

## Committee on Banking and Insurance

### **CS/CS/HB 633 — Division of Insurance Agents and Agency Services**

by Regulatory Affairs Committee; Insurance and Banking Subcommittee; and Rep. Ingram and others (CS/SB 1210 by Banking and Insurance Committee; and Senator Bean)

The bill amends statutes relating to the regulation of insurance agents and agencies by the Department of Financial Services (DFS). This bill:

- Provides for service of documents used to initiate administrative proceedings by electronic mail if service cannot be obtained by other means, allows for service by hand delivery by a department investigator and service by publication.
- Eliminates the insurance agency licensing requirement for agencies owned and operated by a single licensed agent if the branch agencies transact business under the same tax identification number and if the agent has designated an agent in charge for each location.
- Allows third parties to sign agency applications.
- Repeals a provision allowing insurance agencies to obtain a registration in lieu of a license, converts all agency registrations to licenses, and eliminates the 3-year expiration period for agency licenses.
- Provides for agency licenses to automatically expire if the agency does not designate a new agent in charge with the DFS within 90 days after the agent in charge on record has left the agency.
- Creates a new type of insurance agent, an unaffiliated insurance agent, to allow an agent who is not appointed by an insurance company to maintain his or her license instead of allowing the license to expire after 4 years.
- Requires the DFS to immediately suspend the license or appointment of licensees charged with crimes that would preclude them from applying for licensure from the DFS.
- Provides new conditions in which the DFS can deny an application for certification or suspend certification or approval as a neutral evaluator or mediator including misstatements on an application, demonstrated lack of fitness or trustworthiness, and fraudulent or dishonest practices.
- Provides that individuals seeking to act as DFS approved mediators must be certified by the Florida Supreme Court as circuit court mediators or have been active mediators for the DFS prior to July 1, 2014.
- Exempts members of the United States Armed Forces, their spouses, and veterans who have retired within 24 months from the application filing fee for specified licenses.

If approved by the Governor, these provisions take effect July 1, 2014, except as otherwise provided in the bill.

*Vote: Senate 38-0; House 116-0*