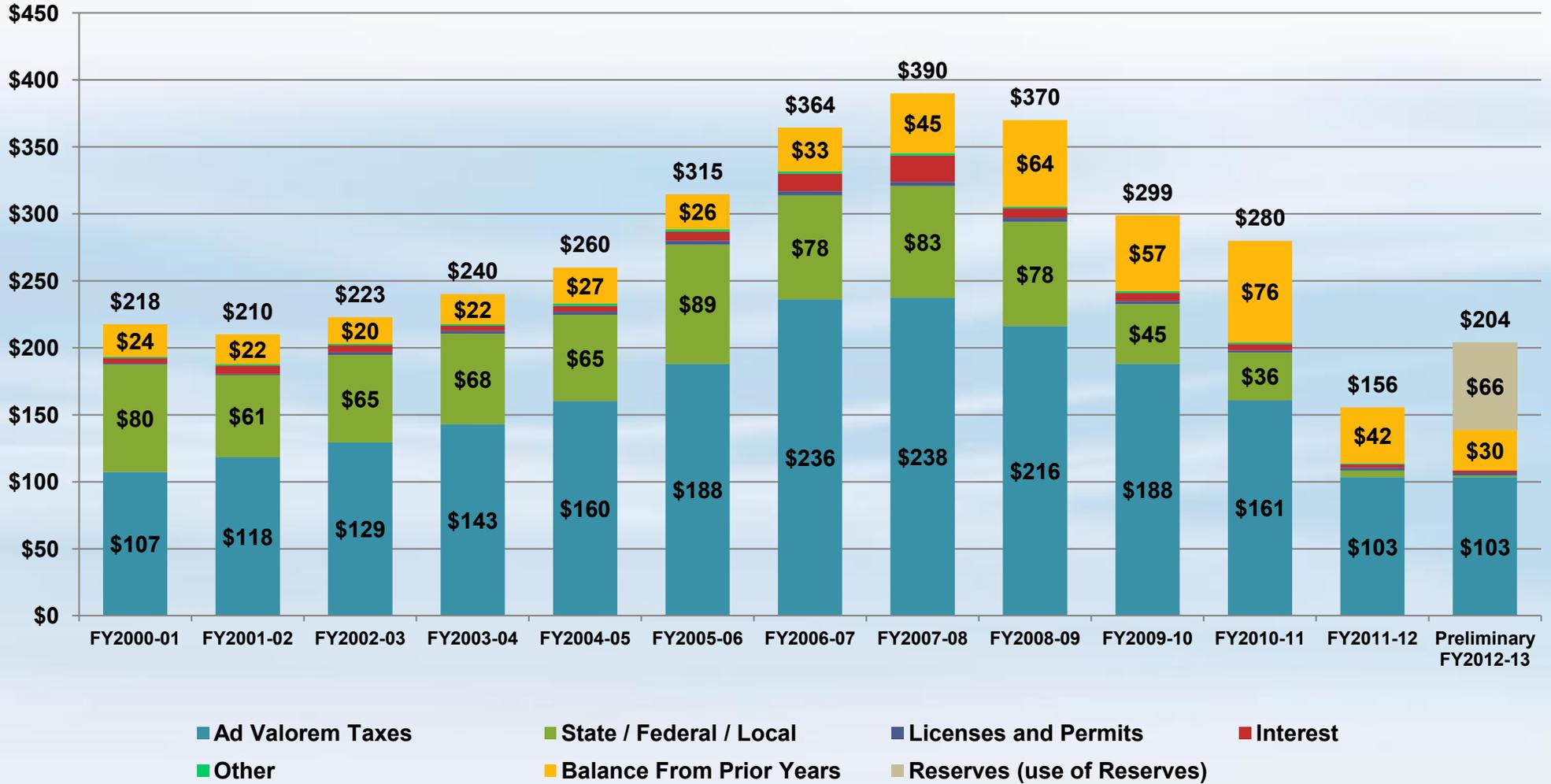


- Ad Valorem Taxes
- State / Federal / Local
- Licenses and Permits
- Interest
- Other
- Balance From Prior Years
- Reserves (use of Reserves)

**Use of reserves proposed for cooperative funding and environmental projects.**

# Historical Trends – Revenue Budget

Adopted FY2000-01 through FY2011-12 and Preliminary FY2012-13  
(in millions)



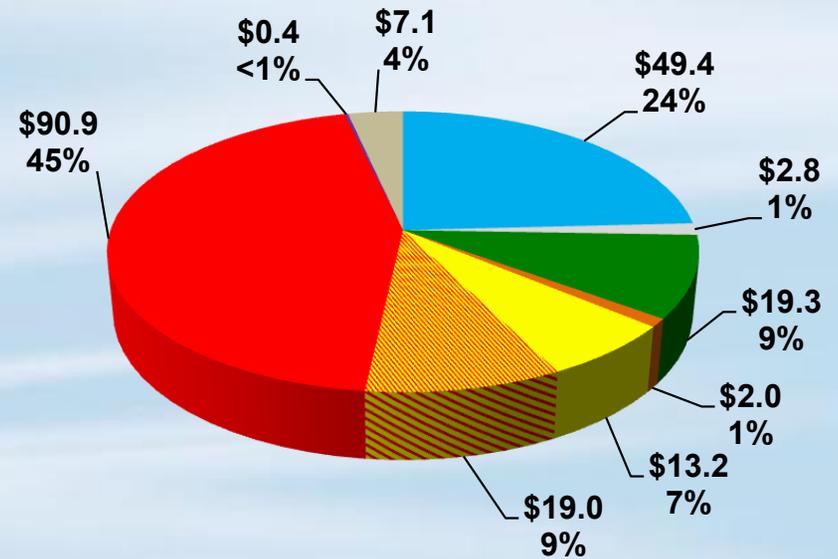
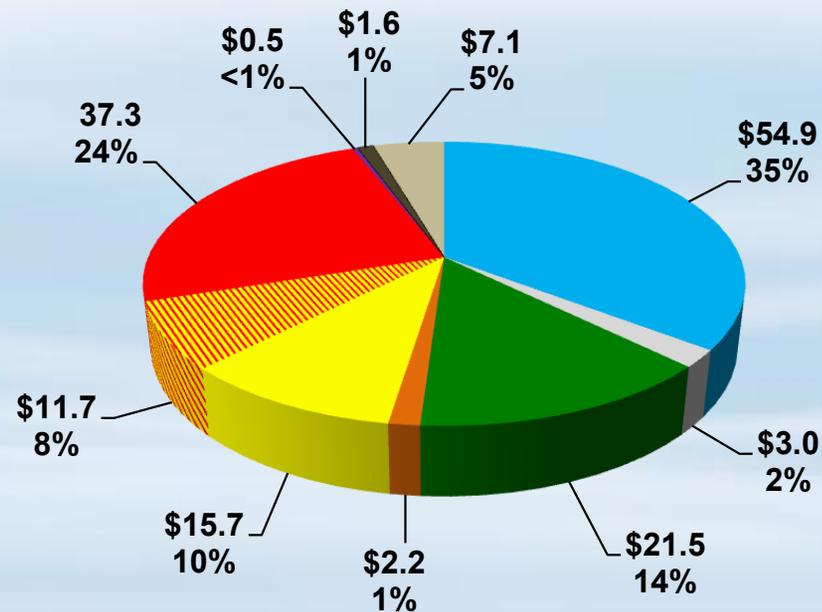
Use of reserves proposed for cooperative funding and environmental projects.

# Expenditure Categories

(in millions)

**Adopted  
FY2011-12 Budget  
(\$156 Million)**

**Preliminary  
FY2012-13 Budget  
(\$204 Million)**

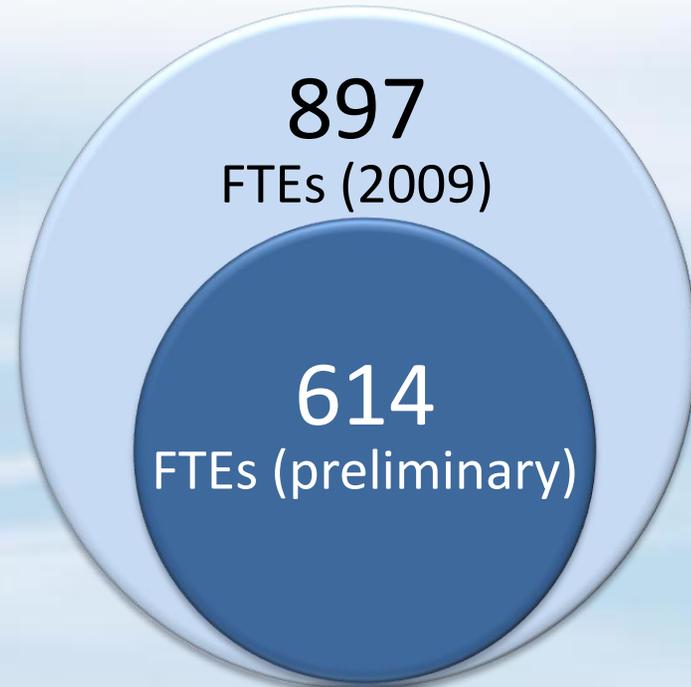
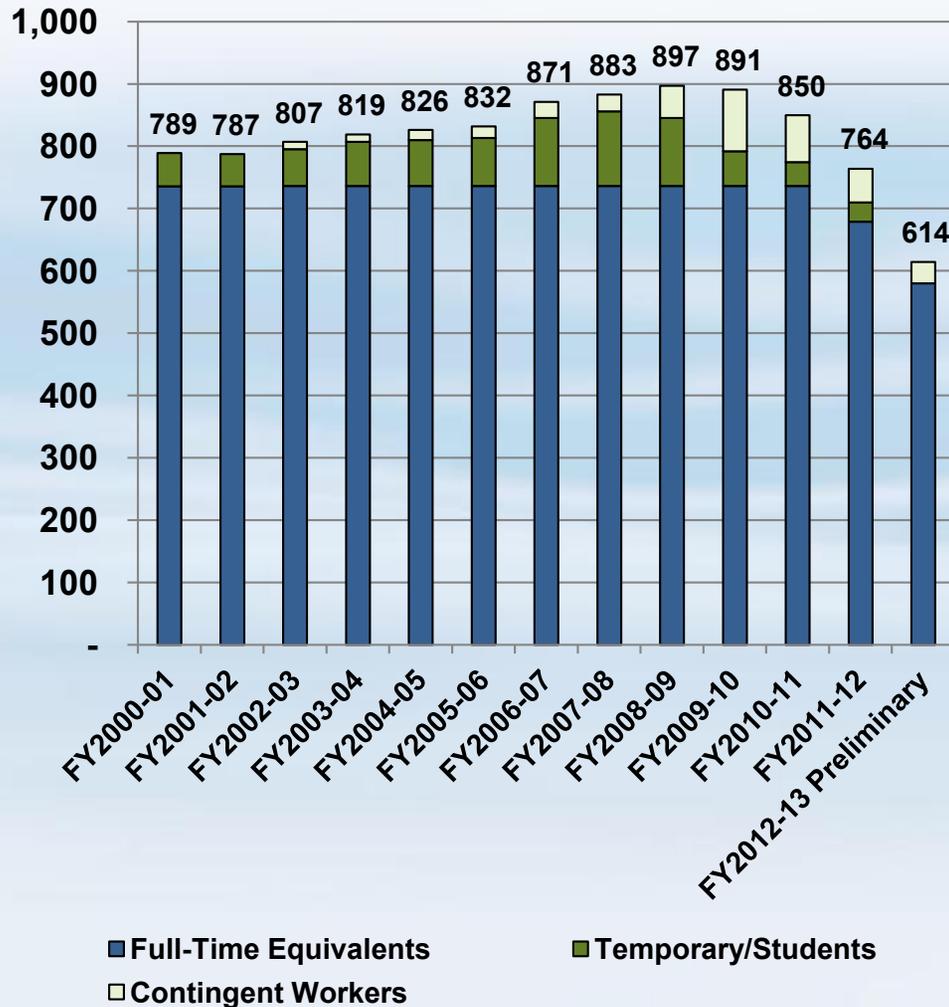


- Salaries & Benefits
- Operating Capital Outlay
- Cooperative Funding
- Annual Contingency Funds
- Other Personal Services
- Contracted Svcs for Oper Support & Maint
- Fixed Capital Outlay
- Operating Expenses
- Contracted Svcs for Projects
- Project Reserves

**Preliminary FY2012-13 budget reflects increase in contracted services and cooperative funding for projects to be funded through use of reserves.**

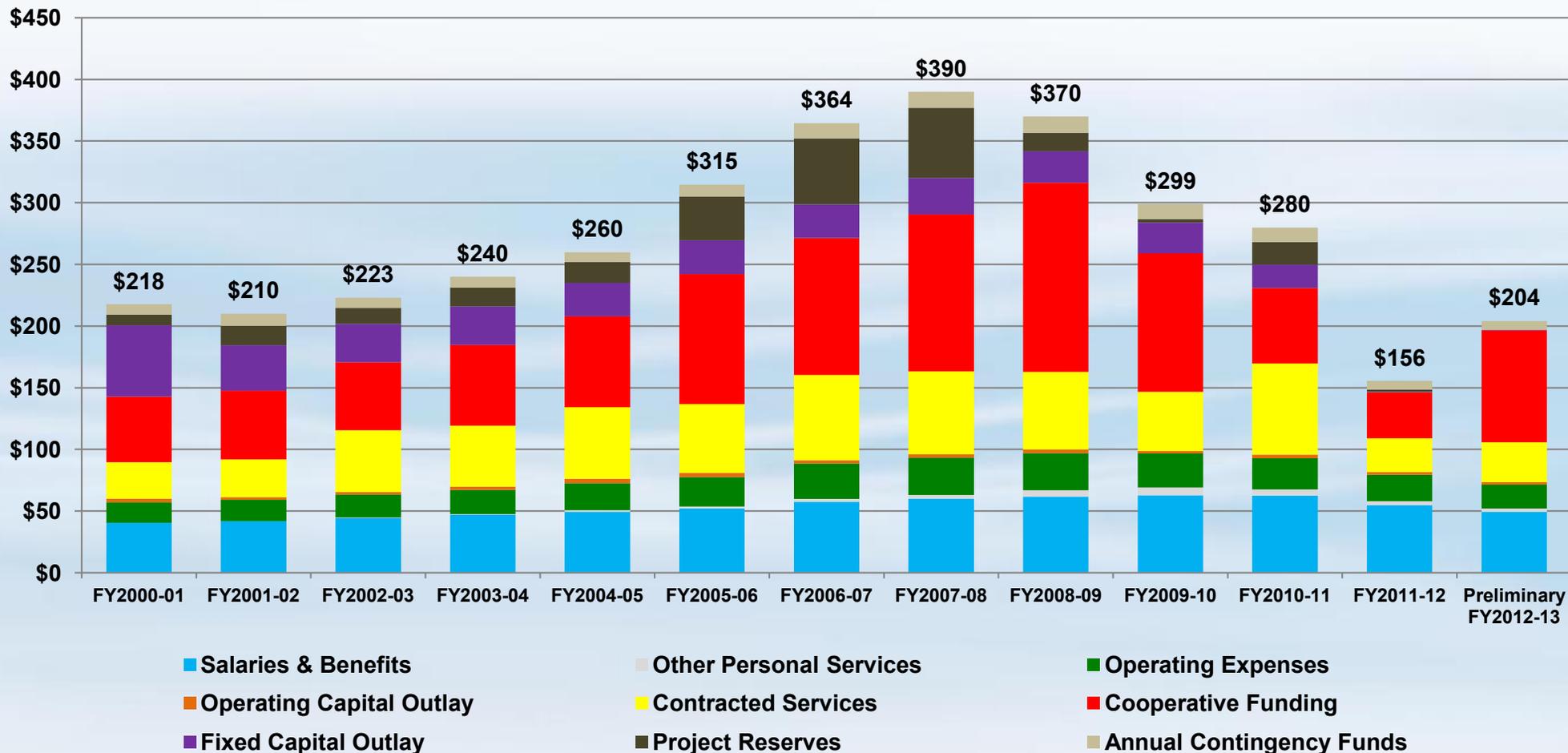
# Total Workforce

## FY2000-01 through Preliminary FY2012-13



# Historical Trends – Expenditure Budget

Adopted FY2000-01 through FY2011-12 and Preliminary FY2012-13  
(in millions)

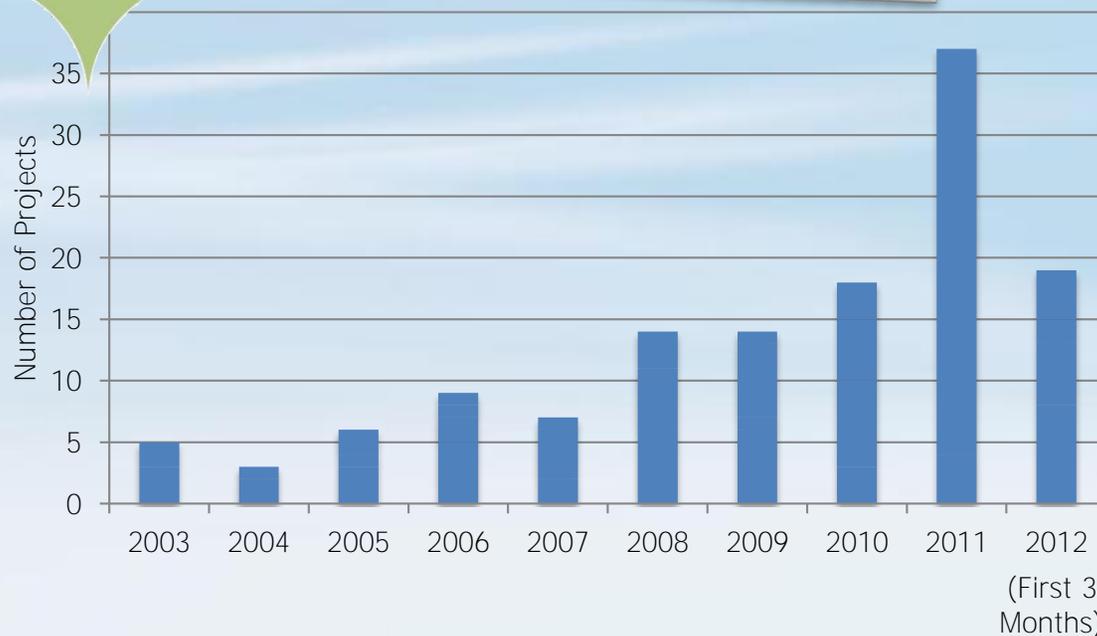


**Preliminary FY2012-13 budget reflects increase in contracted services and cooperative funding for projects to be funded through use of reserves.**

# Alternative Water Supply Development – Projected \$73 million

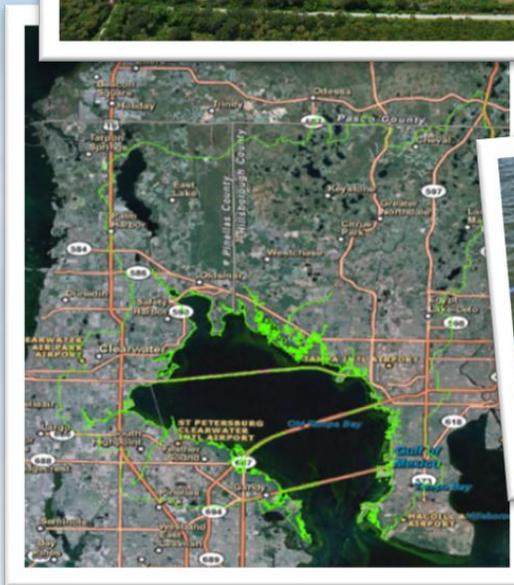


# FARMS Program – Projected \$5 million

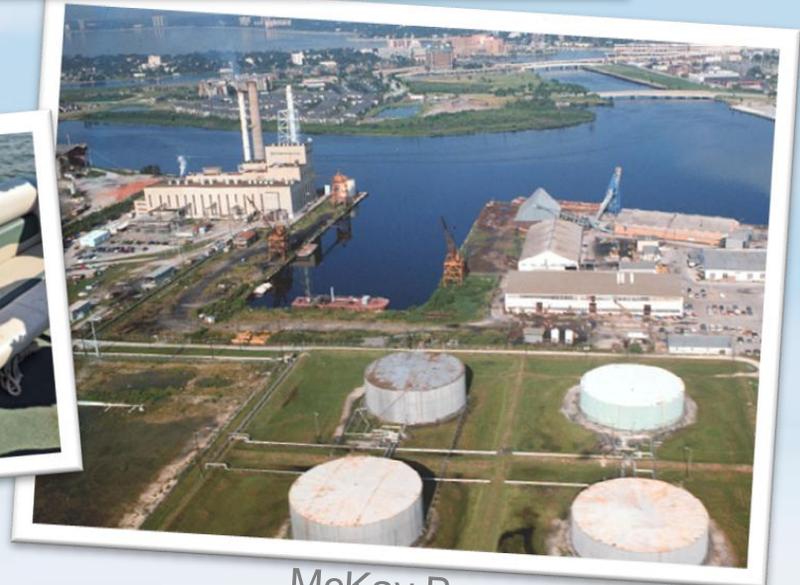


# Natural Systems and Habitat Restorations – Projected \$10 million

Schultz Preserve Restoration

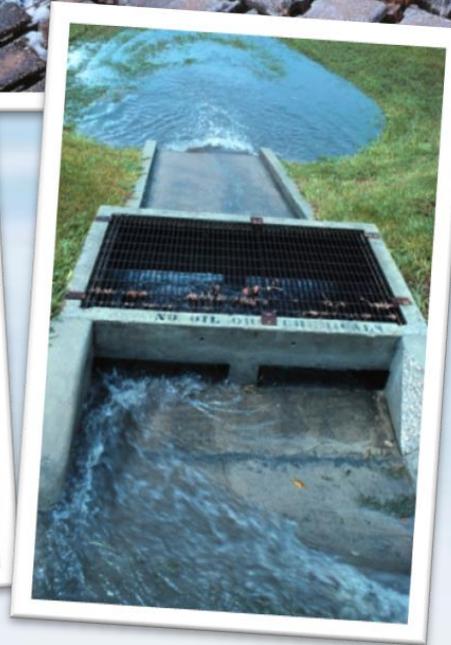
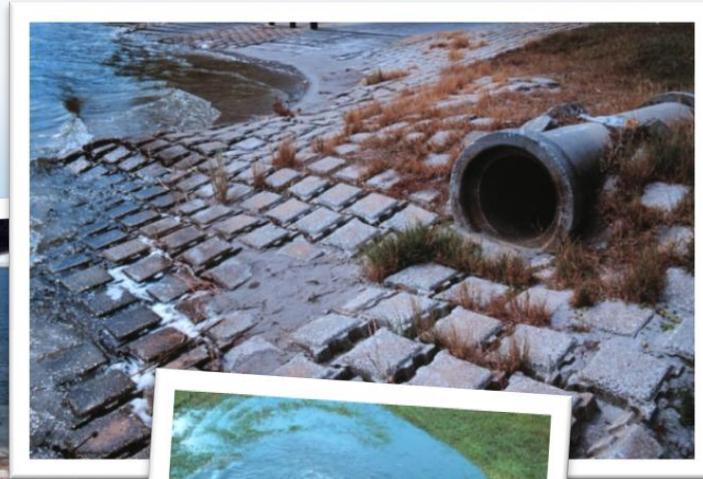


Old Tampa Bay



McKay Bay

# Stormwater Improvements (water quality and flood protection) - Projected \$15 million



## Cooperative Funding Since 1988

- **\$1 billion** District-funded
- **\$2 billion** combined regional investment
- **\$91 million** preliminary FY2012-13 budget



# Questions?



THE FLORIDA SENATE  
**APPEARANCE RECORD**

2

1-19-12 (Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

*Meeting Date*

Topic SFWMD Budget

Bill Number \_\_\_\_\_  
*(if applicable)*

Name Ernie Barnett

Amendment Barcode \_\_\_\_\_  
*(if applicable)*

Job Title Director Everglades Policy

Address 3301 Gun Club Rd

Phone 561-951-2840

*Street*  
West Palm Bch FL 33406  
*City State Zip*

E-mail ebarnett@sfwmd.gov

Speaking:  For  Against  Information

Representing SFWMD

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

**This form is part of the public record for this meeting.**

# APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

11/19/12  
Meeting Date

Topic SFWMD Budget presentation

Bill Number \_\_\_\_\_  
*(if applicable)*

Name Colleen Thayer

Amendment Barcode \_\_\_\_\_  
*(if applicable)*

Job Title Bureau Chief, Public Affairs

Address 4750 Fruitville Rd  
*Street*

Phone 941 732 2754

Sarasota FL 34240  
*City State Zip*

E-mail Colleen.thayer@watermatters.org

Speaking:  For  Against  Information

Representing SFWMD

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

**This form is part of the public record for this meeting.**

THE FLORIDA SENATE

2

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

January 19, 2012  
Meeting Date

Topic SRWMA Budget

Bill Number \_\_\_\_\_  
(if applicable)

Name Steven Mirault

Amendment Barcode \_\_\_\_\_  
(if applicable)

Job Title Director of Governmental Affairs

Address 9225 CR 49  
Street

Phone 386.362.1001

Live Oak FL 32060  
City State Zip

E-mail SAME SRWMA.ORG

Speaking:  For  Against  Information

Representing Suwannee River Water Management District

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE  
**APPEARANCE RECORD**

2

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/19/2012  
Meeting Date

Topic Budget

Bill Number \_\_\_\_\_  
(if applicable)

Name Doug Barr

Amendment Barcode \_\_\_\_\_  
(if applicable)

Job Title Executive Director

Address 81 Water Management Dr  
Street  
Havana, FL 32333  
City State Zip

Phone 850-539-5999

E-mail doug.barr@NWFWMD.state.fl.us

Speaking:  For  Against  Information

Representing Northwest Fl. Water Management District

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

**This form is part of the public record for this meeting.**

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/19/12

Meeting Date

Topic WATER PUBLIC COMMENT

Bill Number 732  
*(if applicable)*

Name JOE BOURASSA

Amendment Barcode \_\_\_\_\_  
*(if applicable)*

Job Title RETIRED

Address 801 LEWIS DRIVE

Phone \_\_\_\_\_

Street

DAYTONA BEACH, FL. 32117

E-mail \_\_\_\_\_

City

State

Zip

Speaking:  For  Against  Information

Representing COMMON PEOPLE

Appearing at request of Chair:  Yes  No

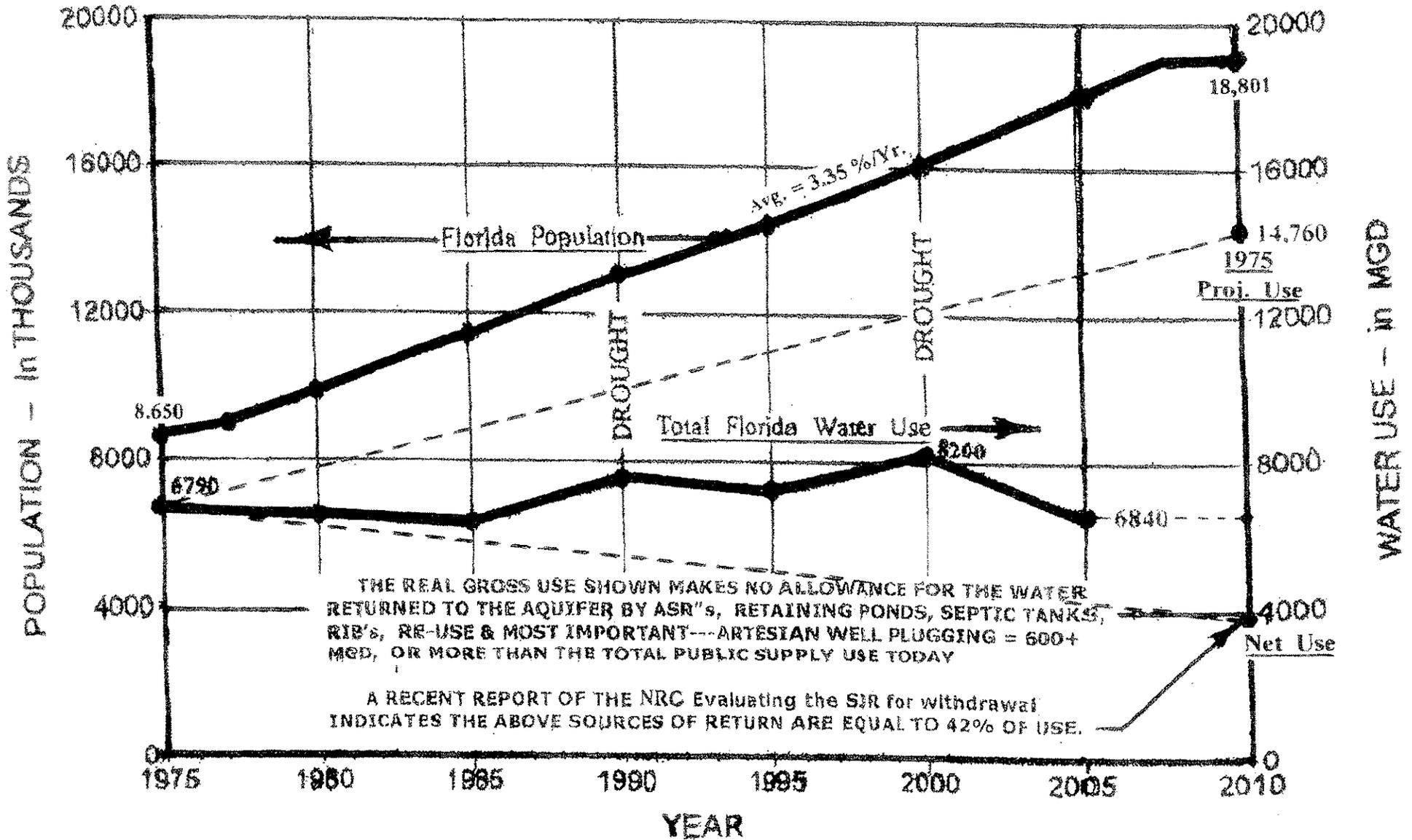
Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

**This form is part of the public record for this meeting.**

# FLORIDA TOTAL WATER USE & POPULATION

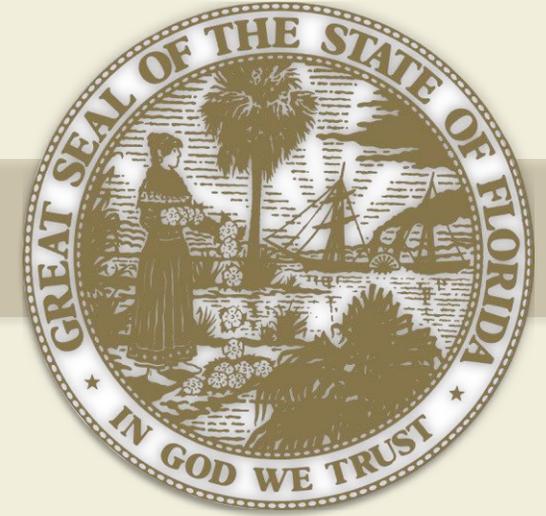
1975 -- 2010



Numbers from USGS

Water Facts

JB NOV. 2011



# Statewide Law Enforcement Radio System (SLERS)

**January 19, 2012**

**General Government  
Appropriations Subcommittee**

## **SLERS**

### **Statewide Law Enforcement Radio System**

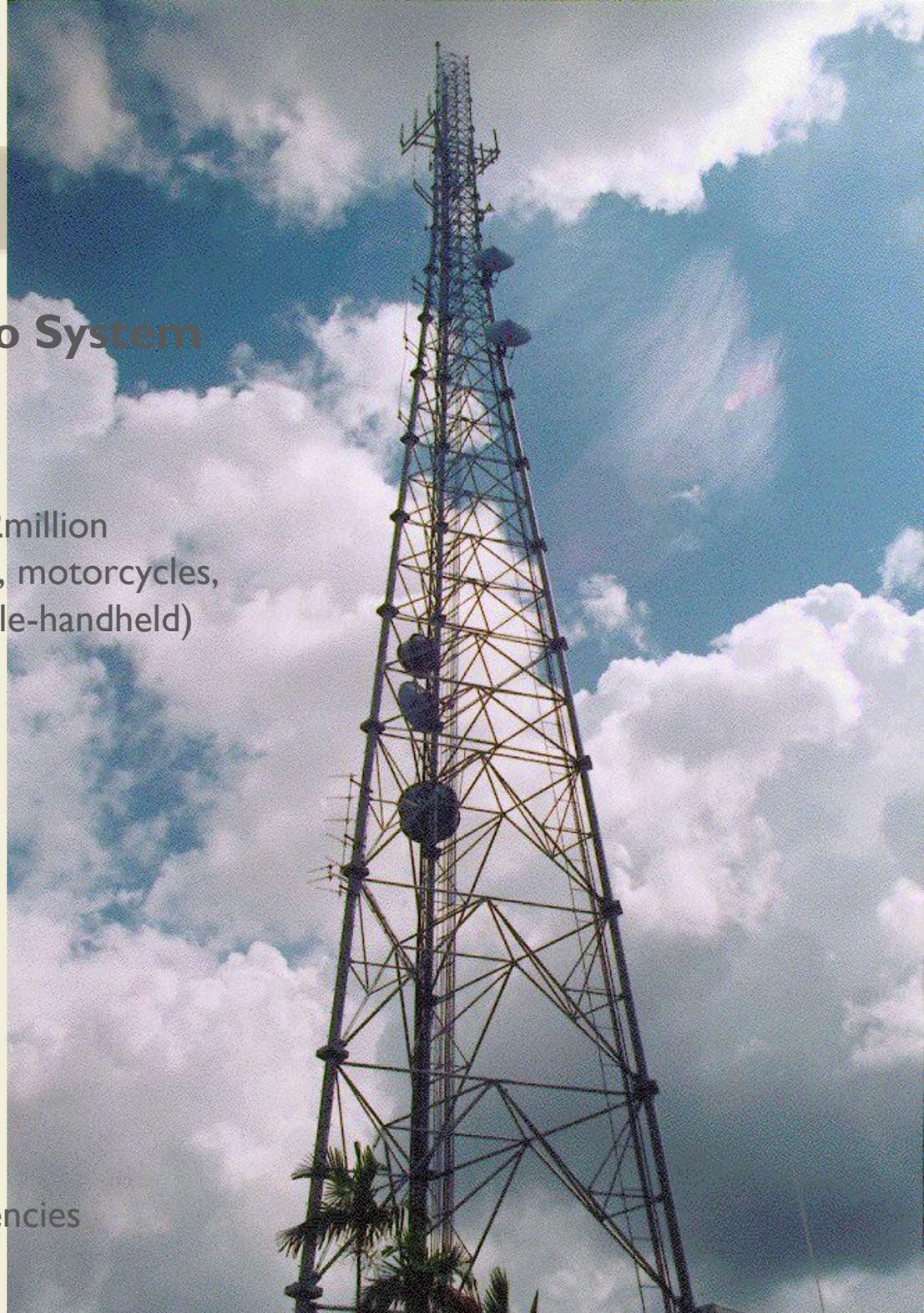
- Chapter 282, Florida Statutes
- 24 State law enforcement entities
- 27 Federal and local jurisdictions
- Average annual contract payment \$18.2million
- 18,246 total radios in patrol cars, boats, motorcycles, aircraft (mobile) and on foot (portable-handheld)

#### **• History**

- Procured in 2000; operational by 2005
- 98% coverage (outdoor mobile)
  - 58,000 square miles
  - 20,000 square miles off-shore coverage
- 199 tower sites, 657 radio channels
- 99% network uptime

#### **• Joint Task Force (JTF) Board**

- Advisory Board
- Represents State Law Enforcement Agencies





# SLERS

## Funding Sources

- \$1.00 surcharge on vehicle and vessel annual registrations generates \$18.2 million paid to Harris Corp. annually for Service and Access Agreement
- **\$3.00 fee on traffic violations generates \$5.3 million annually for DMS staffing, administration, and enhancement projects**

## Performance

- Bureau of Public Safety monitors daily and audits monthly to validate and justify quarterly payments to Harris Corp.

## Challenges

- **\$3.00 fee sunsets 6/30/12, legislation needed to extend**
- Coverage Gaps (1,160 sq miles with no mobile coverage & 11,250 sq miles with no portable coverage)

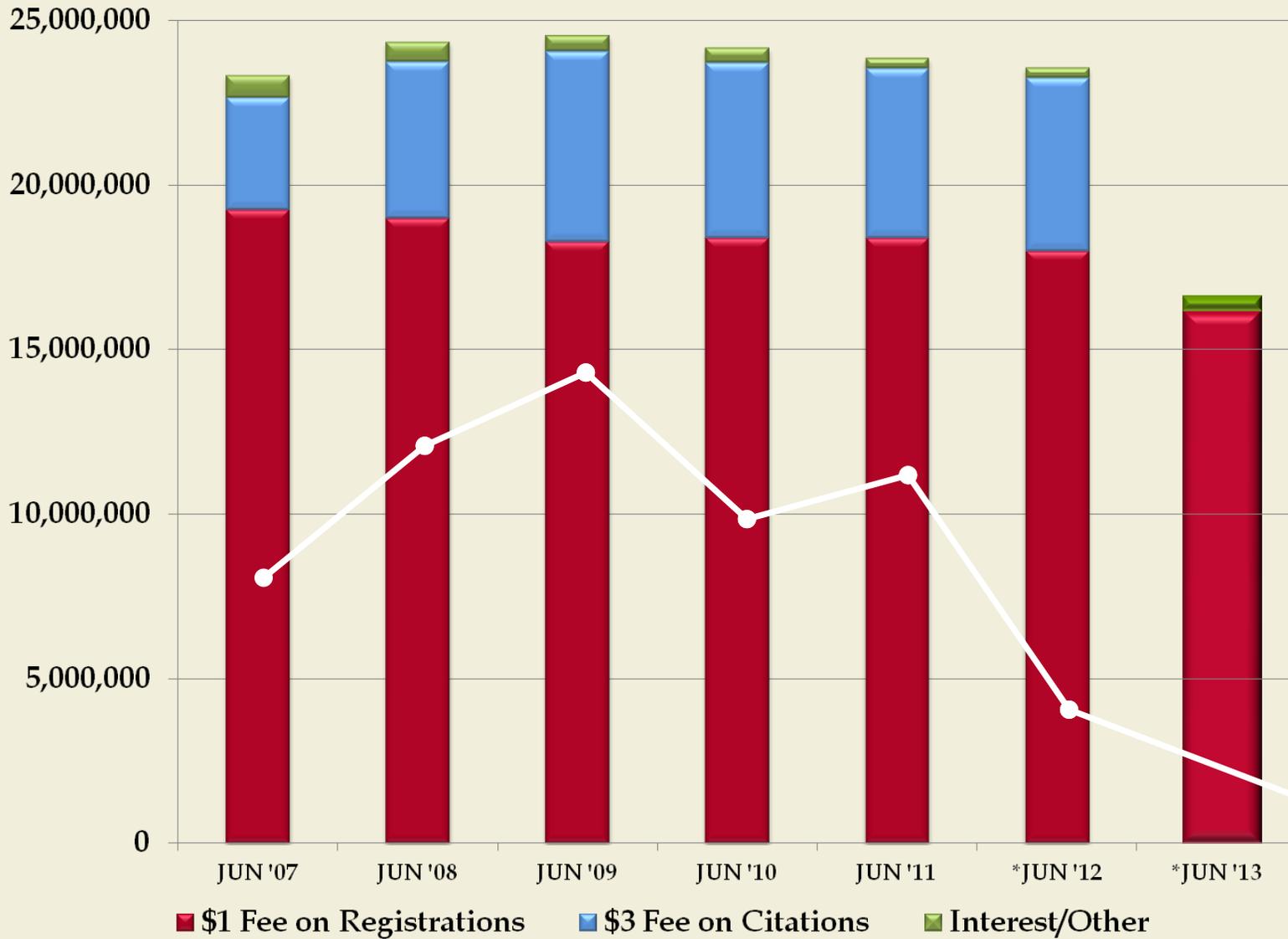


# Interoperability Section

- **Florida Interoperability Network (FIN)**
  - 236 FIN (Moto-bridge) devices in communications centers
  - Federal Grant Funding Reduced 33%
  - 2012 grant applications limited to \$1M
  - **2012 LBR - Need \$2M annually or plan to dismantle**
  
- **Mutual Aid Build-out (MAB)**
  - 103 towers with mutual aid channels
  - Grant funds not available FY 2011 & 2012
  - **2012 LBR - Need \$3M annually or plan to dismantle**
  
- **Emergency Medical Services (EMS) Communications Plan**
  - Legislation needed to establish funding for dedicated staffing



# SLERS Funding w-Forecast





# Legislative Support

## Extension of \$3 Surcharge for SLERS

- SLERS Enhancements
- Funding:
  - Florida Interoperability Network
  - Mutual Aid
- Extension to July 1, 2021

CHIEF FINANCIAL OFFICER  
**JEFF ATWATER**

FLORIDA DEPARTMENT OF FINANCIAL SERVICES

*An overview of the Division of Insurance Fraud*

Senate Budget Subcommittee on General Government Appropriations  
January 19, 2012

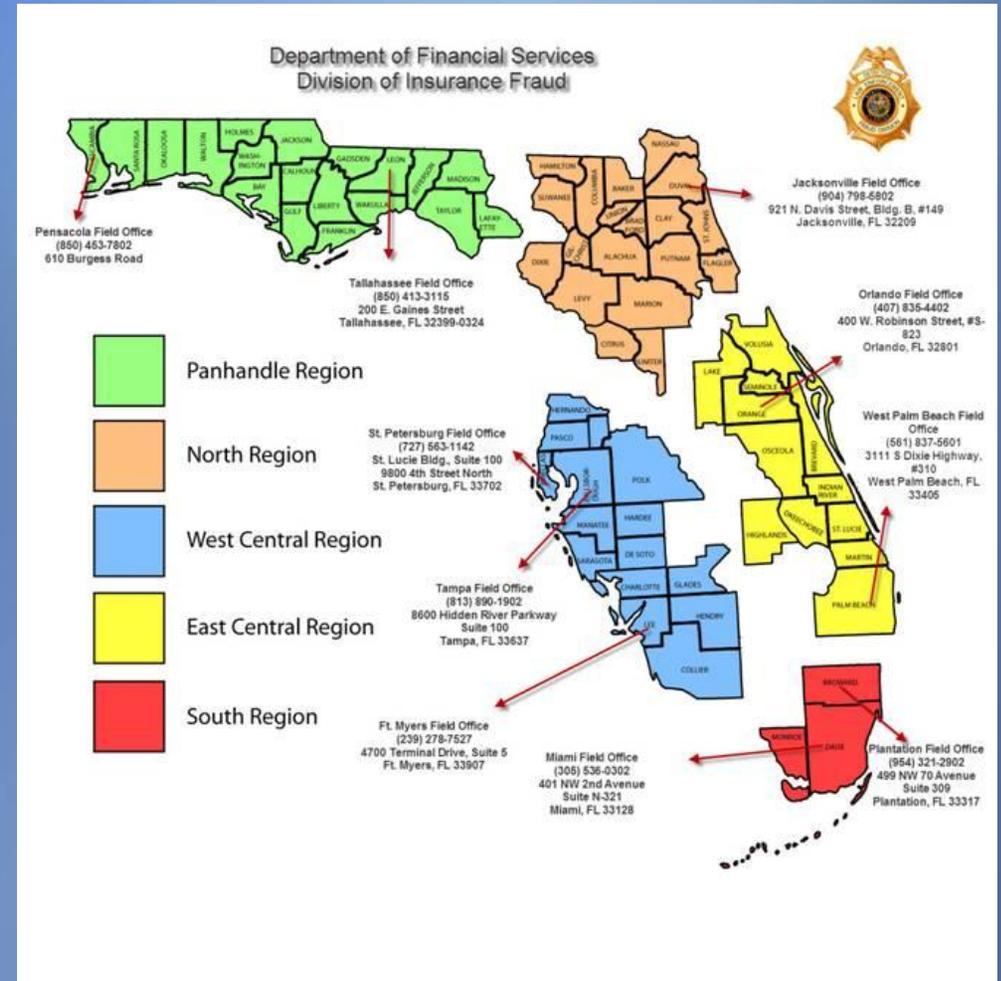


# History

- Insurance Fraud is any action taken by an individual with the intent to fraudulently obtain payment from an insurer.
- The Division of Insurance Fraud was created in 1976, and is responsible for investigating insurance fraud, crimes associated with claim fraud, insurance premium fraud, workers' compensation claim fraud, workers' compensation premium avoidance and diversions, insurer insolvency fraud, unauthorized insurance entity fraud, and insurance agent crimes.
- Comprised of sworn law enforcement officers, the Division has investigatory and arrest powers. Case referrals are made as jurisdictionally appropriate—either to a state attorney, the Office of Statewide Prosecution, or federal prosecutors.

# Organization

- The Division is organized into field offices and jurisdictional units.
- Jurisdictional units include:
  - The Bureau of Crime Intelligence and Analytical Support
  - The Major Case Unit
  - The Bureau of Workers' Compensation Fraud
  - Fraud Operations
- Field offices are in the following cities and supervised by a regional Captain:
  - Panhandle Region: Pensacola & Tallahassee
  - North Region: Jacksonville & Ocala
  - West Central Region: Tampa, St. Petersburg & Fort Myers
  - East Central Region: West Palm Beach & Orlando
  - South Region: Miami & Plantation



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**JEFF ATWATER**  
FLORIDA DEPARTMENT OF FINANCIAL SERVICES

# Specific Crimes of Insurance Fraud

- Unlicensed Entity Fraud: the use of unlicensed companies to sell insurance.
- PIP Fraud: falsifying claims information to inappropriately receive reimbursement from personal injury protection insurance (e.g. staging a car accident, filing false claims, billing for procedures that were never performed).
- Workers' Compensation Fraud: falsifying claims information to inappropriately receive reimbursement from a workers' compensation carrier or fraudulently avoiding the payment of premiums altogether (e.g. faking on-the-job injuries, falsifying payrolls to reduce premiums, forging certificates of insurance).
- Annuity Fraud: bogus offers to purchase an annuity, which is a series of payments similar to a savings plan to provide primary or supplementary retirement income.

**FRAUD ALERT**  
FLORIDA  
DIVISION OF INSURANCE FRAUD

**“Fake Crash = Real Time”**

If you participate in a staged accident, you face a minimum of two (2) years to fifteen (15) years in prison.

File a false claim with your insurance company and you will go to jail.

**Insurance Fraud –  
it's not worth it.**



**REWARD OFFERED**  
Up to \$25,000 for information leading to the conviction of persons committing complex and organized insurance crimes

**Call Toll-Free 1-800-378-0445**



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**JEFF ATWATER**  
FLORIDA DEPARTMENT OF FINANCIAL SERVICES

CHIEF FINANCIAL OFFICER  
**JEFF ATWATER**  
FLORIDA DEPARTMENT OF FINANCIAL SERVICES

# FY 2010/2011 Statistics

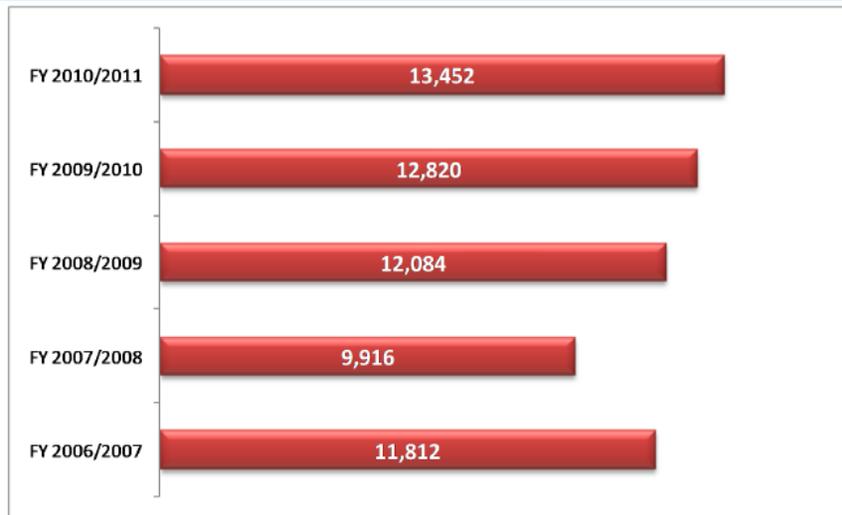
The graphic represents aggregated numbers for the 2010-2011 fiscal year.

## Fiscal Year 2010/2011 Statistics

Referrals.....	13,452
Arrests.....	997
Cases Presented for Prosecution.....	1,214
Convictions .....	840
Court Ordered Restitution.....	\$156,258,674.74



## Suspected Fraud Referrals (Tips)



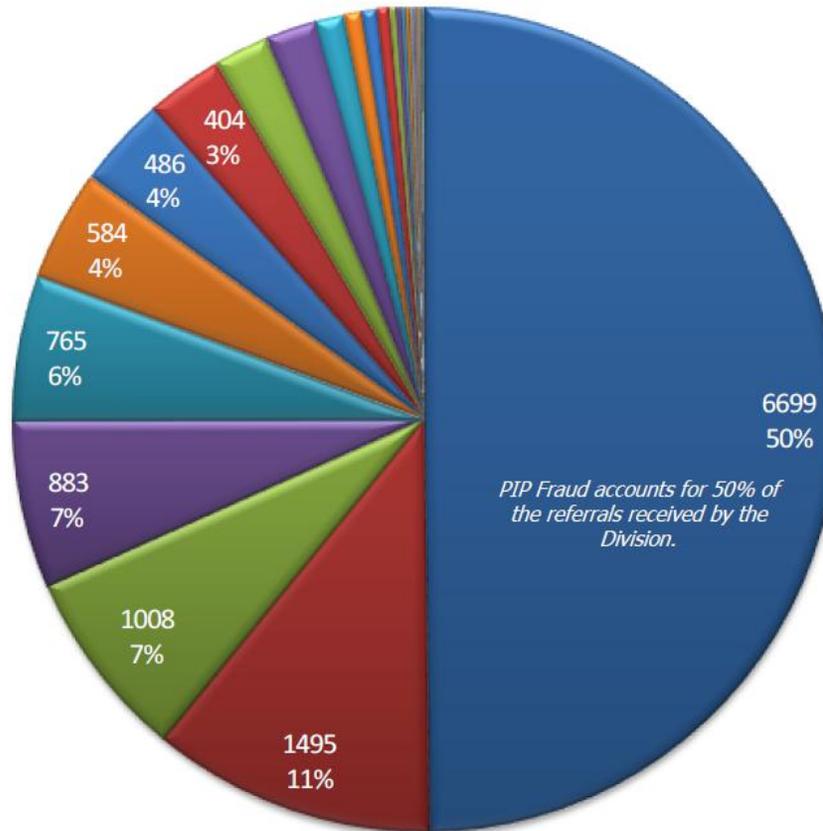
As this graph illustrated, referrals have continued to increase over the years.

CHIEF FINANCIAL OFFICER  
**JEFF ATWATER**  
FLORIDA DEPARTMENT OF FINANCIAL SERVICES

# FY 2010-2011 Statistics *continued*

## The Number and Percentage of Suspected Fraud Referrals Received for each Fraud Type

- PERSONAL INJURY PROTECTION FRAUD
- WORKERS' COMPENSATION FRAUD
- VEHICLE FRAUD
- APPLICATION FRAUD
- LICENSEE FRAUD
- HOMEOWNERS
- HEALTHCARE
- COMMERCIAL
- BANKING AND SECURITIES
- DUPLICATE ENTRIES
- ARSON FOR PROFIT
- FINANCIAL INVESTIGATION
- DISABILITY FRAUD
- UNAUTHORIZED ENTITIES FRAUD
- LIFE INSURANCE FRAUD
- MARINE FRAUD
- INFORMATION ONLY
- OTHER AGENCY ASSISTANCE
- IDENTITY THEFT
- WARRANTY FRAUD
- NON-INSURANCE FRAUD RELATED REFERRAL
- TITLE FRAUD
- MY SAFE FLORIDA HOME
- BONDS
- RISK MANAGEMENT



PIP Fraud is the most commonly referred crime, which is followed by workers' compensation insurance fraud.

Both have been a major focus for the CFO, as the Insurance Consumer Advocate convened a PIP Working Group this summer, and our Department worked collaboratively with the Attorney General's office on the most common workers' compensation insurance fraud scheme seen today—the use of money service businesses to accomplish premium avoidance.

CHIEF FINANCIAL OFFICER  
**JEFF ATWATER**  
 FLORIDA DEPARTMENT OF FINANCIAL SERVICES

## FY 2010-2011 Statistics *continued*

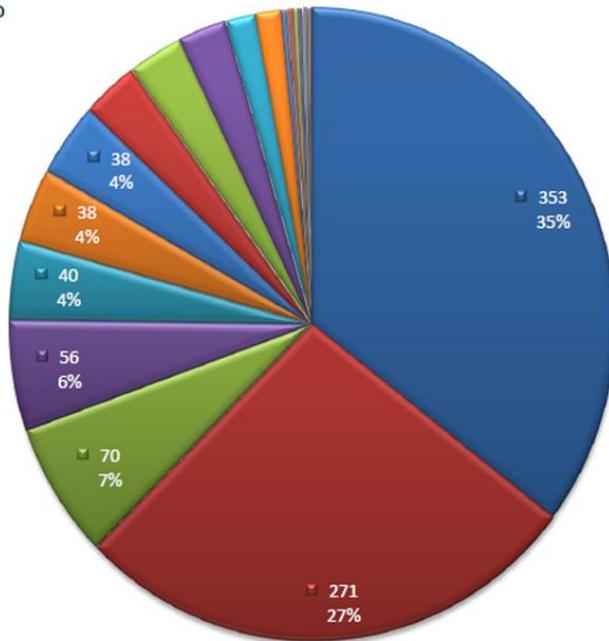
This graphic lists the top 10 fraud referrals to the Division, and how the numbers have changed over time.

Suspected Fraud Referrals: Increase/Decrease			
CASE TYPE	FY 09/10	FY 10/11	% Increase/ Decrease
PIP FRAUD	5,543	6,699	21%
WORKERS' COMPENSATION FRAUD	1,676	1,495	-11%
VEHICLE FRAUD	1,237	1,008	-19%
APPLICATION FRAUD	821	883	8%
LICENSEE FRAUD	706	765	8%
HOMEOWNERS	644	584	-9%
HEALTHCARE	433	486	12%
COMMERCIAL	494	404	-18%
BANKING AND SECURITIES	286	287	0%
ARSON FOR PROFIT	149	152	2%

# FY 2010-2011 Statistics *continued*

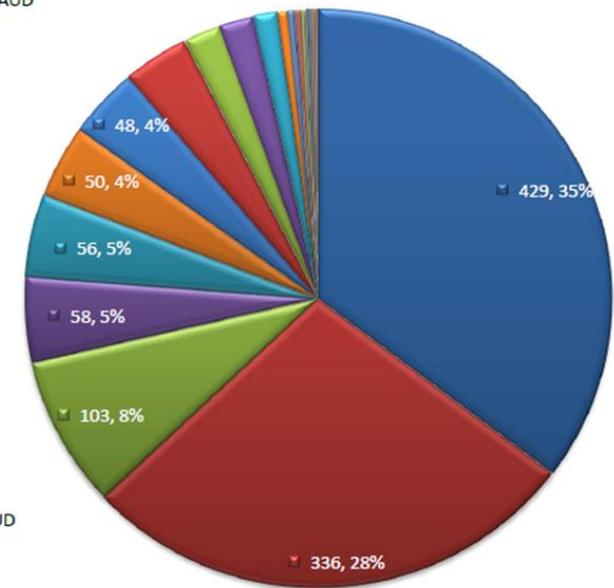
## Arrests

- PERSONAL INJURY PROTECTION FRAUD
- WORKERS' COMPENSATION FRAUD
- LICENSEE FRAUD
- VEHICLE FRAUD
- APPLICATION FRAUD
- BANKING AND SECURITIES
- HEALTHCARE
- HOMEOWNERS
- FINANCIAL INVESTIGATION
- OTHER AGENCY ASSISTANCE
- COMMERCIAL
- DISABILITY FRAUD
- ARSON FOR PROFIT
- TITLE FRAUD
- LIFE INSURANCE FRAUD
- MARINE FRAUD
- WARRANTY FRAUD
- IDENTITY THEFT
- MY SAFE FLORIDA HOME
- UNAUTHORIZED ENTITIES FRAUD



## Cases Presented for Prosecution

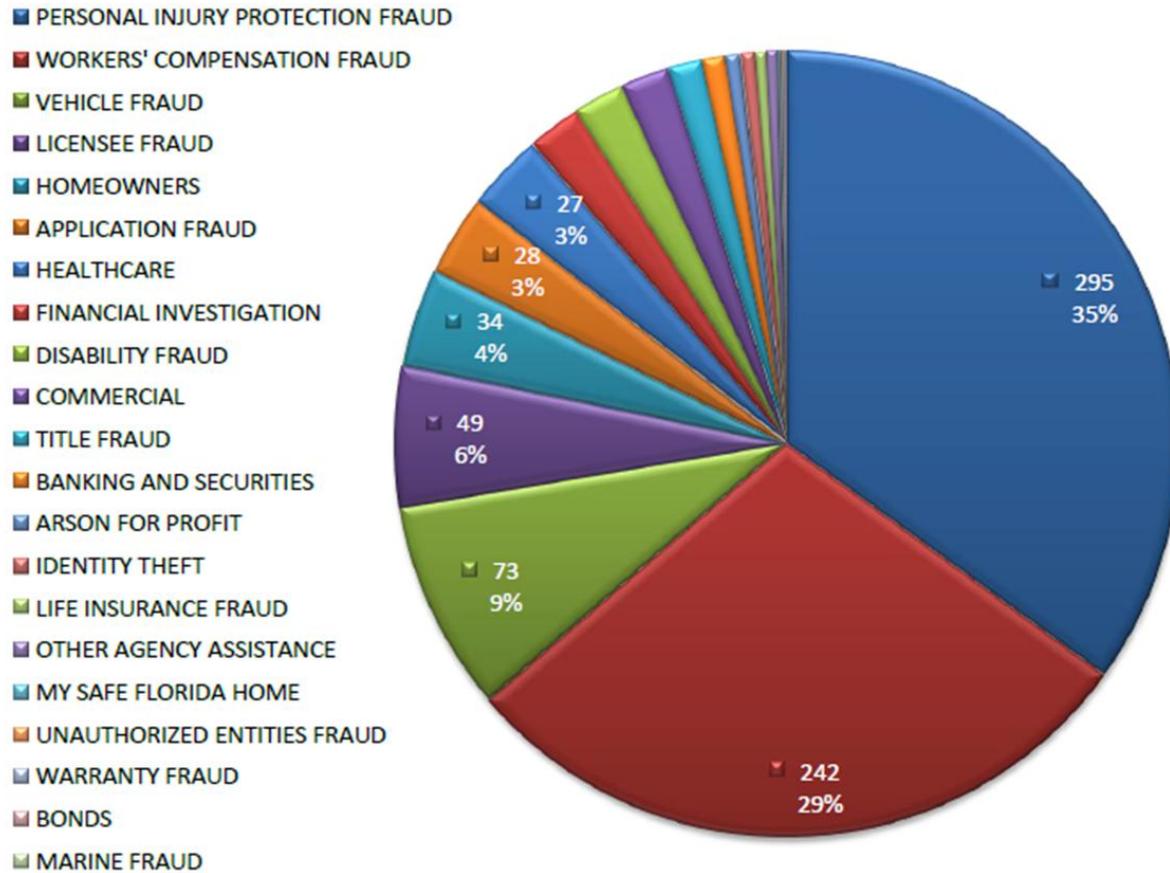
- PERSONAL INJURY PROTECTION FRAUD
- WORKERS' COMPENSATION FRAUD
- LICENSEE FRAUD
- BANKING AND SECURITIES
- VEHICLE FRAUD
- HEALTHCARE
- APPLICATION FRAUD
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- FINANCIAL INVESTIGATION
- COMMERCIAL
- DISABILITY FRAUD
- LIFE INSURANCE FRAUD
- ARSON FOR PROFIT
- OTHER AGENCY ASSISTANCE
- MARINE FRAUD
- TITLE FRAUD
- UNAUTHORIZED ENTITIES FRAUD
- WARRANTY FRAUD
- IDENTITY THEFT
- MY SAFE FLORIDA HOME



CHIEF FINANCIAL OFFICER  
**JEFF ATWATER**  
 FLORIDA DEPARTMENT OF FINANCIAL SERVICES

# FY 2010-2011 Statistics *continued*

## Convictions



# Insurance Fraud Reporting

- Insurance Fraud can be reported online or by phone.
- Two web pages are accessible from our home page: one for insurance fraud reports from consumers and another for reports from the insurance industry. Both can be done anonymously.
- Additionally, we have an Insurance Fraud “Most Wanted” web page, for suspects who have outstanding warrants.

The screenshot shows the 'Report Suspected Fraud' page from the Florida Department of Financial Services. At the top, it identifies Jeff Atwater as the Chief Financial Officer. The page includes a navigation bar with links for Home, News, Contact Us, About the Agency, Español, and Search. The main heading is 'Report Suspected Fraud'. Below the heading, there are instructions: 'Enter all information and click on the SUBMIT button at the bottom of the page. If information is unknown, leave that block blank and skip to the next block. A confirmation number will be provided upon submission. If you do not receive a confirmation number within 24 hours, please email your submission information to FraudReferralSupport@MyFloridaCFO.Com'. A note indicates that required fields are marked with a white arrow in a red circle. The form itself is titled 'Florida Department of Financial Services Division of Insurance Fraud' and asks for a 'brief summary of the facts of this matter: Who, What, Where, When, Why and How'. There is a large text input area with a '(Maximum 65,000 Characters)' limit. Below the text area are three dropdown menus: 'Florida county the fraud Occurred:', 'Date fraud Occurred:', and 'Type of fraud Occurred:'. Each dropdown menu has a red circle with a white arrow next to it, indicating a required field.



CHIEF FINANCIAL OFFICER  
**JEFF ATWATER**  
FLORIDA DEPARTMENT OF FINANCIAL SERVICES

## 2012-2013 Appropriation Requests

This year, the Department has made the following appropriations requests relative to the Division of Insurance Fraud:

- \$10,000 in authority for Anti-Fraud awareness and education (from new private funds)
- \$30,805 in authority for advertising campaign (from forfeiture funds)
- \$297,000 in authority for new cars (from forfeiture funds)
- 6 FTE, 669,546 for PIP Fraud

Questions?

CHIEF FINANCIAL OFFICER  
**JEFF ATWATER**  
FLORIDA DEPARTMENT OF FINANCIAL SERVICES

THE FLORIDA SENATE

APPEARANCE RECORD

4

1.19.12

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

Meeting Date

Topic Insurance Fraud

Bill Number (if applicable)

Name Tom Kirwin

Amendment Barcode (if applicable)

Job Title Deputy CFO

Address Capitol PL-11 Street

Phone 413-2863

City State Zip

E-mail

Speaking: For Against Information

Representing Dep't Financial Service

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

# CourtSmart Tag Report

**Room:** SB 401

**Case:**

**Type:**

**Caption:** Senate Budget Subcommittee on General Government Appropriations

**Judge:**

**Started:** 1/19/2012 2:46:53 PM

**Ends:** 1/19/2012 4:15:15 PM

**Length:** 01:28:23

2:47:28 PM Sen. Hays, (Chair)  
2:48:00 PM Mike Nachev, aide to Sen. Richter  
2:48:14 PM SB 938  
2:48:59 PM Logan McFaddin, Director of Legislative Affairs, Department of Financial Services  
2:50:06 PM Tab 2: Presentation by the Water Management Districts on Preliminary Budgets for FY 2012-13  
2:50:17 PM Ernie Barnett, Director Everglades Policy, South Florida Water Management District  
2:51:16 PM Sen. Hays  
2:51:29 PM E. Barnett  
2:54:02 PM Sen. Hays  
2:54:12 PM E. Barnett  
2:55:39 PM Sen. Hays  
2:55:45 PM E. Barnett  
3:05:38 PM Sen. Bullard  
3:05:53 PM E. Barnett  
3:07:01 PM Sen. Bullard  
3:08:29 PM Sen. Gibson  
3:09:13 PM E. Barnett  
3:11:53 PM Sen. Hays  
3:12:35 PM E. Barnett  
3:13:56 PM Sen. Hays  
3:14:28 PM E. Barnett  
3:16:55 PM Sen. Bullard motion to vote yes on SB 938 after roll call  
3:17:37 PM Colleen Thayer, Bureau Chief, Public Affairs, Southwest Florida Water Management District  
3:27:34 PM Sen. Hays  
3:29:14 PM E. Barnett  
3:31:33 PM Sen. Bullard  
3:32:15 PM E. Barnett  
3:33:25 PM E. Barnett  
3:34:17 PM Sen. Bullard  
3:35:13 PM Sen. Hays  
3:35:18 PM Sen. Bullard  
3:35:43 PM Sen. Hays  
3:35:56 PM E. Barnett  
3:36:14 PM Steve Minnis, Director of Governmental Affairs, Suwannee River Water Management District  
3:38:19 PM Sen. Hays  
3:38:26 PM Sen. Hays  
3:38:28 PM S. Minnis  
3:47:03 PM Doug Barr, Executive Director, Northwest Florida Water Management District  
3:49:31 PM Sen. Jones  
3:50:07 PM D. Barr  
3:51:07 PM Sen. Jones  
3:51:24 PM D. Barr  
3:53:43 PM Sen Hays  
3:53:47 PM D. Barr  
3:55:02 PM Sen. Hays  
3:55:16 PM D. Barr  
4:02:34 PM Sen Hays  
4:02:53 PM D. Barr  
4:03:01 PM Sen Hays  
4:03:14 PM D. Barr  
4:04:13 PM Sen Hays  
4:04:17 PM Tab 4

**4:04:49 PM** Tom Kirwin, Deputy CFO, Department of Financial Service

**4:05:02 PM**

**4:10:33 PM** Joe Bourassa, Citizen, Daytona Beach, Fl.