

Committee on Banking and Insurance

CS/CS/CS/HB 1393 — Department of Financial Services

by Commerce Committee; Government Operations and Technology Appropriations Subcommittee; Insurance and Banking Subcommittee; and Rep. Clemons and others (CS/CS/SB 1704 by Innovation, Industry, and Technology Committee; Banking and Insurance Committee; and Senator Wright)

The bill modifies several areas regulated by the Department of Financial Services (DFS). The bill allows the Division of Treasury to maintain warrants paid rather than turning them over to the Division of Auditing and Accounting and extends the retention period from 5 to 10 years.

The bill amends the Florida Funeral, Cemetery, and Consumer Services Act to:

- Allow a funeral director in charge to supervise up to two facilities, provided they are not more than 75 miles apart as measured in a straight line;
- Provide criteria for internship programs for a joint funeral director and embalmer license applicant;
- Require notice be sent to purchasers of preneed services when the services have not been rendered after a specified time frame and providing for distribution of funds held in trust;
- Allow out of state trust companies to receive funds from a preneed contract without obtaining a preneed license; and
- Authorize out of state trust companies to service a funeral or cemetery's care and maintenance trust fund.

The bill amends various licensing statutes administered by the Division of Agent and Agency Services. The bill:

- Allows applicants that have committed certain felonies to obtain a license on a probationary basis once the applicant has served at least half of the disqualifying period if the applicant, during that time, has not been found guilty of or has not pleaded guilty or nolo contendere to a crime;
- Creates a temporary license for personal lines agents similar to the temporary license existing in other lines;
- Provides that licenses for industrial fire or burglary agents will no longer be issued but allows current license holders to maintain their licenses;
- Eliminates examination requirements for industrial fire insurance and burglary insurance agents as well as crop hail and multiple-peril crop insurance agents;
- Provides the DFS the discretion to deny, suspend, revoke, or refuse to continue an insurance agency license on the grounds that another jurisdiction has taken an adverse action against a professional license held by a majority owner, partner, manager, director, officer or other controlling person of the agency; and
- Clarifies that the DFS may take action against the license of a title insurance agent or agency for willful violations of the Florida Insurance Code.

The bill amends the DFS property insurance mediation program to require the mediator to report a settlement through mediation to all parties after the conclusion of the mediation. The report must include the settlement amount.

The bill amends statutes relating to the State Fire Marshal to provide that identification of state owned and leased buildings will no longer be determined by the U.S. National Grid Coordinate System and to direct the Division of State Fire Marshal to develop employer best practices for firefighter cancer prevention. It also clarifies requirements for installation of fire extinguishers and preengineered systems. The bill provides for a uniform fire alarm permit for installing, replacing, or repairing a fire alarm system.

The bill amends the Disposition of Unclaimed Property Act to allow the DFS to automatically disburse certain unclaimed property accounts to verified claimants, and authorizes the department to create a method whereby claimant's representatives may electronically submit claim documents. The bill creates the Florida Blockchain Task Force with the Department of Financial Services to explore and develop a plan for fostering the expansion of the blockchain industry in Florida.

If approved by the Governor, these provisions take effect July 1, 2019.

Vote: Senate 36-3; House 112-2