

THE FLORIDA SENATE
2015 SUMMARY OF LEGISLATION PASSED
Committee on Banking and Insurance

CS/CS/HB 1133 — Division of Insurance Agent and Agency Services

by Regulatory Affairs Committee; Insurance and Banking Subcommittee; and Rep. Fant and others (CS/CS/SB 1222 by Fiscal Policy Committee; Banking and Insurance Committee; and Senator Richter)

The bill revises certain insurance agent responsibilities and licensing requirements as follows:

General Lines Agents:

- Repeals a restriction that limits general lines agents to selling health insurance only for companies which also sell property, casualty, or surety insurance;
- Revises the experience and educational requirements for general lines agent applicants and personal lines agent applicants; and
- Exempts applicants for licensure as general lines agents or all-lines adjusters from certain examination requirements if they have a degree in insurance or designations from various insurance industry organizations.

Life and Health Agents:

- Revises the qualifications for licensure of life and health agents by modifying the course work requirements, requiring specific designations, and repealing obsolete references to correspondence courses.

Agents in Charge of an Insurance Agency:

- Provides that the agent-in-charge of an insurance agency must be licensed to transact at least two of the lines of insurance being handled at an agency location instead of being licensed to handle all lines of insurance.

General Agent Provisions:

- Requires agents to maintain certain policy records for 5 years after policy expiration;
- Clarifies that licensed agents can charge and collect the “exact amount of any discount or other such fee charged by a credit card facility in connection with the use of a credit card” in addition to the premium charged by insurers; and
- Permits agents to deliver notices of insolvency by electronic mail with delivery receipt required.

Customer Representatives:

- Modifies the licensure requirements for customer representative and repeals the written examination requirement;
- Revises the educational requirements and repeals the examination requirement for applicants for licensure as a customer representative;
- Allows customer representatives to receive commissions as long as the commissions are not the primary source of compensation; and
- Allows agents to divide commissions with a customer representative.

Licensure Examinations:

- Provides that applicants for licensure as a personal lines agent, a life agent, or a health agent is subject to an examination only on pertinent provisions of the Florida Insurance Code if the applicant meets specified educational requirements; and
- Specifies that a prelicensure course provider may not grant completion credit unless the student completes at least 75 percent of the required course hours.

The bill also defines the term “surrender” for purposes of premiums related to the surrender of an annuity or life insurance policy and revises the notice requirements for recommending the surrender of an annuity contract or life insurance policy by including e-mail delivery with delivery receipt.

There is no fiscal impact to state funds.

If approved by the Governor, these provisions take effect July 1, 2015.

Vote: Senate 39-0; House 117-0