

Amendment No. (for drafter's use only)

CHAMBER ACTION

Senate

House

.  
.
.

1 Representative Berfield offered the following:

2 **Amendment (with title amendment)**

3 On page 209, between lines 5 and 6, insert:

4 Section 167. Paragraph (a) of subsection (3) of section  
5 626.2815, Florida Statutes, is amended to read:

6 626.2815 Continuing education required; application;  
7 exceptions; requirements; penalties.--

8 (3)(a) Each person subject to the provisions of this  
9 section must, except as set forth in paragraphs (b) and (c),  
10 complete a minimum of 24 hours of continuing education courses  
11 every 2 years in basic or higher-level courses prescribed by  
12 this section or in other courses approved by the department.

13 Each person subject to the provisions of this section must  
14 complete, as part of his or her required number of continuing  
15 education hours, 3 hours of continuing education, approved by  
16 the department, every 2 years on the subject matter of ethics

170985

HOUSE AMENDMENT

Bill No. CS/CS/SB 2994

Amendment No. (for drafter's use only)

17 | ~~and a minimum of 2 hours of continuing education, approved by~~  
18 | ~~the department, every 2 years on the subject matter of~~  
19 | ~~unauthorized entities engaging in the business of insurance. The~~  
20 | ~~scope of the topic of unauthorized entities shall include the~~  
21 | ~~Florida Nonprofit Multiple Employer Welfare Arrangement Act and~~  
22 | ~~the Employee Retirement Income Security Act, 29 U.S.C. ss. 1001~~  
23 | ~~et seq., as it relates to the provision of health insurance by~~  
24 | ~~employers to their employees and the regulation thereof.~~

25 | Section 168. Present subsections (15) through (17) of  
26 | section 626.015, Florida Statutes, are renumbered as subsections  
27 | (16) through (18), respectively, and a new subsection (15) is  
28 | added to said section to read:

29 | 626.015 Definitions.--As used in this part:

30 | (15) "Personal lines agent" means a general lines agent  
31 | who is limited to transacting business related to property and  
32 | casualty insurance sold to individuals and families for  
33 | noncommercial purposes.

34 | Section 169. Subsection (3) is added to section 626.022,  
35 | Florida Statutes, to read:

36 | 626.022 Scope of part.--

37 | (3) Provisions of this part that apply to general lines  
38 | agents and applicants also apply to personal lines agents and  
39 | applicants, except where otherwise provided.

40 | Section 170. Subsection (8) is added to section 626.241,  
41 | Florida Statutes, to read:

42 | 626.241 Scope of examination.--

170985

Amendment No. (for drafter's use only)

43       (8) An examination for licensure as a personal lines agent  
44 shall consist of 100 questions and shall be limited in scope to  
45 the kinds of business transacted under such license.

46       Section 171. Subsection (1) of section 626.311, Florida  
47 Statutes, is amended to read:

48       626.311 Scope of license.--

49       (1) Except as to personal lines agents and limited  
50 licenses, the applicant for license as a general lines agent or  
51 customer representative shall qualify for all property, marine,  
52 casualty, and surety lines except bail bonds which require a  
53 separate license under chapter 648. The license of a general  
54 lines agent may also cover health insurance if health insurance  
55 is included in the agent's appointment by an insurer as to which  
56 the licensee is also appointed as agent for property or casualty  
57 or surety insurance. The license of a customer representative  
58 shall provide, in substance, that it covers all of such classes  
59 of insurance that his or her appointing general lines agent or  
60 agency is currently so authorized to transact under the general  
61 lines agent's license and appointments. No such license shall  
62 be issued limited to particular classes of insurance except for  
63 bail bonds which require a separate license under chapter 648 or  
64 for personal lines agents. Personal lines agents are limited to  
65 transacting business related to property and casualty insurance  
66 sold to individuals and families for noncommercial purposes.

67       Section 172. Section 626.727, Florida Statutes, is amended  
68 to read:

69       626.727 Scope of this part.--This part applies only to  
70 general lines agents, customer representatives, service

170985

Amendment No. (for drafter's use only)

71 representatives, and managing general agents, all as defined in  
72 s. 626.015. Provisions of this part which apply to general lines  
73 agents and applicants also apply to personal lines agents and  
74 applicants, except where otherwise provided.

75 Section 173. Subsection (1) of section 626.732, Florida  
76 Statutes, is amended to read:

77 626.732 Requirement as to knowledge, experience, or  
78 instruction.--

79 (1) Except as provided in subsection (3), no applicant for  
80 a license as a general lines agent or personal lines agent,  
81 except for a chartered property and casualty underwriter (CPCU),  
82 other than as to a limited license as to baggage and motor  
83 vehicle excess liability insurance, credit property insurance,  
84 credit insurance, in-transit and storage personal property  
85 insurance, or communications equipment property insurance or  
86 communication equipment inland marine insurance, shall be  
87 qualified or licensed unless within the 4 years immediately  
88 preceding the date the application for license is filed with the  
89 department the applicant has:

90 (a) Taught or successfully completed classroom courses in  
91 insurance, 3 hours of which shall be on the subject matter of  
92 ethics, satisfactory to the department at a school, college, or  
93 extension division thereof, approved by the department. To  
94 qualify for licensure as a personal lines agent, the applicant  
95 must complete a total of 52 hours of classroom courses in  
96 insurance;

97 (b) Completed a correspondence course in insurance, 3  
98 hours of which shall be on the subject matter of ethics,

170985

Amendment No. (for drafter's use only)

99 satisfactory to the department and regularly offered by  
100 accredited institutions of higher learning in this state and,  
101 except if he or she is applying for a limited license under s.  
102 626.321, for licensure as a general lines agent, has had at  
103 least 6 months of responsible insurance duties as a  
104 substantially full-time bona fide employee in all lines of  
105 property and casualty insurance set forth in the definition of  
106 general lines agent under s. 626.015 or, for licensure as a  
107 personal lines agent, has completed at least 3 months in  
108 responsible insurance duties as a substantially full-time  
109 employee in property and casualty insurance sold to individuals  
110 and families for noncommercial purposes;

111 (c) For licensure as a general lines agent, completed at  
112 least 1 year in responsible insurance duties as a substantially  
113 full-time bona fide employee in all lines of property and  
114 casualty insurance, exclusive of aviation and wet marine and  
115 transportation insurances but not exclusive of boats of less  
116 than 36 feet in length or aircraft not held out for hire, as set  
117 forth in the definition of a general lines agent under s.  
118 626.015, without the education requirement mentioned in  
119 paragraph (a) or paragraph (b) or, for licensure as a personal  
120 lines agent, has completed at least 6 months in responsible  
121 insurance duties as a substantially full-time employee in  
122 property and casualty insurance sold to individuals and families  
123 for noncommercial purposes without the education requirement in  
124 paragraph (a) or paragraph(b); ~~or~~

125 (d)1. For licensure as a general lines agent, completed at  
126 least 1 year of responsible insurance duties as a licensed and

170985

Amendment No. (for drafter's use only)

127 appointed customer representative or limited customer  
128 representative in commercial or personal lines of property and  
129 casualty insurance and 40 hours of classroom courses approved by  
130 the department covering the areas of property, casualty, surety,  
131 health, and marine insurance; or

132 2. For licensure as a personal lines agent, completed at  
133 least 6 months of responsible duties as a licensed and appointed  
134 customer representative or limited customer representative in  
135 property and casualty insurance sold to individuals and families  
136 for noncommercial purposes and 20 hours of classroom courses  
137 approved by the department which are related to property and  
138 casualty insurance sold to individuals and families for  
139 noncommercial purposes;

140 (e)1.2- For licensure as a general lines agent, completed  
141 at least 1 year of responsible insurance duties as a licensed  
142 and appointed service representative in either commercial or  
143 personal lines of property and casualty insurance and 80 hours  
144 of classroom courses approved by the department covering the  
145 areas of property, casualty, surety, health, and marine  
146 insurance; or-

147 2. For licensure as a personal lines agent, completed at  
148 least 6 months of responsible insurance duties as a licensed and  
149 appointed service representative in property and casualty  
150 insurance sold to individuals and families for noncommercial  
151 purposes and 40 hours of classroom courses approved by the  
152 department related to property and casualty insurance sold to  
153 individuals and families for noncommercial purposes; or

170985

Amendment No. (for drafter's use only)

154        (f) For licensure as a personal lines agent, completed at  
155        least 3 years of responsible duties as a licensed and appointed  
156        customer representative in property and casualty insurance sold  
157        to individuals and families for noncommercial purposes.

158        Section 174. The Department of Financial Services does not  
159        have to begin issuing licenses to personal lines agents on the  
160        effective date of this act if the department has not completed  
161        the process of incorporating necessary procedures for issuing  
162        personal lines licenses into its licensing systems.

163        Section 175. Subsection (1) of section 626.747, Florida  
164        Statutes, is amended to read:

165            626.747 Branch agencies.--

166            (1) Each branch place of business established by an agent  
167        or agency, firm, corporation, or association shall be in the  
168        active full-time charge of a licensed general lines agent who is  
169        appointed to represent one or more insurers. Any agent or  
170        agency, firm, corporation, or association which has established  
171        one or more branch places of business shall be required to have  
172        at least one licensed general lines agent who is appointed to  
173        represent one or more insurers at each location of the agency  
174        including its headquarters location.

175        Section 176. Paragraph (r) is added to subsection (6) of  
176        section 627.351, Florida Statutes, to read:

177            627.351 Insurance risk apportionment plans.--

178            (6) CITIZENS PROPERTY INSURANCE CORPORATION.--

179            (r) A salaried employee of the corporation who performs  
180        policy administration services subsequent to the effectuation of

Amendment No. (for drafter's use only)

181 a corporation policy is not required to be licensed as an agent  
182 under the provisions of s. 626.112.

183 Section 177. Paragraphs (c) and (d) of subsection (1) of  
184 section 626.321, Florida Statutes, are amended to read:

185 626.321 Limited licenses.--

186 (1) The department shall issue to a qualified individual,  
187 or a qualified individual or entity under paragraphs (c), (d),  
188 (e), and (i), a license as agent authorized to transact a  
189 limited class of business in any of the following categories:

190 (c) Personal accident insurance.--License covering only  
191 policies of personal accident insurance covering the risks of  
192 travel, except as provided in subparagraph 2. The license may  
193 be issued only:

194 1. To a full-time salaried employee of a common carrier or  
195 a full-time salaried employee or owner of a transportation  
196 ticket agency and may authorize the sale of such ticket policies  
197 only in connection with the sale of transportation tickets, or  
198 to the full-time salaried employee of such an agent. No such  
199 policy shall be for a duration of more than 48 hours or for the  
200 duration of a specified one-way trip or round trip.

201 2. To a full-time salaried employee of a business which  
202 offers motor vehicles for rent or lease, or to a business entity  
203 ~~office of a business~~ which offers motor vehicles for rent or  
204 ~~lease if insurance sales activities authorized by the license~~  
205 ~~are limited to full-time salaried employees.~~ A business office  
206 licensed or a person licensed pursuant to this subparagraph may,  
207 as an agent of an insurer, transact insurance that provides  
208 coverage for accidental personal injury or death of the lessee

170985

Amendment No. (for drafter's use only)

209 and any passenger who is riding or driving with the covered  
210 lessee in the rental motor vehicle if the lease or rental  
211 agreement is for not more than 30 days, or if the lessee is not  
212 provided coverage for more than 30 consecutive days per lease  
213 period; however, if the lease is extended beyond 30 days, the  
214 coverage may be extended one time only for a period not to  
215 exceed an additional 30 days.

216 (d) Baggage and motor vehicle excess liability insurance.-  
217 -

218 1. License covering only insurance of personal effects  
219 except as provided in subparagraph 2. The license may be issued  
220 only:

221 a. To a full-time salaried employee of a common carrier or  
222 a full-time salaried employee or owner of a transportation  
223 ticket agency, which person is engaged in the sale or handling  
224 of transportation of baggage and personal effects of travelers,  
225 and may authorize the sale of such insurance only in connection  
226 with such transportation; or

227 b. To the full-time salaried employee of a licensed  
228 general lines agent, ~~a full-time salaried employee of a business~~  
229 ~~which offers motor vehicles for rent or lease,~~ or to ~~a business~~  
230 ~~office of~~ a business entity that ~~which~~ offers motor vehicles for  
231 rent or lease if insurance sales activities authorized by the  
232 license are in connection with and incidental to the rental of  
233 a motor vehicle limited to full-time salaried employees. An  
234 entity applying for a license under this sub-subparagraph:

235 (I) Is required to submit only one application for a  
236 license under s. 626.171. The requirements of s. 626.171(5)

170985

Amendment No. (for drafter's use only)

237 shall apply only to the officers and directors of the entity  
238 submitting the application.

239 (II) Is required to obtain a license for each office,  
240 branch office, or place of business making use of the entity's  
241 business name by applying to the department for the license on a  
242 simplified application form developed by rule of the department  
243 for this purpose.

244 (III) Is required to pay the applicable fees for a license  
245 as prescribed in s. 624.501, be appointed under s. 626.112, and  
246 pay the prescribed appointment fee under s. 624.501. A licensed  
247 and appointed entity shall be directly responsible and  
248 accountable for all acts of the licensee's employees.

249

250 The purchaser of baggage insurance shall be provided written  
251 information disclosing that the insured's homeowner's policy may  
252 provide coverage for loss of personal effects and that the  
253 purchase of such insurance is not required in connection with  
254 the purchase of tickets or in connection with the lease or  
255 rental of a motor vehicle.

256 2. A business entity that ~~office licensed pursuant to~~  
257 ~~subparagraph 1., or a person licensed pursuant to subparagraph~~  
258 ~~1. who is a full-time salaried employee of a business which~~  
259 offers motor vehicles for rent or lease, may include lessees  
260 under a master contract providing coverage to the lessor or may  
261 transact excess motor vehicle liability insurance providing  
262 coverage in excess of the standard liability limits provided by  
263 the lessor in its lease to a person renting or leasing a motor  
264 vehicle from the licensee's employer for liability arising in

170985

Amendment No. (for drafter's use only)

265 | connection with the negligent operation of the leased or rented  
266 | motor vehicle, provided that the lease or rental agreement is  
267 | for not more than 30 days; that the lessee is not provided  
268 | coverage for more than 30 consecutive days per lease period,  
269 | and, if the lease is extended beyond 30 days, the coverage may  
270 | be extended one time only for a period not to exceed an  
271 | additional 30 days; that the lessee is given written notice that  
272 | his or her personal insurance policy providing coverage on an  
273 | owned motor vehicle may provide additional excess coverage; and  
274 | that the purchase of the insurance is not required in connection  
275 | with the lease or rental of a motor vehicle. The excess  
276 | liability insurance may be provided to the lessee as an  
277 | additional insured on a policy issued to the licensee's  
278 | employer.

279 |       3. A business entity that ~~office licensed pursuant to~~  
280 | ~~subparagraph 1., or a person licensed pursuant to subparagraph~~  
281 | ~~1. who is a full-time salaried employee of a business which~~  
282 | offers motor vehicles for rent or lease, may, as an agent of an  
283 | insurer, transact insurance that provides coverage for the  
284 | liability of the lessee to the lessor for damage to the leased  
285 | or rented motor vehicle if:

286 |       a. The lease or rental agreement is for not more than 30  
287 | days; or the lessee is not provided coverage for more than 30  
288 | consecutive days per lease period, but, if the lease is extended  
289 | beyond 30 days, the coverage may be extended one time only for a  
290 | period not to exceed an additional 30 days;

291 |       b. The lessee is given written notice that his or her  
292 | personal insurance policy that provides coverage on an owned

170985

Amendment No. (for drafter's use only)

293 motor vehicle may provide such coverage with or without a  
294 deductible; and

295 c. The purchase of the insurance is not required in  
296 connection with the lease or rental of a motor vehicle.

297 Section 178. Subsection (2) of section 628.709, Florida  
298 Statutes, is amended to read:

299 628.709 Formation of a mutual insurance holding company.--

300 (2) All of the initial shares of the capital stock of the  
301 insurance company which reorganized as a subsidiary insurance  
302 company shall be issued either to the mutual insurance holding  
303 company, or to an intermediate holding company which is wholly  
304 owned by the mutual insurance holding company. This restriction  
305 does not preclude the subsequent issuance of additional shares  
306 of stock by the subsidiary insurance company so long as the  
307 mutual insurance holding company at all times owns directly or  
308 through one or more intermediate holding companies, a majority  
309 of the voting shares of the capital stock of the subsidiary  
310 insurance company. The membership interests of the policyholders  
311 of the subsidiary insurance company shall become membership  
312 interests in the mutual insurance holding company. Policyholders  
313 of the subsidiary insurance company which was formerly the  
314 mutual insurer shall be members of the mutual insurance holding  
315 company in accordance with the articles of incorporation and  
316 bylaws of the mutual insurance holding company. At the time of  
317 formation, policyholders of any other subsidiary insurance  
318 company of the mutual insurance holding company shall not be  
319 members of the mutual insurance holding company unless:

Amendment No. (for drafter's use only)

320       (a) They are policyholders of a subsidiary which was a  
321 mutual insurer which merged with the holding company pursuant to  
322 s. 628.715; or

323       (b) They are policyholders of an affiliated stock  
324 insurance company, provided such policyholders were members of  
325 the mutual insurance company at the time the mutual insurance  
326 company policies were assumed by the affiliated stock insurance  
327 company and the assumption occurred in connection with the  
328 conversion.

329  
330 Subsequent to formation, membership shall be governed by s.  
331 628.727.

332       Section 179. Subsection (6) is added to section 631.021,  
333 Florida Statutes, to read:

334       631.021 Jurisdiction of delinquency proceeding; venue;  
335 change of venue; exclusiveness of remedy; appeal.--

336       (6) The domiciliary court acquiring jurisdiction over  
337 persons subject to this chapter may exercise exclusive  
338 jurisdiction to the exclusion of all other courts, except as  
339 limited by the provisions of this chapter. Upon the issuance of  
340 an order of conservation, rehabilitation, or liquidation, the  
341 Circuit Court of Leon County shall have exclusive jurisdiction  
342 with respect to assets or property of any insurer subject to  
343 such proceedings and claims against said insurer's assets or  
344 property.

345       Section 180. Subsection (6) is added to section 631.041,  
346 Florida Statutes, to read:

347       631.041 Automatic stay; relief from stay; injunctions.--

Amendment No. (for drafter's use only)

348       (6) The estate of an insurer in rehabilitation or  
349       liquidation which is injured by any willful violation of an  
350       applicable stay or injunction shall be entitled to actual  
351       damages, including costs and attorney's fees, and, in  
352       appropriate circumstances, the receivership court may impose  
353       additional sanctions.

354       Section 181. Section 631.0515, Florida Statutes, is  
355       amended to read:

356       631.0515 Appointment of receiver; insurance holding  
357       company.--A delinquency proceeding pursuant to this chapter  
358       constitutes the sole and exclusive method of dissolving,  
359       liquidating, rehabilitating, reorganizing, conserving, or  
360       appointing a receiver of a Florida corporation which is not  
361       insolvent as defined by s. 607.01401(16); which through its  
362       shareholders, board of directors, or governing body is  
363       deadlocked in the management of its affairs; and which directly  
364       or indirectly owns all of the stock of a Florida domestic  
365       insurer. The department may petition for an order directing it  
366       to rehabilitate such corporation if the interests of  
367       policyholders or the public will be harmed as a result of the  
368       deadlock. The department shall use due diligence to resolve the  
369       deadlock. Whether or not the department petitions for an order,  
370       the circuit court shall not have jurisdiction pursuant to s.  
371       607.271, s. 607.274, or s. 607.277 to dissolve, liquidate, or  
372       appoint receivers with respect to, a Florida corporation which  
373       directly or indirectly owns all of the stock of a Florida  
374       domestic insurer and which is not insolvent as defined by s.  
375       607.01401(16). However, a managing general agent or holding

170985

Amendment No. (for drafter's use only)

376 company with a controlling interest in a domestic insurer in  
377 this state is subject to jurisdiction of the court under the  
378 provisions of s. 631.025.

379 Section 182. Paragraph (a) of subsection (7) of section  
380 631.141, Florida Statutes, is amended to read:

381 631.141 Conduct of delinquency proceeding; domestic and  
382 alien insurers.--

383 (7)(a) In connection with a delinquency proceeding, the  
384 department may appoint one or more special agents to act for it,  
385 and it may employ such counsel, clerks, and assistants as it  
386 deems necessary. The compensation of the special agents,  
387 counsel, clerks, or assistants and all expenses of taking  
388 possession of the insurer and of conducting the proceeding shall  
389 be fixed by the receiver, subject to the approval of the court,  
390 and shall be paid out of the funds or assets of the insurer.  
391 Such expenses are administrative expenses and are recoverable by  
392 the receiver in any actions in which the receiver is authorized  
393 or entitled to recover its administrative expenses. Within the  
394 limits of duties imposed upon them, special agents shall possess  
395 all the powers given to and, in the exercise of those powers,  
396 shall be subject to all duties imposed upon the receiver with  
397 respect to such proceeding.

398 Section 183. Section 631.205, Florida Statutes, is amended  
399 to read:

400 631.205 Reinsurance proceeds.--All reinsurance proceeds  
401 payable under a contract of reinsurance to which the insolvent  
402 insurer is a party are to be paid directly to the domiciliary  
403 receiver as general assets of the receivership estate unless the

170985

Amendment No. (for drafter's use only)

404 reinsurance contract contains a clause which specifically names  
405 the insolvent insurer's insured as a direct beneficiary of the  
406 reinsurance contract. The entry of an order of conservation,  
407 rehabilitation, or liquidation shall not be deemed an  
408 anticipatory breach of any reinsurance contract, nor shall  
409 insolvency or notice of insolvency be grounds for retroactive  
410 revocation or retroactive cancellation of any reinsurance  
411 contracts by the reinsurer.

412 Section 184. Section 631.206, Florida Statutes, is created  
413 to read:

414 631.206 Arbitration.--If an insurer in receivership has  
415 entered into an agreement containing an arbitration provision  
416 for resolution of disputes, that provision is void and shall be  
417 replaced by operation of law with the following provision:

418  
419 Any controversy or claim arising out of or relating to this  
420 contract, or the breach thereof, shall be settled by arbitration  
421 pursuant to the American Arbitration Association Commercial  
422 Arbitration Rules and chapter 682, Florida Statutes, and  
423 judgment on the award rendered by the arbitrators shall be  
424 entered by the receivership court. Venue shall be in Leon  
425 County, Florida. Disputes shall be submitted to a panel of three  
426 arbitrators, one to be chosen by each party and the third by the  
427 two so chosen. Arbitrators shall be selected from a list of  
428 potential qualified arbitrators with 10 years' experience  
429 involving the insurance industry. If the parties do not agree  
430 upon the qualifications of a mediator, each party shall select

170985

Amendment No. (for drafter's use only)

431 its mediator from a list of potential mediators approved by the  
432 receivership court.

433 Section 185. Subsection (1) of section 631.261, Florida  
434 Statutes, is amended, and subsection (4) is added to said  
435 section, to read:

436 631.261 Voidable transfers.--

437 (1)(a) Any transfer of, or lien upon, the property of an  
438 insurer or affiliate which is made or created within 4 months  
439 prior to the commencement of any delinquency proceeding under  
440 this chapter which gives ~~with the intent of giving to any~~  
441 creditor of the insurer a preference or enables ~~of enabling~~ the  
442 creditor to obtain a greater percentage of her or his debt than  
443 any other creditor of the same class, ~~and which is accepted by~~  
444 ~~such creditor having reasonable cause to believe that such~~  
445 ~~preference will occur,~~ shall be voidable.

446 (b) Any transfer of, or lien upon, the property of an  
447 insurer or affiliate which is made or created between 4 months  
448 and 1 year prior to the commencement of any delinquency  
449 proceeding under this chapter is void if such transfer or lien  
450 inured to the benefit of a director, officer, employee,  
451 stockholder, member, subscriber, affiliate, managing general  
452 agent, or insider or any relative of any director, officer,  
453 employee, stockholder, member, subscriber, affiliate, managing  
454 general agent, or insider.

455 (4) For purposes of this section, a transfer is not made  
456 or created until the insurer or affiliate has acquired rights in  
457 the property transferred.

170985

Amendment No. (for drafter's use only)

458 Section 186. Subsection (2) of section 631.262, Florida  
459 Statutes, is amended to read:

460 631.262 Transfers prior to petition.--

461 (2) Transfers shall be deemed to have been made or  
462 suffered, or obligations incurred, when perfected according to  
463 the following criteria:

464 (a) A transfer of property other than real property shall  
465 be deemed to be made or suffered when it becomes so far  
466 perfected that no subsequent lien obtainable by legal or  
467 equitable proceedings on a simple contract could become superior  
468 to the rights of the transferee.†

469 (b) A transfer of real property shall be deemed to be made  
470 or suffered when it becomes so far perfected that no subsequent  
471 bona fide purchaser from the insurer could obtain rights  
472 superior to the rights of the transferee.†

473 (c) A transfer which creates an equitable lien shall not  
474 be deemed to be perfected if there are available means by which  
475 a legal lien could be created.†

476 (d) Any transfer not perfected prior to the filing of a  
477 petition in a delinquency proceeding shall be deemed to be made  
478 immediately before the filing of a successful petition.†

479 (e) For the purposes of this section, a transfer is not  
480 made until the insurer or affiliate has acquired rights in the  
481 property transferred.

482 (f)(e) Paragraphs (a)-(e) ~~(a)-(d)~~ apply whether or not  
483 there are or were creditors who might have obtained any liens or  
484 persons who might have become bona fide purchasers.

Amendment No. (for drafter's use only)

485 Section 187. Subsection (6) is added to section 631.263,  
486 Florida Statutes, to read:

487 631.263 Transfers after petition.--

488 (6) For the purposes of this section, a transfer is not  
489 made until the insurer or affiliate has acquired rights in the  
490 property transferred.

491 Section 188. Subsection (3) of section 631.54, Florida  
492 Statutes, is amended to read:

493 631.54 Definitions.--As used in this part:

494 (3) "Covered claim" means an unpaid claim, including one  
495 of unearned premiums, which arises out of, and is within the  
496 coverage, and not in excess of, the applicable limits of an  
497 insurance policy to which this part applies, issued by an  
498 insurer, if such insurer becomes an insolvent insurer ~~after~~  
499 ~~October 1, 1970,~~ and the claimant or insured is a resident of  
500 this state at the time of the insured event or the property from  
501 which the claim arises is permanently located in this state.

502 "Covered claim" shall not include:

503 (a) Any amount due any reinsurer, insurer, insurance pool,  
504 or underwriting association, sought directly or indirectly  
505 through a third party, as subrogation, contribution,  
506 indemnification, or otherwise; or

507 (b) Any claim that would otherwise be a covered claim  
508 under this part that has been rejected by any other state  
509 guaranty fund on the grounds that an insured's net worth is  
510 greater than that allowed under that state's guaranty law .

511 Member insurers shall have no right of subrogation,  
512 contribution, indemnification, or otherwise, sought directly or

170985

Amendment No. (for drafter's use only)

513 indirectly through a third party, against the insured of any  
514 insolvent member.

515 Section 189. Subsection (2) of section 631.904, Florida  
516 Statutes, is amended to read:

517 631.904 Definitions.--As used in this part, the term:

518 (2) "Covered claim" means an unpaid claim, including a  
519 claim for return of unearned premiums, which arises out of, is  
520 within the coverage of, and is not in excess of the applicable  
521 limits of, an insurance policy to which this part applies, which  
522 policy was issued by an insurer and which claim is made on  
523 behalf of a claimant or insured who was a resident of this state  
524 at the time of the injury. The term "covered claim" does not  
525 include any amount sought as a return of premium under any  
526 retrospective rating plan; any amount due any reinsurer,  
527 insurer, insurance pool, or underwriting association, as  
528 subrogation recoveries or otherwise; any claim that would  
529 otherwise be a covered claim that has been rejected by any other  
530 state guaranty fund on the grounds that the insured's net worth  
531 is greater than that allowed under that state's guaranty fund or  
532 liquidation law, except this exclusion from the definition of  
533 covered claim shall not apply to claims of employers who, prior  
534 to April 30, 2004, entered into an agreement with the  
535 corporation preserving the employer's right to seek coverage of  
536 claims rejected by another state's guaranty fund; or any return  
537 of premium resulting from a policy that was not in force on the  
538 date of the final order of liquidation. Member insurers have no  
539 right of subrogation against the insured of any insolvent  
540 insurer. This provision shall be applied retroactively to cover

170985

Amendment No. (for drafter's use only)

541 claims of an insolvent self-insurance fund resulting from  
542 accidents or losses incurred prior to January 1, 1994,  
543 regardless of the date the petition in circuit court was filed  
544 alleging insolvency and the date the court entered an order  
545 appointing a receiver.

546 Section 190. Section 634.1815, Florida Statutes, is  
547 created to read:

548 634.1815 Rebating; when allowed.--

549 (1) No salesperson shall rebate any portion of his or her  
550 commission except as follows:

551 (a) The rebate shall be available to all consumers in the  
552 same actuarial class.

553 (b) The rebate shall be in accordance with a rebating  
554 schedule filed by the salesperson with the service agreement  
555 company issuing the service agreement to which the rebate  
556 applies. The service agreement company shall maintain a copy of  
557 all rebating schedules for a period of 3 years.

558 (c) The rebating schedule shall be uniformly applied so  
559 all consumers who purchase the same service agreement through  
560 the salesperson for the same coverage shall receive the same  
561 percentage rebate.

562 (d) The rebate schedule shall be prominently displayed in  
563 public view in the salesperson's place of business, and a copy  
564 shall be made available to consumers on request at no charge.

565 (e) The age, sex, place of residence, race, nationality,  
566 ethnic origin, marital status, or occupation of the consumer  
567 shall not be used in determining the percentage of the rebate or  
568 whether a rebate is available.

170985

Amendment No. (for drafter's use only)

569 (2) No rebate shall be withheld or limited in amount based  
570 on factors which are unfairly discriminatory.

571 (3) No rebate shall be given which is not reflected on the  
572 rebate schedule.

573 (4) No rebate shall be refused or granted based upon the  
574 purchase of or failure to purchase collateral business.

575 Section 191. Section 634.3205, Florida Statutes, is  
576 created to read:

577 634.3205 Rebating; when allowed.--

578 (1) No sales representative shall rebate any portion of  
579 his or her commission except as follows:

580 (a) The rebate shall be available to all consumers in the  
581 same actuarial class.

582 (b) The rebate shall be in accordance with a rebating  
583 schedule filed by the sales representative with the home  
584 warranty association issuing the home warranty to which the  
585 rebate applies. The home warranty association shall maintain a  
586 copy of all rebating schedules for a period of 3 years.

587 (c) The rebating schedule shall be uniformly applied so  
588 all consumers who purchase the same home warranty through the  
589 sales representative for the same coverage shall receive the  
590 same percentage rebate.

591 (d) The rebate schedule shall be prominently displayed in  
592 public view in the sales representative's place of business, and  
593 a copy shall be made available to consumers on request at no  
594 charge.

595 (e) The age, sex, place of residence, race, nationality,  
596 ethnic origin, marital status, or occupation of the consumer

170985

Amendment No. (for drafter's use only)

597 shall not be used in determining the percentage of the rebate or  
598 whether a rebate is available.

599 (2) No rebate shall be withheld or limited in amount based  
600 on factors which are unfairly discriminatory.

601 (3) No rebate shall be given which is not reflected on the  
602 rebate schedule.

603 (4) No rebate shall be refused or granted based upon the  
604 purchase of or failure to purchase collateral business.

605 Section 192. Subsection (8) is added to section 634.406,  
606 Florida Statutes, to read:

607 634.406 Financial requirements.--

608 (8) An association licensed under this part and holding no  
609 other license under part I or part II of this chapter is not  
610 required to establish an unearned premium reserve or maintain  
611 contractual liability insurance and may allow its premiums to  
612 exceed the ratio to net assets limitation of this section if the  
613 association complies with the following:

614 (a) The association or, if the association is a direct or  
615 indirect wholly owned subsidiary of a parent corporation, its  
616 parent corporation has, and maintains at all times, a minimum  
617 net worth of at least \$100 million and provides the office with  
618 the following:

619 1. A copy of the association's annual audited financial  
620 statements or the audited consolidated financial statements of  
621 the association's parent corporation, prepared by an independent  
622 certified public accountant in accordance with generally  
623 accepted accounting principles, which clearly demonstrate the  
624 net worth of the association or its parent corporation to be

170985

Amendment No. (for drafter's use only)

625 \$100 million and a quarterly written certification to the office  
626 that such entity continues to maintain the net worth required  
627 under this paragraph.

628 2. The association's, or its parent corporation's, Form  
629 10K, Form 10Q, or Form 20F as filed with the United States  
630 Securities and Exchange Commission or such other documents  
631 required to be filed with a recognized stock exchange, which  
632 shall be provided on a quarterly and annual basis within 10 days  
633 after the last date each such report must be filed with the  
634 Securities and Exchange Commission, the National Association of  
635 Security Dealers Automated Quotation system, or other recognized  
636 stock exchange.

637  
638 Failure to timely file the documents required under this  
639 paragraph may, at the discretion of the office, subject the  
640 association to suspension or revocation of its license under  
641 this part. An association or parent corporation demonstrating  
642 compliance with subparagraph 1. and subparagraph 2. must  
643 maintain outstanding debt obligations, if any, rated in the top  
644 four rating categories by a recognized rating service.

645 (b) If the net worth of a parent corporation is used to  
646 satisfy the net worth provisions of paragraph (a), the following  
647 provisions must be met:

648 1. The parent corporation must guarantee all service  
649 warranty obligations of the association, wherever written, on a  
650 form approved in advance by the office. No cancellation,  
651 termination, or modification of the guarantee shall become  
652 effective unless the parent corporation provides the office

170985

Amendment No. (for drafter's use only)

653 written notice at least 90 days before the effective date of the  
654 cancellation, termination, or modification and the office  
655 approves the request in writing. Prior to the effective date of  
656 cancellation, termination, or modification of the guarantee, the  
657 association must demonstrate to the satisfaction of the office  
658 compliance with all applicable provisions of this part,  
659 including whether the association will meet the requirements of  
660 this section by the purchase of contractual liability insurance,  
661 establishing required reserves, or other method allowed under  
662 this section. If the association or parent corporation does not  
663 demonstrate to the satisfaction of the office compliance with  
664 all applicable provisions of this part, it shall immediately  
665 cease writing new and renewal business upon the effective date  
666 of the cancellation, termination, or modification.

667 2. The association must maintain at all times net assets  
668 of at least \$750,000.

669 Section 193. Section 634.4225, Florida Statutes, is  
670 created to read:

671 634.4225 Rebating; when allowed.--

672 (1) No sales representative shall rebate any portion of  
673 his or her commission except as follows:

674 (a) The rebate shall be available to all consumers in the  
675 same actuarial class.

676 (b) The rebate shall be in accordance with a rebating  
677 schedule filed by the sales representative with the association  
678 issuing the service warranty to which the rebate applies. The  
679 association shall maintain a copy of all rebating schedules for  
680 a period of 3 years.

170985

Amendment No. (for drafter's use only)

681       (c) The rebating schedule shall be uniformly applied so  
682 all consumers who purchase the same service warranty through the  
683 sales representative for the same coverage shall receive the  
684 same percentage rebate.

685       (d) The rebate schedule shall be prominently displayed in  
686 public view in the sales representative's place of business, and  
687 a copy shall be made available to consumers on request at no  
688 charge.

689       (e) The age, sex, place of residence, race, nationality,  
690 ethnic origin, marital status, or occupation of the consumer  
691 shall not be used in determining the percentage of the rebate or  
692 whether a rebate is available.

693       (2) No rebate shall be withheld or limited in amount based  
694 on factors which are unfairly discriminatory.

695       (3) No rebate shall be given which is not reflected on the  
696 rebate schedule.

697       (4) No rebate shall be refused or granted based upon the  
698 purchase of or failure to purchase collateral business.

699       Section 194. Subsection (2) of section 624.4072, Florida  
700 Statutes, is amended to read:

701       624.4072 Minority-owned property and casualty insurers;  
702 limited exemption for taxation and assessments.--

703       (2) Subsection (1) applies only to personal lines and  
704 commercial lines residential property insurance policies as  
705 defined in s. 627.4025, and applies only to an insurer that has  
706 employees in this state and has a home office or a regional  
707 office in this state. With respect to any tax year or  
708 assessment year, beginning with the original enactment of this

170985

Amendment No. (for drafter's use only)

709 section, the exemptions provided by subsection (1) apply only if  
710 during the year ~~an average of at least 10 percent of the~~  
711 insurer's Florida residential property policies in force  
712 included coverage of covered properties located in enterprise  
713 zones designated pursuant to s. 290.0065.

714 Section 195. Subsection (1) of section 627.0629, Florida  
715 Statutes, is amended to read:

716 627.0629 Residential property insurance; rate filings.--

717 (1)(a) Effective June 1, 2002, a rate filing for  
718 residential property insurance must include actuarially  
719 reasonable discounts, credits, or other rate differentials, or  
720 appropriate reductions in deductibles, for properties on which  
721 fixtures or construction techniques demonstrated to reduce the  
722 amount of loss in a windstorm have been installed or  
723 implemented. The fixtures or construction techniques shall  
724 include, but not be limited to, fixtures or construction  
725 techniques which enhance roof strength, roof covering  
726 performance, roof-to-wall strength, wall-to-floor-to-foundation  
727 strength, opening protection, and window, door, and skylight  
728 strength. Credits, discounts, or other rate differentials for  
729 fixtures and construction techniques which meet the minimum  
730 requirements of the Florida Building Code must be included in  
731 the rate filing. All insurance companies must make a rate filing  
732 which includes the credits, discounts, or other rate  
733 differentials by February 28, 2003.

734 (b) An insurer may petition the office for a hardship  
735 exemption from the requirements of this section. In applying for  
736 such an exemption, the insurer must demonstrate:

170985

Amendment No. (for drafter's use only)

737 1.a. That the number of policies written is insufficient  
738 or of insufficient size to determine the appropriate credit,  
739 discount, or other rate differential or reduction in  
740 deductibles; or

741 b. That the premium derived from the number of policies  
742 written is so low as to render any credit, discount, or other  
743 rate differential or appropriate reduction in deductibles not  
744 cost-effective;

745 3. That the cost of complying is greater to the insurer  
746 than the resultant likely savings by virtue of any such credit,  
747 discount, or other rate differential or appropriate reduction in  
748 deductibles due to the actuarially demonstrated or actual small  
749 number of policyholders likely to qualify for or qualifying for  
750 the discount, credit, or other rate differential or appropriate  
751 reduction in deductibles;

752 4. That the type and condition of the market generally and  
753 specifically to the insurer is such that the discount, credit,  
754 or other rate differential or appropriate reduction in  
755 deductibles is not actuarially justified;

756 5. That granting the exemption is in the best interest of  
757 the insurer; and

758 6. That granting the exemption will not place the insurer  
759 in an unfair competitive position with respect to other insurers  
760 in the marketplace.

761  
762 The office may grant the exemption upon its determination that  
763 the conditions and standards set forth in this paragraph have  
764 been met. The exemption is valid for 3 years after the date

170985

Amendment No. (for drafter's use only)

765 granted. With respect to any petition for renewal of the  
766 exemption, the chief executive officer of the insurer must  
767 certify that there has been no material change in the conditions  
768 under which the exemption was granted.

769 Section 196. Section 627.066, Florida Statutes, is  
770 repealed.

771 Section 197. Paragraph (d) of subsection (2) of section  
772 627.0651, Florida Statutes, is amended to read:

773 627.0651 Making and use of rates for motor vehicle  
774 insurance.--

775 (2) Upon receiving notice of a rate filing or rate change,  
776 the office shall review the rate or rate change to determine if  
777 the rate is excessive, inadequate, or unfairly discriminatory.  
778 In making that determination, the office shall in accordance  
779 with generally accepted and reasonable actuarial techniques  
780 consider the following factors:

781 (d) Investment income reasonably expected by the insurer,  
782 consistent with the insurer's investment practices, from  
783 investable premiums anticipated in the filing, plus any other  
784 expected income from currently invested assets representing the  
785 amount expected on unearned premium reserves and loss reserves.  
786 Such investment income shall not include income from invested  
787 surplus. The commission may adopt rules utilizing reasonable  
788 techniques of actuarial science and economics to specify the  
789 manner in which insurers shall calculate investment income  
790 attributable to motor vehicle insurance policies written in this  
791 state and the manner in which such investment income is used in  
792 the calculation of insurance rates. Such manner shall

170985

Amendment No. (for drafter's use only)

793 contemplate the use of a positive underwriting profit allowance  
794 in the rates that will be compatible with a reasonable rate of  
795 return plus provisions for contingencies. ~~The total of the~~  
796 ~~profit and contingency factor as specified in the filing shall~~  
797 ~~be utilized in computing excess profits in conjunction with s.~~  
798 ~~627.066.~~ In adopting such rules, the commission shall in all  
799 instances adhere to and implement the provisions of this  
800 paragraph.

801 Section 198. Subsection (4) of section 628.6017, Florida  
802 Statutes, is amended to read:

803 628.6017 Converting assessable mutual insurer.--

804 (4) An assessable mutual insurer becoming a stock insurer  
805 or a nonassessable mutual insurer shall not be subject to ~~s.~~  
806 ~~627.215~~ or s. 627.351(5) for 5 years following authorization of  
807 the conversion by the office. ~~However, the converted stock~~  
808 ~~insurer or nonassessable mutual insurer shall file all necessary~~  
809 ~~data required by s. 627.215. Such amounts otherwise subject to~~  
810 ~~s. 627.215(10) shall be maintained as surplus as to~~  
811 ~~policyholders and not be available for dividends for a period of~~  
812 ~~5 years.~~

813 Section 199. Effective upon this act becoming a law, and  
814 contingent upon the enactment of SB 2910, HB 1629, or similar  
815 legislation, subsection (20) of section 627.64872, Florida  
816 Statutes, is created to read:

817 627.64872 Florida Health Insurance Plan.--

818 (20) COMBINING MEMBERSHIP OF THE FLORIDA COMPREHENSIVE  
819 HEALTH ASSOCIATION.--

Amendment No. (for drafter's use only)

820       (a)1. Upon implementation of the Florida Health Insurance  
821 Plan, the Florida Comprehensive Health Association, as specified  
822 in s. 627.6488, is abolished as a separate nonprofit entity and  
823 shall be subsumed under the Board of Directors of the Florida  
824 Health Insurance Plan. All individuals actively enrolled in the  
825 Florida Comprehensive Health Association shall be enrolled in  
826 the plan subject to its rules and requirements, except as  
827 otherwise specified in this section. Maximum lifetime benefits  
828 paid to an individual in the plan may not exceed the amount  
829 established under subsection (16), and benefits previously paid  
830 for any individual by the Florida Comprehensive Health  
831 Association shall be used in the determination of the total  
832 lifetime benefits paid under the plan.

833       2. All persons enrolled in the Florida Comprehensive  
834 Health Association upon implementation of the Florida Health  
835 Insurance Plan are eligible only for the benefits authorized  
836 under subsection (16). Persons identified by this section shall  
837 convert to the benefits authorized under subsection (16) no  
838 later than January 1, 2005.

839       3. Except as otherwise provided in this section, the  
840 Florida Comprehensive Health Association shall operate under the  
841 existing plan of operation without modification until the  
842 adoption of the new plan of operation for the Florida Health  
843 Insurance Plan.

844       (b) As a condition of doing business in this state, an  
845 insurer shall pay an assessment to the board in the amount  
846 prescribed by this paragraph. For operating losses incurred on  
847 or after July 1, 2004, by persons previously enrolled in the

170985

Amendment No. (for drafter's use only)

848 Florida Comprehensive Health Association, each insurer shall  
849 annually be assessed by the board in the following calendar year  
850 a portion of such incurred operating losses of the plan. Such  
851 portion shall be determined by multiplying such operating losses  
852 by a fraction, the numerator of which equals the insurer's  
853 earned premium pertaining to direct writings of health insurance  
854 in the state during the calendar year proceeding that for which  
855 the assessment is levied, and the denominator of which equals  
856 the total of all such premiums earned by participating insurers  
857 in the state during such calendar year. For the purposes of this  
858 section only, the term "health insurance" means any hospital and  
859 medical expense incurred policy, minimum premium plan, stop-loss  
860 coverage, health maintenance organization contract, prepaid  
861 health clinic contract, multiple-employer welfare arrangement  
862 contract, or fraternal benefit society health benefits contract,  
863 whether sold as an individual or group policy or contract. The  
864 term does not include any policy covering medical payment  
865 coverage or personal injury protection coverage in a motor  
866 vehicle policy, coverage issued as a supplement to liability  
867 insurance, or workers' compensation.

868 Section 200. Section 624.428, Florida Statutes, is amended  
869 to read:

870 624.428 Licensed agent law, life and health insurances.--

871 (1) No ~~life~~ insurer shall deliver or issue for delivery in  
872 this state any policy of life insurance, master group life  
873 insurance contract, master credit life policy or agreement,  
874 annuity contract, or contract or policy of health insurance,  
875 unless the application for such policy or contract is taken by,

170985

Amendment No. (for drafter's use only)

876 and the delivery of such policy or contract is made through, a  
877 resident or nonresident ~~an~~ insurance agent of the insurer duly  
878 licensed and appointed under the law of this state, who shall  
879 receive the usual commission due to an agent from such insurer.

880 (2) Each such insurer shall maintain a licensed and  
881 appointed resident or nonresident agent at all times for the  
882 purpose of and through whom policies or contracts issued or  
883 delivered in this state shall be serviced.

884 (3) This section does not apply to policies of insurance  
885 or annuity contracts on nonresidents which are applied for  
886 outside, and delivered in, the state or to reissuance of  
887 insurance policies or endorsements thereto which are part of a  
888 mass reissuance of such policies or endorsements and do not  
889 involve a change of premium or payment of agent's commissions.

890 Section 201. Section 627.0915, Florida Statutes, is  
891 amended to read:

892 627.0915 Rate filings; workers' compensation, drug-free  
893 workplace, and safe employers.—

894 (1) The office shall approve rating plans for workers'  
895 compensation and employer's liability insurance that give  
896 specific identifiable consideration in the setting of rates to  
897 employers that either implement a drug-free workplace program  
898 pursuant to s. 440.102 and rules adopted under such section ~~by~~  
899 ~~the commission~~ or implement a safety program pursuant to  
900 provisions of the rating plan or implement both a drug-free  
901 workplace program and a safety program. The plans must be  
902 actuarially sound and must state the savings anticipated to  
903 result from such drug-testing and safety programs.

170985

Amendment No. (for drafter's use only)

904       (2) An insurer offering a rate plan approved under this  
 905 section shall notify the employer at the time of a written offer  
 906 of insurance and at the time of each renewal of the policy of  
 907 the availability of the premium discount where a drug fee  
 908 workplace plan is used by the employer pursuant to s. 440.102  
 909 and related rules. The Financial Services Commission may adopt  
 910 rules to implement the provisions of this subsection.

911

912 ===== T I T L E   A M E N D M E N T =====

913       On page 16, line 1, after the semicolon, insert:  
 914 amending s. 626.2815, F.S.; deleting certain minimum continuing  
 915 education requirements; amending s. 626.015, F.S.; defining the  
 916 term "personal lines agent"; amending s. 626.022, F.S.;  
 917 providing for application; amending s. 626.241, F.S.; limiting  
 918 the scope of personal lines agent examinations; amending s.  
 919 626.311, F.S.; limiting the types of business that may be  
 920 transacted by personal lines agents; amending s. 626.727, F.S.;  
 921 providing that certain provisions apply to personal lines  
 922 agents; amending s. 626.732, F.S.; revising certain education  
 923 and experience requirements for personal lines agents; amending  
 924 s. 626.747, F.S.; requiring branch agencies to have certain  
 925 licensed agents at each location; amending s. 627.351, F.S.;  
 926 providing that certain employees of the Citizens' Property  
 927 Insurance Corporation need not be licensed as agents; providing  
 928 that the act does not require the Department of Financial  
 929 Services to begin issuing certain licenses by the effective date  
 930 of the act, under specified conditions; amending s. 626.321,  
 931 F.S.; limiting the types of business that may be transacted by

170985

HOUSE AMENDMENT

Bill No. CS/CS/SB 2994

Amendment No. (for drafter's use only)

932 personal lines agents; amending s. 628.709, F.S.; revising  
933 membership criteria for mutual insurance holding companies  
934 relating to policyholders of subsidiary insurance companies;  
935 amending s. 631.021, F.S.; authorizing certain domiciliary  
936 courts to exercise exclusive jurisdiction over certain persons  
937 under certain circumstances; specifying the Circuit Court of  
938 Leon County as having exclusive jurisdiction over certain  
939 proceedings and claims; amending s. 631.041, F.S.; entitling the  
940 estates of certain injured insurers to actual damages;  
941 authorizing a receivership court to impose additional sanctions;  
942 amending s. 631.0515, F.S.; subjecting certain managing general  
943 agents or holding companies to court jurisdiction under certain  
944 circumstances; amending s. 631.141, F.S.; specifying certain  
945 expenses as administrative and recoverable by a receiver in  
946 certain proceedings; amending s. 631.205, F.S.; specifying that  
947 entry of certain orders does not constitute anticipatory breach  
948 of certain contracts or serve as grounds for certain adverse  
949 contract actions by a reinsurer; creating s. 631.206, F.S.;  
950 voiding certain contractual arbitration provisions by insurers  
951 in receivership; specifying a replacement arbitration provision;  
952 amending s. 631.261, F.S.; voiding certain transfers or liens  
953 made by certain persons prior to certain delinquency  
954 proceedings; specifying a criterion for making certain  
955 transfers; amending ss. 631.262 and 631.263, F.S.; specifying a  
956 criterion for making certain transfers; amending ss. 631.54 and  
957 631.904, F.S.; revising the definition of covered claim;  
958 excluding certain claims rejected by another state's guaranty  
959 fund under certain circumstances; providing an exception;

170985

HOUSE AMENDMENT

Bill No. CS/CS/SB 2994

Amendment No. (for drafter's use only)

960 denying member insurers any right to indemnification or  
961 contribution sought through third parties; creating s. 634.1815,  
962 F.S.; providing conditions under which a salesperson of a motor  
963 vehicle service agreement company may rebate his or her  
964 commission; creating s. 634.3205, F.S.; providing conditions  
965 under which a sales representative of a home warranty  
966 association may rebate his or her commission; amending s.  
967 634.406, F.S.; providing conditions under which a service  
968 warranty association is exempt from certain premium reserve and  
969 liability insurance requirements and may allow premiums to  
970 exceed certain limits; creating s. 634.4225, F.S.; providing  
971 conditions under which a sales representative of a service  
972 warranty association may rebate his or her commission; amending  
973 s. 624.4072, F.S.; specifying applicability of certain  
974 exemptions for minority-owned property and casualty insurers;  
975 amending s. 627.0629, F.S.; authorizing an exemption for certain  
976 insurers under certain circumstances; repealing s. 627.066,  
977 F.S., relating to insurance profits; amending ss. 627.0651 and  
978 628.6017, F.S., to conform; creating s. 627.64872(20), F.S.;  
979 defining the term "health insurance" for purposes of this  
980 section; creating s. 17.0416, F.S.; amending s. 624.428, F.S.;  
981 clarifying provisions relating to resident agent requirements  
982 for insurers issuing specified types of life insurance policies;  
983 amending s. 627.0915, F.S.; providing for notice by insurers to  
984 employers of the availability of premium discounts where drug  
985 free workplace programs are used; authorizing the Financial  
986 Services Commission to adopt rules;

170985