

1                   A bill to be entitled  
2           An act relating to the Department of Financial  
3           Services; amending s. 17.575, F.S.; replacing, within  
4           the Division of Treasury, the Treasury Investment  
5           Committee with the Treasury Investment Council;  
6           specifying the composition and term length of members;  
7           specifying duties of the council; providing that  
8           members shall serve without additional compensation or  
9           honorarium but may receive per diem and travel expense  
10          reimbursement; amending s. 215.422, F.S.; providing  
11          applicability of certain requirements relating to  
12          payments, warrants, and invoices to payments made in  
13          relation to certain agreements funded with federal or  
14          state assistance; reordering and amending s. 554.1021,  
15          F.S.; defining and redefining terms; amending s.  
16          554.103, F.S.; requiring, rather than authorizing, the  
17          Department of Financial Services to adopt amendments  
18          and interpretations of a specified code into the State  
19          Boiler Code; revising requirements that installers,  
20          rather than owners, must comply with before installing  
21          a boiler; authorizing the department to adopt rules;  
22          conforming provisions to changes made by the act;  
23          amending s. 554.104, F.S.; deleting a provision  
24          relating to boilers of special design which is  
25          recreated in s. 554.103, F.S.; requiring certification

26 | of boiler inspectors; requiring an application for a  
27 | certification examination; specifying qualifications  
28 | and requirements for the certification examination;  
29 | requiring the department to adopt a specified training  
30 | course; providing authorized methods and requirements  
31 | for the training course; requiring the chief boiler  
32 | inspector to issue a certificate of competency to a  
33 | person meeting certain requirements; providing  
34 | procedures for renewing a certificate; authorizing the  
35 | department to adopt rules; amending s. 554.105, F.S.;  
36 | renaming the chief inspector as the chief boiler  
37 | inspector; revising requirements for the department  
38 | through the state boiler inspection program; amending  
39 | s. 554.106, F.S.; renaming deputy inspectors as deputy  
40 | boiler inspectors; specifying required and authorized  
41 | duties of deputy boiler inspectors; amending s.  
42 | 554.107, F.S.; renaming special inspectors as special  
43 | boiler inspectors; revising entities that may employ  
44 | special boiler inspectors; specifying required  
45 | inspection intervals for special boiler inspectors;  
46 | amending s. 554.108, F.S.; providing an exemption,  
47 | under certain conditions, from inspection  
48 | requirements; specifying duties of an owner or an  
49 | owner's designee to allow an inspector to conduct  
50 | inspections; specifying requirements for boiler

51 inspections and inspection reports; providing a  
52 penalty against an insurance carrier if certain  
53 followup inspections are not conducted; revising  
54 conditions that require a boiler to be shut down;  
55 revising requirements and procedures for a boiler that  
56 must be shut down; providing construction; authorizing  
57 the department to adopt rules; creating s. 554.1081,  
58 F.S.; revising requirements for boiler inspections by  
59 insurance companies and local governmental agencies;  
60 amending s. 554.109, F.S.; conforming provisions to  
61 changes made by the act; revising boilers that are  
62 exempt from regulation under the chapter; revising  
63 requirements for certain exempt boilers and water  
64 heaters; amending s. 554.1101, F.S.; conforming  
65 provisions to changes made by the act; requiring a  
66 boiler insurance company to notify, within a specified  
67 timeframe, the chief boiler inspector under certain  
68 circumstances; requiring a certificateholder to submit  
69 a certain certificate of insurance to the chief boiler  
70 inspector under certain circumstances; amending s.  
71 554.111, F.S.; requiring an application for a boiler  
72 permit to include a specified fee; requiring the chief  
73 boiler inspector to deposit fines into a specified  
74 trust fund; conforming provisions to changes made by  
75 the act; repealing ss. 554.112 and 554.113, F.S.,

76 relating to examinations, and certification of  
77 inspectors and renewals, respectively; amending s.  
78 554.114, F.S.; revising prohibited acts; providing  
79 penalties for a boiler insurance company or authorized  
80 inspection agency that fails to conduct certain  
81 inspections; conforming provisions to changes made by  
82 the act; amending s. 554.115, F.S.; adding authorized  
83 disciplinary actions for the department; adding  
84 specified grounds for disciplinary action against an  
85 owner of a boiler; revising grounds for disciplinary  
86 action against a boiler inspector; deleting a  
87 provision requiring a chief inspector to report  
88 certain persons to the state attorney; deleting a  
89 provision authorizing certain administrative action by  
90 the chief inspector; deleting a provision relating to  
91 the duration of a suspended certificate of compliance;  
92 creating s. 554.1151, F.S.; authorizing the department  
93 to impose specified administrative fines in lieu of or  
94 in addition to certain disciplinary actions;  
95 authorizing procedures for payment of fines by a  
96 certificateholder; requiring a certificate to be  
97 revoked under certain circumstances; creating s.  
98 554.116, F.S.; requiring a boiler insurance company to  
99 annually file a specified report with the chief boiler  
100 inspector; requiring the department to adopt a form by

101 rule; amending s. 624.307, F.S.; authorizing the  
102 department to expend funds for professional  
103 development of its employees; amending s. 626.015,  
104 F.S.; defining terms; conforming a cross-reference;  
105 amending s. 626.207, F.S.; defining the term  
106 "applicant"; revising a list of felonies subject to a  
107 permanent bar from licensure; revising a condition for  
108 when certain disqualifying periods begin; conforming  
109 cross-references; providing an exception from a  
110 permanent bar on or disqualifying periods for cases of  
111 executive clemency; providing construction; amending  
112 s. 626.9954, F.S.; revising a list of felonies subject  
113 to a permanent bar from licensure; revising conditions  
114 for when certain disqualifying periods begin;  
115 conforming cross-references; providing an exception  
116 from a permanent bar on or disqualifying periods for  
117 cases of executive clemency; providing construction;  
118 amending s. 626.2815, F.S.; authorizing the department  
119 to approve a certain number of elective continuing  
120 education credits for certain insurance licensees;  
121 providing an exception from a certain continuing  
122 education requirement for such licensees; amending s.  
123 626.611, F.S.; deleting a condition for the  
124 involvement of moral turpitude in felonies or certain  
125 crimes in relation to compulsory disciplinary actions

126 by the department against certain entities' licenses  
127 or appointments; conforming a cross-reference;  
128 amending s. 626.621, F.S.; revising grounds for the  
129 department's discretionary refusal, suspension, or  
130 revocation of the license or appointment of certain  
131 persons; amending s. 626.7845, F.S.; revising an  
132 exception to the prohibition against the unlicensed  
133 transaction of life insurance; conforming a cross-  
134 reference; amending s. 626.8305, F.S.; revising an  
135 exception to the prohibition against the unlicensed  
136 transaction of health insurance; conforming a cross-  
137 reference; amending s. 626.861, F.S.; authorizing  
138 certain insurer employees to adjust specified claim  
139 losses or damage; amending s. 626.9543, F.S.; removing  
140 the scheduled expiration of a requirement for insurers  
141 to permit claims from a Holocaust victim or certain  
142 related persons irrespective of certain conditions;  
143 removing the scheduled expiration of an exception from  
144 statutes of limitations or laches for certain actions  
145 brought by Holocaust victims or certain related  
146 persons; amending s. 633.516, F.S.; authorizing the  
147 Division of State Fire Marshal within the division to  
148 contract for studies of, rather than to make a  
149 continuous study of, occupational diseases of  
150 firefighters; adding persons in other fire-related

151 fields to such studies; authorizing the division to  
 152 release confidential information of an individual  
 153 firefighter or a person in another fire-related field  
 154 to certain parties under certain circumstances;  
 155 amending s. 768.28, F.S.; providing exceptions in tort  
 156 claims against a subdivision of the state from  
 157 requirements that a claimant present the written claim  
 158 to the department within a specified timeframe and  
 159 serve process upon the department; amending ss.  
 160 288.706, 626.7315, and 627.351, F.S.; conforming  
 161 cross-references; providing an effective date.

162  
 163 Be It Enacted by the Legislature of the State of Florida:

164  
 165 Section 1. Section 17.575, Florida Statutes, is amended to  
 166 read:

167 17.575 Administration of funds; Treasury Investment  
 168 Council ~~Committee~~.—

169 (1) There is created a Treasury Investment Council  
 170 ~~Committee~~ within the Division of Treasury consisting of at least  
 171 five members, at least three of whom are professionals from the  
 172 private sector, who must possess special knowledge, experience,  
 173 and familiarity in finance, investments, or accounting. The  
 174 members of the council must ~~committee shall~~ be appointed by and  
 175 serve at the pleasure of the Chief Financial Officer. Each

176 member shall serve a term of 4 years from the date of  
 177 appointment. The council ~~committee~~ shall annually elect a chair  
 178 and vice chair from among its members ~~membership~~.

179 (2) The council shall review the investments required by  
 180 s. 17.57; meet with staff of the Division of Treasury at least  
 181 biannually; and provide recommendations to the Division of  
 182 Treasury and the Chief Financial Officer regarding investment  
 183 policy, strategy, and procedures ~~The committee shall administer~~  
 184 ~~the Treasury Investment Program consistent with policies~~  
 185 ~~approved by the Chief Financial Officer for deposits and~~  
 186 ~~investments of public funds. The committee shall also make~~  
 187 ~~recommendations regarding investment policy to the Chief~~  
 188 ~~Financial Officer.~~

189 (3) Members of the council shall serve without additional  
 190 compensation or honorarium, but may receive per diem and  
 191 reimbursement for travel expenses as provided in s. 112.061 ~~The~~  
 192 ~~committee shall submit an annual report outlining its activities~~  
 193 ~~and recommendations to the Chief Financial Officer and the Joint~~  
 194 ~~Legislative Auditing Committee. The report shall be submitted on~~  
 195 ~~August 15, 2009, and annually thereafter.~~

196 Section 2. Present subsections (14) through (16) of  
 197 section 215.422, Florida Statutes, are redesignated as  
 198 subsections (15) through (17), respectively, and a new  
 199 subsection (14) is added to that section, to read:

200 215.422 Payments, warrants, and invoices; processing time



201 limits; dispute resolution; agency or judicial branch  
202 compliance.-

203 (14) All requirements set forth in this section apply to  
204 payments made in accordance with s. 215.971.

205 Section 3. Section 554.1021, Florida Statutes, is  
206 reordered and amended to read:

207 554.1021 Definitions.—As used in this chapter, the term  
208 ~~ss. 554.1011-554.115:~~

209 (3)~~(1)~~ "Boiler" means a closed vessel in which water or  
210 other liquid is heated, steam or vapor is generated, steam is  
211 superheated, or any combination of these functions is  
212 accomplished, under pressure or vacuum, for use external to  
213 itself, by the direct application of energy from the combustion  
214 of fuels or from electricity or solar energy. The term "boiler"  
215 includes fired units for heating or vaporizing liquids other  
216 than water where these units are separate from processing  
217 systems and are complete within themselves. The varieties of  
218 boilers are as follows:

219 (f)~~(a)~~ "Power boiler" means a boiler in which steam or  
220 other vapor is generated at a pressure of more than 15 psig.

221 (b) "High pressure, high temperature water boiler" means a  
222 water boiler operating at pressures exceeding 160 psig or  
223 temperatures exceeding 250 °F.

224 (a)~~(e)~~ "Heating boiler" means a steam or vapor boiler  
225 operating at pressures not exceeding 15 psig, or a hot water

226 boiler operating at pressures not exceeding 160 psig or  
227 temperatures not exceeding 250 °F.

228 (c)~~(d)~~ "Hot water supply boiler" means a boiler or a lined  
229 storage water heater supplying heated water for use external to  
230 itself operating at a pressure not exceeding 160 psig or  
231 temperature not exceeding 250 °F.

232 (g)~~(e)~~ "Secondhand boiler" means a boiler that has changed  
233 ownership and location subsequent to its original installation  
234 and use.

235 (d) "Inservice boiler" means a boiler placed in use after  
236 test firing and required inspections have been satisfactorily  
237 completed.

238 (e) "Operating boiler" means a boiler connected and ready  
239 for use.

240 (h) "Secured boiler" means a boiler that has been:

241 1. Physically disconnected from the system, including  
242 disconnection from fuel, water, steam, electricity, and stack;  
243 and

244 2. Locked out and tagged out in accordance with the  
245 Occupational Safety and Health Administration's standard  
246 relating to the control of hazardous energy and lockout or  
247 tagout in 29 C.F.R. s. 1910.147, as adopted by rule of the  
248 department.

249 (9)~~(2)~~ "Public assembly locations" includes ~~include~~  
250 schools, day care centers, community centers, churches,

251 theaters, hospitals, nursing and convalescent homes, stadiums,  
252 amusement parks, and other locations open to the general public.

253 (5)~~(3)~~ "Certificate inspection" means an inspection whose  
254 ~~the report of which~~ is used by the chief boiler inspector to  
255 determine whether or not a certificate of operation may be  
256 issued.

257 (7)~~(4)~~ "Certificate of operation compliance" means a  
258 document issued to the owner of a boiler which authorizes the  
259 owner to operate the boiler, subject to any restrictions  
260 endorsed thereon.

261 (6)~~(5)~~ "Certificate of competency" means a document issued  
262 to a person who has satisfied the minimum competency  
263 requirements for boiler inspectors under this chapter ~~ss.~~  
264 ~~554.1011-554.115.~~

265 (8)~~(6)~~ "Department" means the Department of Financial  
266 Services.

267 (1)~~(7)~~ "A.S.M.E." means the American Society of Mechanical  
268 Engineers.

269 (2) "Authorized inspection agency" means:

270 (a) Any county, municipality, town, or other governmental  
271 subdivision that has adopted into law the Boiler and Pressure  
272 Vessel Code of the A.S.M.E. and the National Board Inspection  
273 Code for the construction, installation, inspection,  
274 maintenance, and repair of boilers to regulate boilers in public  
275 assembly locations, and whose boiler inspectors hold valid

276 certificates of competency in accordance with s. 554.104;

277 (b) An insurer authorized by a subsisting certificate of  
278 authority, issued by the Office of Insurance Regulation, to  
279 transact boiler and machinery insurance in this state, and whose  
280 boiler inspectors hold valid certificates of competency in  
281 accordance with s. 554.104; or

282 (c) An inspecting agency accredited in accordance with The  
283 National Board of Boiler and Pressure Vessel Inspector's program  
284 entitled "Accreditation of Authorized Inspection Agencies (AIA)  
285 Performing Inservice or Repair/Alteration Inspection  
286 Activities," document number NB-369, and whose boiler inspectors  
287 hold valid certificates of competency in accordance with s.  
288 554.104.

289 (4) "Boiler insurance company" means a company authorized  
290 by a subsisting certificate of authority, issued by the Office  
291 of Insurance Regulation, to transact boiler and machinery  
292 insurance in this state.

293 Section 4. Section 554.103, Florida Statutes, is amended  
294 to read:

295 554.103 Boiler code.—The department shall adopt by rule a  
296 State Boiler Code for the safe construction, installation,  
297 inspection, maintenance, and repair of boilers in this state.  
298 The rules adopted shall be based upon and shall at all times  
299 follow generally accepted nationwide engineering standards,  
300 formulas, and practices pertaining to boiler construction and

301 safety.

302 (1) The department shall adopt an existing code for new  
303 construction and installation known as the Boiler and Pressure  
304 Vessel Code of the American Society of Mechanical Engineers,  
305 including all amendments and interpretations ~~approved thereto by~~  
306 ~~the Council on Codes and Standards of A.S.M.E.~~ The department  
307 ~~may adopt amendments and interpretations~~ to the A.S.M.E. Boiler  
308 and Pressure Vessel Code approved by the A.S.M.E. Council on  
309 Codes and Standards subsequent to the adoption of the State  
310 Boiler Code, and when so adopted by the department, such  
311 amendments and interpretations ~~shall~~ become a part of the State  
312 Boiler Code.

313 (2) The installer ~~owner~~ of any boiler placed in use in  
314 this state after July 1, 2017, must, before installing the  
315 boiler, apply on a form adopted by rule of the department for a  
316 permit to install the boiler from the chief boiler inspector.  
317 The application must include the boiler's A.S.M.E.  
318 manufacturer's data report and other documents required by the  
319 State Boiler Code before the boiler is placed in service. The  
320 installer must contact the chief boiler inspector to schedule an  
321 inspection for each boiler no later than 7 days before the  
322 boiler is placed in service ~~after October 1, 1987~~, shall submit  
323 ~~the A.S.M.E. manufacturer's data report on such boiler to the~~  
324 ~~chief inspector not more than 90 days following the inservice~~  
325 ~~date of the boiler.~~

326 (3) The maximum allowable working pressure of a boiler  
 327 carrying the A.S.M.E. code symbol must ~~shall~~ be determined by  
 328 the applicable sections of the code under which it was  
 329 constructed and stamped. Subject to the concurrence of the chief  
 330 boiler inspector, such boiler may be rerated in accordance with  
 331 the standards of the State Boiler Code.

332 (4) The maximum allowable working pressure of a boiler  
 333 that ~~which~~ does not carry the A.S.M.E. code symbol must ~~shall~~ be  
 334 computed in accordance with the standards of the State Boiler  
 335 Code.

336 (5) This chapter may not ~~Nothing in ss. 554.1011-554.115~~  
 337 ~~shall~~ be construed to in any way prevent the use, sale, or  
 338 reinstallation of a boiler if such boiler has been made to  
 339 conform to the applicable provisions of the State Boiler Code  
 340 governing existing installations and if, upon inspection, the  
 341 boiler has been found to be in a safe condition.

342 (6) The department, at its discretion, may authorize the  
 343 construction, installation, and operation of boilers of special  
 344 design or construction which do not meet the specific  
 345 requirements of the State Boiler Code, but which are consistent  
 346 with the intent of the safety objectives of the code.

347 (7) The department may adopt rules pursuant to ss.  
 348 120.536(1) and 120.54 to administer this chapter. Such rules may  
 349 include specifying the procedures and forms to be used to obtain  
 350 an installation permit, an initial certificate, or a renewal

351 certificate, and the submission of reports and notices required  
 352 under this chapter.

353 Section 5. Section 554.104, Florida Statutes, is amended  
 354 to read:

355 554.104 Certification of boiler inspectors required;  
 356 application; qualifications; renewal ~~Boilers of special design.-~~  
 357 ~~The department, at its discretion, may authorize the~~  
 358 ~~construction, installation, and operation of boilers of special~~  
 359 ~~design or construction that do not meet the specific~~  
 360 ~~requirements of the State Boiler Code but are not inconsistent~~  
 361 ~~with the intent of the safety objectives of such code.~~

362 (1) CERTIFICATE REQUIRED.-A person may not be, act as, or  
 363 advertise or hold himself or herself out to be an inspector of a  
 364 boiler that is subject to regulation by this chapter, unless he  
 365 or she currently holds a certificate of competency issued by the  
 366 department.

367 (2) APPLICATION.-A person who desires to be certified to  
 368 inspect boilers that are subject to regulation by this chapter  
 369 must apply in writing to the department to take the  
 370 certification examination.

371 (3) QUALIFICATIONS.-A person is qualified to take the  
 372 certification examination if the person:

373 (a) Has submitted the application for examination together  
 374 with the fee required under s. 554.111(1) (a);

375 (b) Is at least 18 years of age;

376 (c) Has completed the 2-hour training course under  
377 subsection (4) on the requirements of this chapter and any  
378 related rules adopted by the department. The course must be  
379 completed no later than 12 months before issuance of an initial  
380 or renewal certificate; and

381 (d) Has:

382 1. At least 3 years of experience in the construction,  
383 installation, inspection, operation, maintenance, or repair of  
384 high pressure, high temperature water boilers; or

385 2. Met the requirements to qualify as a commissioned  
386 inspector by the National Board of Boiler and Pressure Vessel  
387 Inspectors as set forth in NB-263, Rules for National Board  
388 Inservice and New Construction Commissioned Inspectors, as  
389 adopted by rule of the department.

390 (4) TRAINING COURSE.—The department shall adopt by rule a  
391 2-hour training course on the requirements of this chapter and  
392 any related rules adopted by the department. The department  
393 shall make the training course available online and may make the  
394 course available in a classroom setting. A boiler insurance  
395 company may include the department's course as part of its in-  
396 house training of a boiler inspector student, in lieu of the  
397 student taking the online training course. A boiler insurance  
398 company that includes the department's course in its in-house  
399 training of a boiler inspector student must indicate that the  
400 student completed the training on an application filed with the



401 department for certification of competency.

402 (5) EXAMINATION.—A person applying for a certificate of  
403 competency must have successfully passed the examination  
404 administered by the National Board of Boiler and Pressure Vessel  
405 Inspectors and be eligible to obtain a National Board  
406 commission.

407 (6) ISSUANCE OF CERTIFICATE.—The chief boiler inspector  
408 must issue a certificate of competency to each person who is  
409 qualified under this section and who holds a commission from the  
410 National Board of Boiler and Pressure Vessel Inspectors.

411 (7) RENEWAL OF CERTIFICATE.—A certificate of competency  
412 expires on December 31 of each year and may be renewed upon the  
413 filing of a renewal application with the department. A secured  
414 electronic application must be used, if available on the  
415 department's website.

416 (8) RULES.—The department may adopt rules necessary to  
417 administer this section.

418 Section 6. Section 554.105, Florida Statutes, is amended  
419 to read:

420 554.105 Chief boiler inspector.—

421 (1) The Chief Financial Officer shall appoint a chief  
422 boiler inspector, who must have at least ~~shall have not less~~  
423 ~~than~~ 5 years' experience in the construction, installation,  
424 inspection, operation, maintenance, or repair of high pressure,  
425 high temperature water boilers and who must ~~shall~~ hold a

426 commission from the National Board of Boiler and Pressure Vessel  
427 Inspectors or a certificate of competency from the department.

428 (2) The department, through the chief boiler inspector,  
429 shall administer the state boiler inspection program, and shall:

430 (a) Take all action necessary to enforce the State Boiler  
431 Code and the rules adopted pursuant to this chapter ~~ss.~~  
432 ~~554.1011-554.115.~~

433 (b) Keep a complete record on all boilers at public  
434 assembly locations. Such record must ~~shall~~ include the name of  
435 each boiler owner or user and the location, type, ~~dimensions,~~  
436 maximum allowable working pressure, age, ~~and~~ last recorded  
437 inspection of each boiler, and any other information necessary  
438 to expedite the certification process.

439 (c) ~~Publish and make available to anyone, upon request,~~  
440 ~~copies of the rules adopted pursuant to ss. 554.1011-554.115.~~

441 ~~(d)~~ Expend funds necessary to meet the expenses authorized  
442 by this chapter ~~ss. 554.1011-554.115,~~ including the necessary  
443 travel expenses of the chief boiler inspector and deputy boiler  
444 inspectors, and the expenses incident to the maintenance of this  
445 ~~his or her~~ office.

446 Section 7. Section 554.106, Florida Statutes, is amended  
447 to read:

448 554.106 Deputy boiler inspectors.—

449 (1) The department shall employ deputy boiler inspectors  
450 who shall be responsible to the chief boiler inspector ~~and who~~

451 ~~shall each hold a certificate of competency from the department.~~

452 (2) A deputy boiler inspector shall perform inspections of  
453 uninsured boilers that are subject to regulation under this  
454 chapter, in accordance with the inspection frequency set forth  
455 in s. 554.108. A deputy boiler inspector may also engage in  
456 public outreach activities of the department and conduct other  
457 duties as assigned by the chief boiler inspector.

458 Section 8. Section 554.107, Florida Statutes, is amended  
459 to read:

460 554.107 Special boiler inspectors.—

461 (1) Upon application by any authorized inspection agency  
462 ~~company licensed to insure boilers in this state~~, the chief  
463 boiler inspector shall issue a certificate of competency as a  
464 special boiler inspector to any inspector employed by the  
465 authorized inspection agency company, ~~if provided that~~ such  
466 boiler inspector satisfies the competency requirements for  
467 inspectors as provided in s. 554.104 ~~s. 554.113~~. Special boiler  
468 inspectors shall perform inspections of insured boilers in  
469 accordance with the inspection frequency set forth in s.  
470 554.108.

471 (2) The certificate of competency of a special boiler  
472 inspector remains ~~shall remain~~ in effect only so long as the  
473 special boiler inspector is employed by an authorized inspection  
474 agency a company licensed to insure boilers in this state. Upon  
475 termination of employment with such company, such company a

476 ~~special inspector~~ shall, in writing, notify the chief boiler  
477 inspector of such special boiler inspector's termination. Such  
478 notice must ~~shall~~ be given within 15 days following the date of  
479 termination.

480 Section 9. Subsections (1), (2), (4), and (5) of section  
481 554.108, Florida Statutes, are amended, and subsection (6) is  
482 added to that section, to read:

483 554.108 Inspection.—

484 (1) The inspection requirements of this chapter apply only  
485 to boilers located in public assembly locations. A potable hot  
486 water supply boiler with a heat input of 200,000 British thermal  
487 units (Btu) per hour and above, up to a heat input not exceeding  
488 400,000 Btu per hour, is exempt from inspection, but must be  
489 stamped with the A.S.M.E. code symbol "HLW" and the boiler's  
490 A.S.M.E data report must be filed as required under s.

491 ~~554.103(2) The only boilers required to be inspected under the~~  
492 ~~provisions of ss. 554.1011-554.115 are boilers located in public~~  
493 ~~assembly locations.~~

494 (2) Each inspection of a boiler conducted pursuant to this  
495 chapter must ~~ss. 554.1011-554.115 shall~~ be made by the chief  
496 boiler inspector, a deputy boiler inspector, or a special boiler  
497 inspector. An owner, or the owner's designee, shall perform all  
498 operation, testing, manipulation of boiler controls and safety  
499 devices, removal of lagging, and disassembly of boiler  
500 components to allow the chief boiler inspector, deputy boiler

501 inspector, or special boiler inspector to conduct inspections as  
502 required by this section.

503 (4) Each boiler subject to inspection must be inspected  
504 within 30 days after expiration of the boiler's certificate of  
505 operation. However, an inspection report must be received by the  
506 chief boiler inspector no later than 30 days after the projected  
507 expiration date of the certificate of operation. If, upon  
508 inspection, the chief boiler inspector, deputy boiler inspector,  
509 or special boiler inspector finds that a boiler is in violation  
510 of any provision of the State Boiler Code, the inspector must  
511 promptly notify the owner or user and state what repairs or  
512 other corrective measures are needed. Deputy boiler inspectors  
513 and special boiler inspectors shall file a written report, on a  
514 form adopted by rule of the department, on each certificate  
515 inspection with the chief boiler inspector within 15 days after  
516 the following such inspection. A certificate inspection report  
517 must list all violations of the State Boiler Code and any  
518 conditions that may adversely affect the operation of the  
519 boiler. A certificate inspection report filed by a special  
520 boiler inspector must include the fee for issuance of a  
521 certificate of operation as provided in s. 554.111(1)(c). The  
522 filing of reports of inspections, other than statutorily  
523 required certificate inspections, is are not required unless  
524 such inspections disclose that a boiler is in an unsafe  
525 condition. However, an inspection report must be filed for any

526 inspection performed on a boiler with a previously identified  
527 code violation. The report must indicate whether the violation  
528 has been corrected. The agency responsible for conducting the  
529 inspection must perform followup inspections, not more often  
530 than every 4 months, of a previously identified code violation  
531 until it is corrected. Failure to conduct such followup  
532 inspections subjects the insurance carrier to the penalties  
533 provided in s. 554.114(4).

534 (5) Upon a determination by the chief boiler inspector  
535 determining that a boiler cannot be safely operated, is in an  
536 unsafe condition and poses an imminent danger to the public  
537 health, safety, and welfare, the chief inspector, a deputy  
538 inspector, or a special inspector may immediately order the  
539 boiler must immediately to be shut down. The chief boiler  
540 inspector or a deputy boiler inspector shall attach a tag to the  
541 boiler indicating that the boiler has been shut down due to an  
542 unsafe condition. The boiler must shall remain shut down until a  
543 reinspection by the chief boiler inspector or a deputy boiler a  
544 certified inspector determines that all violations have been  
545 corrected, that the boiler may be operated safely, and that a  
546 certificate of compliance has been issued. A boiler that may not  
547 be safely operated, as determined by the chief boiler inspector,  
548 is deemed to constitute an imminent danger to the public health,  
549 safety, and welfare.

550 (6) The department may adopt rules necessary to administer

551 this section.

552 Section 10. Section 554.1081, Florida Statutes, is created  
553 to read:

554 554.1081 Boiler inspections by insurance companies and  
555 local governmental agencies.—

556 (1) An insurance company insuring a boiler located in a  
557 public assembly location in this state shall inspect, or shall  
558 contract with an authorized inspection agency to inspect, the  
559 insured boiler. A boiler insurance company shall annually report  
560 to the department the name of any authorized inspection agency  
561 performing any required boiler inspections on its behalf and  
562 shall actively monitor insured boilers to ensure that  
563 inspections are conducted as required by this chapter.

564 (2) A county, municipality, town, or other governmental  
565 subdivision that has adopted into law the Boiler and Pressure  
566 Vessel Code of the A.S.M.E. and the National Board Inspection  
567 Code for the construction, installation, inspection,  
568 maintenance, and repair of boilers to regulate boilers in public  
569 assembly locations may inspect such boilers. All boiler  
570 inspections must be conducted by special boiler inspectors in  
571 accordance with this chapter.

572 Section 11. Section 554.109, Florida Statutes, is amended  
573 to read:

574 554.109 Exemptions.—

575 ~~(1) Any insurance company insuring a boiler located in a~~

576 ~~public assembly location in this state shall inspect such boiler~~  
577 ~~so insured, and any county, city, town, or other governmental~~  
578 ~~subdivision which has adopted into law the Boiler and Pressure~~  
579 ~~Vessel Code of the American Society of Mechanical Engineers and~~  
580 ~~the National Board Inspection Code for the construction,~~  
581 ~~installation, inspection, maintenance, and repair of boilers,~~  
582 ~~regulating such boilers in public assembly locations, shall~~  
583 ~~inspect such boilers so regulated; provided that such inspection~~  
584 ~~shall be conducted by a special inspector licensed pursuant to~~  
585 ~~ss. 554.1011-554.115. Upon filing of a report of satisfactory~~  
586 ~~inspection with the department, such boiler is exempt from~~  
587 ~~inspection by the department.~~

588 ~~(2) The provisions of This chapter does shall not apply to~~  
589 ~~potable hot water supply boilers or lined storage water heaters~~  
590 ~~that ~~which~~ are directly fired with oil, gas, electricity, or~~  
591 ~~solar energy, provided that none of the following limitations is~~  
592 ~~are exceeded:~~

593 ~~(1) (a) Heat input of 400,000 Btu per hour.~~

594 ~~(2) (b) Water temperature of 210 degrees Fahrenheit.~~

595 ~~(3) (c) Nominal water-containing capacity of 120 gallons.~~

596

597 ~~These exempt hot water supply boilers and lined storage water~~  
598 ~~heaters shall be equipped with safety relief valves conforming~~  
599 ~~to the requirements of the Boiler and Pressure Vessel Code of~~  
600 ~~the American Society of Mechanical Engineers and of the National~~



601 ~~Board Inspection Code.~~

602 Section 12. Section 554.1101, Florida Statutes, is amended  
603 to read:

604 554.1101 Certificate of operation compliance.—

605 (1) If an inspection report filed pursuant to s. 554.108  
606 shows a boiler to be in compliance with all applicable  
607 provisions of the State Boiler Code, the chief boiler inspector  
608 must shall, upon receipt of the inspection fee, issue a  
609 certificate of operation compliance to the owner. Such  
610 certificate must shall bear the date of the inspection and  
611 specify the maximum pressure at which the boiler may be  
612 operated.

613 (2) The certificate for a power boiler or a high pressure,  
614 high temperature water boiler is valid for a period of 12 months  
615 from the date of the certificate inspection. The certificate for  
616 a heating boiler or a hot water supply boiler is valid for a  
617 period of 24 months from the date of the certificate inspection.  
618 The certificate must shall be posted under glass, or be  
619 similarly protected, in the room containing the boiler.

620 (3) A boiler insurance company shall notify the chief  
621 boiler inspector within 30 days after the issuance of a new or  
622 renewal boiler and machinery insurance policy, or the  
623 cancellation or nonrenewal of a boiler and machinery insurance  
624 policy, covering places of public assembly in this state.

625 (4) If the chief boiler inspector has knowledge that a

626 | boiler regulated under this chapter was covered by a boiler and  
 627 | machinery insurance policy after its most recent certification  
 628 | inspection, the certificateholder must, upon the request of the  
 629 | chief boiler inspector, submit its certificate of boiler and  
 630 | machinery insurance for the boiler if the department has not  
 631 | received the special boiler inspector's annual inspection report  
 632 | within 30 days after its due date.

633 | Section 13. Section 554.111, Florida Statutes, is amended  
 634 | to read:

635 | 554.111 Fees.—

636 | (1) The department shall charge the following fees:

637 | (a) For an applicant for a certificate of competency, the  
 638 | initial application fee shall be \$50, and the annual renewal fee  
 639 | shall be \$30. The fee for examination shall be \$50.

640 | (b) For certificate inspections conducted by the  
 641 | department:

642 | 1. For power boilers and high pressure, high temperature  
 643 | water boilers of:

- 644 | 4,000 square feet or less heating surface.....\$60
- 645 | More than 4,000 square feet heating surface and less than 10,000
- 646 | square feet of heating surface.....\$70
- 647 | 10,000 square feet or more heating surface.....\$90

648 | 2. For heating boilers:

- 649 | Without a manhole.....\$40
- 650 | With a manhole.....\$70

651           3. For hot water supply boilers.....\$40  
 652           (c) For issuance of a ~~compliance~~ certificate of operation  
 653 without a department inspection.....\$30  
 654           (d) Duplicate certificates or address  
 655 changes.....\$5  
 656           (e) An application for a boiler permit must include the  
 657 applicable certificate inspection fee provided in paragraph (b).  
 658           (2) Not more than an amount equal to one certificate  
 659 inspection fee may ~~shall~~ be charged or collected for any and all  
 660 boiler inspections in any inspection period, except as otherwise  
 661 provided in this chapter ~~ss. 554.1011-554.115~~.  
 662           (a) When it is necessary to make a special trip to observe  
 663 the application of a hydrostatic test, an additional fee equal  
 664 to the fee for a certificate inspection of the boiler must ~~shall~~  
 665 be charged.  
 666           (b) All other inspections, including shop inspections,  
 667 surveys, and inspections of secondhand boilers made by the chief  
 668 boiler inspector or a deputy boiler inspector, must ~~shall~~ be  
 669 charged at the rate of not less than \$270 for one-half day of 4  
 670 hours, and \$500 for 1 full day of 8 hours, plus travel, hotel,  
 671 and incidental expenses in accordance with chapter 112.  
 672           (3) The chief boiler inspector shall deposit all fees or  
 673 fines received pursuant to this chapter ~~ss. 554.1011-554.115~~  
 674 into the Insurance Regulatory Trust Fund.  
 675           Section 14. Sections 554.112 and 554.113, Florida

676 Statutes, are repealed.

677 Section 15. Section 554.114, Florida Statutes, is amended  
678 to read:

679 554.114 Prohibitions; penalties.—

680 (1) A person may not:

681 (a) Operate a boiler at a public assembly location without  
682 a valid certificate of operation ~~compliance~~ for that boiler;

683 ~~(b) Give false or forged information to the department or~~  
684 ~~an inspector for the purpose of obtaining a certificate of~~  
685 ~~compliance;~~

686 ~~(c)~~ Use a certificate of operation ~~compliance~~ for any  
687 boiler other than for the boiler for which it was issued;

688 (c) ~~(d)~~ Operate a boiler for which the certificate of  
689 operation ~~compliance~~ has been suspended, revoked, or not  
690 renewed;

691 ~~(e) Give false or forged information to the department for~~  
692 ~~the purpose of obtaining a certificate of competence; or~~

693 (d) ~~(f)~~ Inspect any boiler regulated under this chapter ~~the~~  
694 ~~provisions of ss. 554.1011-554.115~~ without having a valid  
695 certificate of competency.

696 (2) A boiler insurance company that fails to inspect or to  
697 have inspected, in accordance with this chapter, any boiler  
698 insured by the company and regulated under this chapter is  
699 subject to the penalties provided in subsection (4) ~~Any person~~  
700 ~~who violates this section is guilty of a misdemeanor of the~~

701 ~~second degree, punishable by fine as provided in s. 775.083.~~

702 (3) An authorized inspection agency that is under contract  
 703 with a boiler insurance company and that fails to inspect, in  
 704 accordance with this chapter, any boiler insured by the company  
 705 and regulated under this chapter is subject to the penalties  
 706 provided in subsection (4).

707 (4) A boiler insurance company, authorized inspection  
 708 agency, or other person in violation of this section for more  
 709 than 30 days shall pay a fine of \$10 per day for the first 10  
 710 days of noncompliance, \$50 per day for the subsequent 20 days of  
 711 noncompliance, and \$100 per day for each subsequent day over 20  
 712 days of noncompliance.

713 Section 16. Section 554.115, Florida Statutes, is amended  
 714 to read:

715 554.115 Disciplinary proceedings.—

716 (1) The department may deny, refuse to renew, suspend, or  
 717 revoke a certificate of operation ~~compliance~~ upon proof that:

718 (a) The certificate has been obtained by fraud or  
 719 misrepresentation;

720 (b) The boiler for which the certificate was issued cannot  
 721 be operated safely; ~~or~~

722 (c) The person who received the certificate willfully or  
 723 deliberately violated the State Boiler Code, this chapter, ~~or~~  
 724 ~~ss. 554.1011-554.115~~ or any other rule adopted pursuant to this  
 725 chapter; or ~~ss. 554.1011-554.115.~~

726           (d) The owner of a boiler:

727           1. Operated a boiler at a public assembly location without

728 a valid certificate of operation for that boiler;

729           2. Used a certificate of operation for a boiler other than

730 the boiler for which the certificate of operation was issued;

731           3. Gave false or forged information to the department, to

732 an authorized inspection agency, or to another boiler inspector

733 for the purpose of obtaining a certificate of operation;

734           4. Operated a boiler after the certificate of operation

735 for the boiler expired, was not renewed, or was suspended or

736 revoked;

737           5. Operated a boiler that is in an unsafe condition; or

738           6. Operated a boiler in a manner that is contrary to the

739 requirements of this chapter or any rule adopted under this

740 chapter.

741           (2) The department may deny, refuse to renew, suspend, or

742 revoke a certificate of competency upon proof that:

743           (a) The certificate was obtained by fraud or

744 misrepresentation;

745           (b) The inspector to whom the certificate was issued is no

746 longer qualified under this chapter ~~ss. 554.1011-554.115~~ to

747 inspect boilers; or

748           (c) The boiler inspector:

749           1. ~~Operated a boiler at a public assembly location without~~

750 ~~a valid certificate of compliance for that boiler;~~

751           ~~2.~~ Gave false or forged information to the department, an  
 752 authorized inspection agency, or to another boiler inspector for  
 753 the purpose of obtaining a certificate of operation; or  
 754 compliance;

755           ~~3.~~ Used a certificate of compliance for any boiler other  
 756 than the boiler for which it was issued;

757           ~~4.~~ Operated a boiler for which the certificate of  
 758 compliance has been suspended or revoked or has expired;

759           ~~2.5.~~ Inspected any boiler regulated under this chapter ss.  
 760 ~~554.1011-554.115~~ without having obtained a valid certificate of  
 761 competency.~~†~~

762           ~~6.~~ Operated a boiler that is in an unsafe condition; or

763           ~~7.~~ Operated a boiler in a manner that is contrary to the  
 764 requirements of this chapter or any rule adopted under this  
 765 chapter.

766           (3) Each suspension of a certificate of operation  
 767 ~~compliance~~ or certificate of competency shall continue in effect  
 768 until all violations have been corrected and, for boiler safety  
 769 violations, until the boiler has been inspected by an authorized  
 770 inspector and shown to be in a safe working condition.

771           ~~(4)~~ A person in violation of this section who does not  
 772 have a valid certificate of competency shall be reported by the  
 773 chief inspector to the appropriate state attorney.

774           ~~(5)~~ A person in violation of this section who has a valid  
 775 certificate of competency is subject to administrative action by

776 ~~the chief inspector.~~

777 ~~(4)-(6) A revocation of a certificate of competency is~~  
778 ~~permanent, and a revoked certificate of competency may not be~~  
779 ~~reinstated or a new certificate of competency issued to the same~~  
780 ~~person. A suspension of a certificate of competency continues in~~  
781 ~~effect until all violations have been corrected. A suspension of~~  
782 ~~a certificate of compliance for any boiler safety violation~~  
783 ~~continues in effect until the boiler has been inspected by an~~  
784 ~~authorized inspector and shown to be in safe working condition.~~

785 Section 17. Section 554.1151, Florida Statutes, is created  
786 to read:

787 554.1151 Administrative fine in lieu of or in addition to  
788 suspension, revocation, or refusal to renew a certificate of  
789 operation or competency.-

790 (1) If the department finds that one or more grounds exist  
791 for the suspension, revocation, or refusal to renew any  
792 certificate of operation or certificate of competency issued  
793 under this chapter, the department may, in its discretion, in  
794 lieu of or in addition to suspension or revocation or in lieu of  
795 refusal to renew, impose upon the certificateholder an  
796 administrative penalty in an amount up to \$500, or, if the  
797 department has found willful misconduct or willful violation on  
798 the part of the certificateholder, in an amount up to \$3,500.

799 (2) The department may allow the certificateholder a  
800 reasonable period, no more than 30 days, within which to pay to



801 the department the amount of the penalty so imposed. If the  
802 certificateholder fails to pay the penalty in its entirety to  
803 the department within the period so allowed, the certificate of  
804 that person must be suspended until the penalty is paid. If the  
805 certificateholder fails to pay the penalty in its entirety to  
806 the department within 90 days after the period so allowed, the  
807 certificate of that person must be revoked.

808 Section 18. Section 554.116, Florida Statutes, is created  
809 to read:

810 554.116 Report on insured losses.—A boiler insurance  
811 company that insures any boiler in this state must annually file  
812 a report with the chief boiler inspector, within 30 days after  
813 the end of the previous calendar year, regarding claims paid by  
814 the insurer under policies insuring boilers in this state. The  
815 report must include the type of establishment in which the  
816 boiler was located, the location of the establishment, the  
817 amount of the loss, the apparent cause of the loss, and any  
818 other information that the department determines is not  
819 inconsistent with the intent of the safety objectives of the  
820 State Boiler Code. The department shall adopt a form by rule for  
821 submission of the report.

822 Section 19. Subsection (7) of section 624.307, Florida  
823 Statutes, is amended to read:

824 624.307 General powers; duties.—

825 (7) The department and office, within existing resources,

826 | may expend funds for the professional development of its  
827 | employees, including, but not limited to, professional dues for  
828 | employees who are required to be members of professional  
829 | organizations; examinations leading to professional designations  
830 | required for employment with the office; training courses and  
831 | examinations provided through, and to ensure compliance with,  
832 | the National Association of Insurance Commissioners; or other  
833 | training courses related to the regulation of insurance.

834 |       Section 20. Present subsections (1), (2), and (3) and (4)  
835 | through (19) of section 626.015, Florida Statutes, are  
836 | redesignated as subsections (2), (3), and (4) and (6) through  
837 | (21), respectively, present subsection (8) is amended, and new  
838 | subsections (1) and (5) are added to that section, to read:

839 |       626.015 Definitions.—As used in this part:

840 |       (1) "Active participant" means a member in good standing  
841 | of an association who attends 4 or more hours of association  
842 | meetings every year, not including any department-approved  
843 | continuing education course.

844 |       (5) "Association" includes the Florida Association of  
845 | Insurance Agents (FAIA), the National Association of Insurance  
846 | and Financial Advisors (NAIFA), the Florida Association of  
847 | Health Underwriters (FAHU), the Latin American Association of  
848 | Insurance Agencies (LAAIA), the Florida Association of Public  
849 | Insurance Adjusters (FAPIA), the Florida Bail Agents Association  
850 | (FBAA), or the Professional Bail Agents of the United States

851 (PBUS) .

852 ~~(10)(8)~~ "Insurance agency" means a business location at  
 853 which an individual, firm, partnership, corporation,  
 854 association, or other entity, other than an employee of the  
 855 individual, firm, partnership, corporation, association, or  
 856 other entity and other than an insurer as defined by s. 624.03  
 857 or an adjuster as defined by subsection (2) ~~(1)~~, engages in any  
 858 activity or employs individuals to engage in any activity which  
 859 by law may be performed only by a licensed insurance agent.

860 Section 21. Section 626.207, Florida Statutes, is amended  
 861 to read:

862 626.207 Disqualification of applicants and licensees;  
 863 penalties against licensees; rulemaking authority.—

864 (1) For purposes of this section, the term or terms:

865 (a) "Applicant" means an individual applying for licensure  
 866 or relicensure under this chapter, and an officer, director,  
 867 majority owner, partner, manager, or other person who manages or  
 868 controls an entity applying for licensure or relicensure under  
 869 this chapter.

870 (c) "Financial services business" means any financial  
 871 activity regulated by the Department of Financial Services, the  
 872 Office of Insurance Regulation, or the Office of Financial  
 873 Regulation.

874 ~~(b)(2)~~ ~~For purposes of this section, the terms~~ "Felony of  
 875 the first degree" and "capital felony" include all felonies

876 designated as such by the Florida Statutes, as well as any  
877 felony so designated in the jurisdiction in which the plea is  
878 entered or judgment is rendered.

879 (2)-(3) An applicant who has been found guilty of or has  
880 pleaded guilty or nolo contendere to any of the following  
881 crimes, regardless of adjudication, is permanently barred from  
882 licensure under this chapter: ~~commits~~

883 (a) A felony of the first degree;

884 (b) A capital felony;

885 (c) A felony involving money laundering; ~~fraud, or~~

886 (d) A felony embezzlement; or

887 (e) A felony directly related to the financial services  
888 business ~~is permanently barred from applying for a license under~~  
889 ~~this part. This bar applies to convictions, guilty pleas, or~~  
890 ~~nolo contendere pleas, regardless of adjudication, by any~~  
891 ~~applicant, officer, director, majority owner, partner, manager,~~  
892 ~~or other person who manages or controls any applicant.~~

893 (3)-(4) An applicant who has been found guilty of or has  
894 pleaded guilty or nolo contendere to a crime ~~For all other~~  
895 ~~crimes~~ not included in subsection (2), regardless of  
896 adjudication, is subject to (3), ~~the department shall adopt~~  
897 ~~rules establishing the process and application of disqualifying~~  
898 ~~periods that include:~~

899 (a) A 15-year disqualifying period for all felonies  
900 involving moral turpitude which ~~that~~ are not specifically

901 included in the permanent bar contained in subsection (2) ~~(3)~~.

902 (b) A 7-year disqualifying period for all felonies to  
903 which neither the permanent bar in subsection (2) ~~(3)~~ nor the  
904 15-year disqualifying period in paragraph (a) applies.

905 (c) A 7-year disqualifying period for all misdemeanors  
906 directly related to the financial services business.

907 (4) ~~(5)~~ The department shall adopt rules to administer this  
908 section. The rules must provide ~~providing~~ for additional  
909 disqualifying periods due to the commitment of multiple crimes  
910 and may include other factors reasonably related to the  
911 applicant's criminal history. The rules shall provide for  
912 mitigating and aggravating factors. However, mitigation may not  
913 result in a period of disqualification of less than 7 years and  
914 may not mitigate the disqualifying periods in paragraphs (3) (b)  
915 and (c) ~~(4) (b) and (c)~~.

916 (5) ~~(6)~~ For purposes of this section, the disqualifying  
917 periods begin upon the applicant's final release from  
918 supervision or upon completion of the applicant's criminal  
919 sentence, ~~including payment of fines, restitution, and court~~  
920 ~~costs for the crime for which the disqualifying period applies.~~  
921 The department may not issue a license to an applicant unless  
922 all related fines, court costs and fees, and court-ordered  
923 restitution have been paid.

924 (6) ~~(7)~~ After the disqualifying period has expired ~~been~~  
925 ~~met~~, the burden is on the applicant to demonstrate that the

926 applicant has been rehabilitated, does not pose a risk to the  
927 insurance-buying public, is fit and trustworthy to engage in the  
928 business of insurance pursuant to s. 626.611(1)(g), and is  
929 otherwise qualified for licensure.

930 (7) Notwithstanding subsections (2) and (3), upon a grant  
931 of a pardon or the restoration of civil rights pursuant to  
932 chapter 940 and s. 8, Art. IV of the State Constitution with  
933 respect to a finding of guilt or a plea under subsection (2) or  
934 subsection (3), such finding or plea no longer bars or  
935 disqualifies the applicant from licensure under this chapter  
936 unless the clemency specifically excludes licensure in the  
937 financial services business; however, a pardon or restoration of  
938 civil rights does not require the department to award such  
939 license.

940 (8) The department shall adopt rules establishing specific  
941 penalties against licensees in accordance with ss. 626.641 and  
942 626.651 for violations of s. 626.611, s. 626.621, s. 626.8437,  
943 s. 626.844, s. 626.935, s. 634.181, s. 634.191, s. 634.320, s.  
944 634.321, s. 634.422, s. 634.423, s. 642.041, or s. 642.043. The  
945 purpose of the revocation or suspension is to provide a  
946 sufficient penalty to deter future violations of the Florida  
947 Insurance Code. The imposition of a revocation or the length of  
948 suspension shall be based on the type of conduct and the  
949 probability that the propensity to commit further illegal  
950 conduct has been overcome at the time of eligibility for

951 relicensure. The length of suspension may be adjusted based on  
 952 aggravating or mitigating factors, established by rule and  
 953 consistent with this purpose.

954 (9) Section 112.011 does not apply to any applicants for  
 955 licensure under the Florida Insurance Code, including, but not  
 956 limited to, agents, agencies, adjusters, adjusting firms,  
 957 customer representatives, or managing general agents.

958 Section 22. Section 626.9954, Florida Statutes, is amended  
 959 to read:

960 626.9954 Disqualification from registration.—

961 (1) As used in this section, the terms "felony of the  
 962 first degree" and "capital felony" include all felonies so  
 963 designated by the laws of this state, as well as any felony so  
 964 designated in the jurisdiction in which the plea is entered or  
 965 judgment is rendered.

966 (2) An applicant who has been found guilty of or has  
 967 pleaded guilty or nolo contendere to the following crimes,  
 968 regardless of adjudication, is permanently disqualified from  
 969 registration under this part: ~~commits~~

970 (a) A felony of the first degree;

971 (b) A capital felony;

972 (c) A felony involving money laundering; ~~fraud, or~~

973 (d) A felony embezzlement; or

974 (e) A felony directly related to the financial services  
 975 business ~~is permanently barred from applying for registration~~

976 ~~under this part. This bar applies to convictions, guilty pleas,~~  
977 ~~or nolo contendere pleas, regardless of adjudication, by an~~  
978 ~~applicant.~~

979 (3) An applicant who has been found guilty of or has  
980 pleaded guilty or nolo contendere to a crime ~~For all other~~  
981 ~~crimes~~ not described in subsection (2), regardless of  
982 adjudication, is subject to the department may adopt rules  
983 establishing the process and application of disqualifying  
984 periods including:

985 (a) A 15-year disqualifying period for all felonies  
986 involving moral turpitude which are not specifically included in  
987 subsection (2).

988 (b) A 7-year disqualifying period for all felonies not  
989 specifically included in subsection (2) or paragraph (a).

990 (c) A 7-year disqualifying period for all misdemeanors  
991 directly related to the financial services business.

992 (4) The department may adopt rules to administer this  
993 section. The rules must provide for ~~providing~~ additional  
994 disqualifying periods due to the commitment of multiple crimes  
995 and may include other factors reasonably related to the  
996 applicant's criminal history. The rules must provide for  
997 mitigating and aggravating factors. However, mitigation may not  
998 result in a disqualifying period of less than 7 years and may  
999 not mitigate the disqualifying periods in paragraph (3) (b) or  
1000 paragraph (3) (c).



1001 (5) For purposes of this section, the disqualifying  
 1002 periods begin upon the applicant's final release from  
 1003 supervision or upon completion of the applicant's criminal  
 1004 sentence, ~~including the payment of fines, restitution, and court~~  
 1005 ~~costs for the crime for which the disqualifying period applies.~~  
 1006 The department may not issue a registration to an applicant  
 1007 unless all related fines, court costs and fees, and court-  
 1008 ordered restitution have been paid.

1009 (6) After the disqualifying period has expired ~~been met~~,  
 1010 the burden is on the applicant to demonstrate to the  
 1011 satisfaction of the department that he or she has been  
 1012 rehabilitated and does not pose a risk to the insurance-buying  
 1013 public and is otherwise qualified for registration.

1014 (7) Notwithstanding subsections (2) and (3), upon a grant  
 1015 of a pardon or the restoration of civil rights pursuant to  
 1016 chapter 940 and s. 8, Art. IV of the State Constitution with  
 1017 respect to a finding of guilt or a plea under subsection (2) or  
 1018 subsection (3), such finding or plea no longer bars or  
 1019 disqualifies the applicant from applying for registration under  
 1020 this part unless the clemency specifically excludes licensure or  
 1021 specifically excludes registration in the financial services  
 1022 business; however, a pardon or restoration of civil rights does  
 1023 not require the department to award such registration.

1024 (8) ~~(7)~~ Section 112.011 does not apply to an applicant for  
 1025 registration as a navigator.

1026 Section 23. Paragraph (a) of subsection (3) of section  
 1027 626.2815, Florida Statutes, is amended, and paragraph (j) is  
 1028 added to that subsection, to read:

1029 626.2815 Continuing education requirements.—

1030 (3) Each licensee except a title insurance agent must  
 1031 complete a 5-hour update course every 2 years which is specific  
 1032 to the license held by the licensee. The course must be  
 1033 developed and offered by providers and approved by the  
 1034 department. The content of the course must address all lines of  
 1035 insurance for which examination and licensure are required and  
 1036 include the following subject areas: insurance law updates,  
 1037 ethics for insurance professionals, disciplinary trends and case  
 1038 studies, industry trends, premium discounts, determining  
 1039 suitability of products and services, and other similar  
 1040 insurance-related topics the department determines are relevant  
 1041 to legally and ethically carrying out the responsibilities of  
 1042 the license granted. A licensee who holds multiple insurance  
 1043 licenses must complete an update course that is specific to at  
 1044 least one of the licenses held. Except as otherwise specified,  
 1045 any remaining required hours of continuing education are  
 1046 elective and may consist of any continuing education course  
 1047 approved by the department under this section.

1048 (a) Except as provided in paragraphs (b), (c), (d), (e),  
 1049 ~~and (i), and (j),~~ and (j), each licensee must also complete 19 hours of  
 1050 elective continuing education courses every 2 years.

1051        (j) For a licensee who is an active participant in an  
1052 association, 2 hours of elective continuing education credit per  
1053 calendar year may be approved by the department, if properly  
1054 reported by the association.

1055        Section 24. Paragraph (n) of subsection (1) and subsection  
1056 (2) of section 626.611, Florida Statutes, are amended to read:

1057        626.611 Grounds for compulsory refusal, suspension, or  
1058 revocation of agent's, title agency's, adjuster's, customer  
1059 representative's, service representative's, or managing general  
1060 agent's license or appointment.—

1061        (1) The department shall deny an application for, suspend,  
1062 revoke, or refuse to renew or continue the license or  
1063 appointment of any applicant, agent, title agency, adjuster,  
1064 customer representative, service representative, or managing  
1065 general agent, and it shall suspend or revoke the eligibility to  
1066 hold a license or appointment of any such person, if it finds  
1067 that as to the applicant, licensee, or appointee any one or more  
1068 of the following applicable grounds exist:

1069        (n) Having been found guilty of or having pleaded guilty  
1070 or nolo contendere to a felony or a crime punishable by  
1071 imprisonment of 1 year or more under the law of the United  
1072 States of America or of any state thereof or under the law of  
1073 any other country ~~which involves moral turpitude~~, without regard  
1074 to whether a judgment of conviction has been entered by the  
1075 court having jurisdiction of such cases.

1076 (2) The department shall, upon receipt of information or  
 1077 an indictment, immediately temporarily suspend a license or  
 1078 appointment issued under this chapter when the licensee is  
 1079 charged with a felony enumerated in s. 626.207(2) ~~s. 626.207(3)~~.  
 1080 Such suspension shall continue if the licensee is found guilty  
 1081 of, or pleads guilty or nolo contendere to, the crime,  
 1082 regardless of whether a judgment or conviction is entered,  
 1083 during a pending appeal. A person may not transact insurance  
 1084 business after suspension of his or her license or appointment.

1085 Section 25. Subsection (8) of section 626.621, Florida  
 1086 Statutes, is amended, and a new subsection (15) is added to that  
 1087 section, to read:

1088 626.621 Grounds for discretionary refusal, suspension, or  
 1089 revocation of agent's, adjuster's, customer representative's,  
 1090 service representative's, or managing general agent's license or  
 1091 appointment.—The department may, in its discretion, deny an  
 1092 application for, suspend, revoke, or refuse to renew or continue  
 1093 the license or appointment of any applicant, agent, adjuster,  
 1094 customer representative, service representative, or managing  
 1095 general agent, and it may suspend or revoke the eligibility to  
 1096 hold a license or appointment of any such person, if it finds  
 1097 that as to the applicant, licensee, or appointee any one or more  
 1098 of the following applicable grounds exist under circumstances  
 1099 for which such denial, suspension, revocation, or refusal is not  
 1100 mandatory under s. 626.611:

1101 ~~(8) Having been found guilty of or having pleaded guilty~~  
 1102 ~~or nolo contendere to a felony or a crime punishable by~~  
 1103 ~~imprisonment of 1 year or more under the law of the United~~  
 1104 ~~States of America or of any state thereof or under the law of~~  
 1105 ~~any other country, without regard to whether a judgment of~~  
 1106 ~~conviction has been entered by the court having jurisdiction of~~  
 1107 ~~such cases.~~

1108 (15) Denial, suspension, or revocation of, or any other  
 1109 adverse administrative action against, a license to practice or  
 1110 conduct any regulated profession, business, or vocation by this  
 1111 state, any other state, any nation, any possession or district  
 1112 of the United States, any court, or any lawful agency thereof.

1113 Section 26. Subsection (2) of section 626.7845, Florida  
 1114 Statutes, is amended to read:

1115 626.7845 Prohibition against unlicensed transaction of  
 1116 life insurance.—

1117 (2) Except as provided in s. 626.112(6), with respect to  
 1118 any line of authority specified in s. 626.015(12) ~~s.~~  
 1119 ~~626.015(10)~~, an ~~no~~ individual may not ~~shall~~, unless licensed as  
 1120 a life agent:

1121 (a) Solicit insurance or annuities or procure  
 1122 applications;

1123 (b) In this state, engage or hold himself or herself out  
 1124 as engaging in the business of analyzing or abstracting  
 1125 insurance policies or of counseling or advising or giving

1126 | opinions to persons relative to insurance or insurance  
 1127 | contracts, unless the individual is ~~other than:~~

1128 |       1. ~~As~~ A consulting actuary advising insurers ~~an insurer;~~  
 1129 | or

1130 |       2. An employee ~~As to the counseling and advising of a~~  
 1131 | labor union, association, employer, or other business entity  
 1132 | ~~labor unions, associations, trustees, employers, or other~~  
 1133 | ~~business entities, or~~ the subsidiaries and affiliates of each,  
 1134 | who counsels and advises such entity or entities relative to  
 1135 | their interests and those of their members or employees under  
 1136 | insurance benefit plans; or

1137 |       3. A trustee advising a settlor, a beneficiary, or a  
 1138 | person regarding his or her interests in a trust, relative to  
 1139 | insurance benefit plans; or

1140 |       (c) In this state, from this state, or with a resident of  
 1141 | this state, offer or attempt to negotiate on behalf of another  
 1142 | person a viatical settlement contract as defined in s. 626.9911.

1143 |       Section 27. Section 626.8305, Florida Statutes, is amended  
 1144 | to read:

1145 |       626.8305 Prohibition against the unlicensed transaction of  
 1146 | health insurance.—Except as provided in s. 626.112(6), with  
 1147 | respect to any line of authority specified in s. 626.015(8) ~~s.~~  
 1148 | ~~626.015(6)~~, an ~~no~~ individual may not ~~shall~~, unless licensed as a  
 1149 | health agent:

1150 |       (1) Solicit insurance or procure applications; or

1151 (2) In this state, engage or hold himself or herself out  
 1152 as engaging in the business of analyzing or abstracting  
 1153 insurance policies or of counseling or advising or giving  
 1154 opinions to persons relative to insurance contracts, unless the  
 1155 individual is ~~other than:~~

1156 (a) ~~As~~ A consulting actuary advising insurers; ~~or~~

1157 (b) An employee ~~As to the counseling and advising of a~~  
 1158 labor union, association, employer, or other business entity  
 1159 ~~labor unions, associations, trustees, employers, or other~~  
 1160 ~~business entities, or~~ the subsidiaries and affiliates of each,  
 1161 who counsels and advises such entity or entities relative to  
 1162 their interests and those of their members or employees under  
 1163 insurance benefit plans; ~~or-~~

1164 (c) A trustee advising a settlor, a beneficiary, or a  
 1165 person regarding his or her interests in a trust, relative to  
 1166 insurance benefit plans.

1167 Section 28. Subsection (1) of section 626.861, Florida  
 1168 Statutes, is amended to read:

1169 626.861 Insurer's officers, insurer's employees,  
 1170 reciprocal insurer's representatives; adjustments by.-

1171 (1) This part may not ~~Nothing in this part shall~~ be  
 1172 construed to prevent an executive officer of any insurer, ~~or~~ a  
 1173 regularly salaried employee of an insurer handling claims with  
 1174 respect to health insurance, a regular employee of an insurer  
 1175 handling claims with respect to residential property when the

1176 sublimit coverage does not exceed \$500, or the duly designated  
 1177 attorney or agent authorized and acting for subscribers to  
 1178 reciprocal insurers, from adjusting any claim loss or damage  
 1179 under any insurance contract of such insurer.

1180 Section 29. Paragraph (c) of subsection (5) and subsection  
 1181 (6) of section 626.9543, Florida Statutes, are amended to read:

1182 626.9543 Holocaust victims.—

1183 (5) PROOF OF A CLAIM.—Any insurer doing business in this  
 1184 state, in receipt of a claim from a Holocaust victim or from a  
 1185 beneficiary, descendant, or heir of a Holocaust victim, shall:

1186 (c) Permit claims irrespective of any statute of  
 1187 limitations or notice requirements imposed by any insurance  
 1188 policy issued, ~~provided the claim is submitted on or before July~~  
 1189 ~~1, 2018.~~

1190 (6) STATUTE OF LIMITATIONS.—Notwithstanding any law or  
 1191 agreement among the parties to an insurance policy to the  
 1192 contrary, any action brought by Holocaust victims or by a  
 1193 beneficiary, heir, or a descendant of a Holocaust victim seeking  
 1194 proceeds of an insurance policy issued or in effect between 1920  
 1195 and 1945, inclusive, may ~~shall~~ not be dismissed for failure to  
 1196 comply with the applicable statute of limitations or laches  
 1197 ~~provided the action is commenced on or before July 1, 2018.~~

1198 Section 30. Section 633.516, Florida Statutes, is amended  
 1199 to read:

1200 633.516 Studies of ~~Division to make study of firefighter~~



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1201 ~~employee occupational diseases of firefighters or persons in~~  
1202 ~~other fire-related fields.~~—The division may contract for  
1203 studies, subject to the availability of funding, of ~~shall make a~~  
1204 ~~continuous study of firefighter employee occupational diseases~~  
1205 of firefighters or persons in other fire-related fields and the  
1206 ways and means for the ~~their~~ control and prevention of such  
1207 occupational diseases. When such a study or another study that  
1208 is wholly or partly funded under an agreement, including a  
1209 contract or grant, with the department tracks a disease of an  
1210 individual firefighter or a person in another fire-related  
1211 field, the division may, with associated security measures,  
1212 release the confidential information, including a social  
1213 security number, of that individual to a party who has entered  
1214 into an agreement with the department ~~and shall adopt rules~~  
1215 ~~necessary for such control and prevention. For this purpose, the~~  
1216 ~~division is authorized to cooperate with firefighter employers,~~  
1217 ~~firefighter employees, and insurers and with the Department of~~  
1218 ~~Health.~~

1219 Section 31. Paragraph (a) of subsection (6) and subsection  
1220 (7) of section 768.28, Florida Statutes, are amended to read:

1221 768.28 Waiver of sovereign immunity in tort actions;  
1222 recovery limits; limitation on attorney fees; statute of  
1223 limitations; exclusions; indemnification; risk management  
1224 programs.—

1225 (6) (a) An action may not be instituted on a claim against

1226 | the state or one of its agencies or subdivisions unless the  
 1227 | claimant presents the claim in writing to the appropriate  
 1228 | agency, and also, except as to any claim against a municipality,  
 1229 | ~~or~~ the Florida Space Authority, or a subdivision of the state,  
 1230 | presents such claim in writing to the Department of Financial  
 1231 | Services, within 3 years after such claim accrues and the  
 1232 | Department of Financial Services or the appropriate agency  
 1233 | denies the claim in writing; except that, if:

1234 |       1. Such claim is for contribution pursuant to s. 768.31,  
 1235 | it must be so presented within 6 months after the judgment  
 1236 | against the tortfeasor seeking contribution has become final by  
 1237 | lapse of time for appeal or after appellate review or, if there  
 1238 | is no such judgment, within 6 months after the tortfeasor  
 1239 | seeking contribution has either discharged the common liability  
 1240 | by payment or agreed, while the action is pending against her or  
 1241 | him, to discharge the common liability; or

1242 |       2. Such action is for wrongful death, the claimant must  
 1243 | present the claim in writing to the Department of Financial  
 1244 | Services within 2 years after the claim accrues.

1245 |       (7) In actions brought pursuant to this section, process  
 1246 | shall be served upon the head of the agency concerned and also,  
 1247 | except as to a defendant municipality, ~~or~~ the Florida Space  
 1248 | Authority, or subdivision of the state, upon the Department of  
 1249 | Financial Services; and the department or the agency concerned  
 1250 | shall have 30 days within which to plead thereto.

1251 Section 32. Subsections (3) and (4) and paragraph (e) of  
1252 subsection (5) of section 288.706, Florida Statutes, are amended  
1253 to read:

1254 288.706 Florida Minority Business Loan Mobilization  
1255 Program.—

1256 (3) Notwithstanding ss. 215.422(15) and 216.181(16) ~~ss.~~  
1257 ~~215.422(14) and 216.181(16)~~, and pursuant to s. 216.351, under  
1258 the Florida Minority Business Loan Mobilization Program, a state  
1259 agency may disburse up to 10 percent of the base contract award  
1260 amount to assist a minority business enterprise vendor that is  
1261 awarded a state agency contract for goods or services in  
1262 obtaining working capital financing as provided in subsection  
1263 (5).

1264 (4) Notwithstanding ss. 215.422(15) and 216.181(16) ~~ss.~~  
1265 ~~215.422(14) and 216.181(16)~~, and pursuant to s. 216.351, in lieu  
1266 of applying for participation in the Florida Minority Business  
1267 Loan Mobilization Program, a minority business enterprise vendor  
1268 awarded a state agency contract for the performance of  
1269 professional services may apply with that contracting state  
1270 agency for up to 5 percent of the base contract award amount.  
1271 The contracting state agency may award such advance in order to  
1272 facilitate the performance of that contract.

1273 (5) The following Florida Minority Business Loan  
1274 Mobilization Program procedures apply to minority business  
1275 enterprise vendors for contracts awarded by a state agency for

1276 construction or professional services or for the provision of  
1277 goods or services:

1278 (e) The following procedures shall apply when the minority  
1279 business enterprise is the prime contract vendor to the  
1280 contracting state agency:

1281 1. Pursuant to s. 216.351, ss. 215.422(15) and 216.181(16)  
1282 ~~the provisions of ss. 215.422(14) and 216.181(16)~~ do not apply  
1283 to this paragraph.

1284 2. For construction contracts, the designated loan  
1285 mobilization payment shall be disbursed when:

1286 a. The minority business enterprise prime contract vendor  
1287 requests disbursement in the first application for payment.

1288 b. The contracting state agency has issued a notice to  
1289 proceed and has approved the first application for payment.

1290 3. For contracts other than construction contracts, the  
1291 designated loan mobilization payment shall be disbursed when:

1292 a. The minority business enterprise prime contract vendor  
1293 requests disbursement by letter delivered to the contracting  
1294 state agency after the execution of the contract but prior to  
1295 the commencement of work.

1296 b. The contracting state agency has approved the minority  
1297 business enterprise prime contract vendor's letter of request.

1298 4. The designated loan mobilization payment may be paid by  
1299 the contracting state agency prior to the commencement of work.

1300 In order to ensure that the contract time provisions do not

1301 commence until the minority business enterprise prime contract  
 1302 vendor has adequate working capital, the contract documents may  
 1303 provide that the contract shall commence at such time as the  
 1304 contracting state agency releases the designated loan  
 1305 mobilization payment to the minority business enterprise prime  
 1306 contract vendor and participating financial institution pursuant  
 1307 to the working capital agreement.

1308 Section 33. Section 626.7315, Florida Statutes, is amended  
 1309 to read:

1310 626.7315 Prohibition against the unlicensed transaction of  
 1311 general lines insurance.—With respect to any line of authority  
 1312 as defined in s. 626.015(7) ~~s. 626.015(5)~~, no individual shall,  
 1313 unless licensed as a general lines agent:

1314 (1) Solicit insurance or procure applications therefor;

1315 (2) In this state, receive or issue a receipt for any  
 1316 money on account of or for any insurer, or receive or issue a  
 1317 receipt for money from other persons to be transmitted to any  
 1318 insurer for a policy, contract, or certificate of insurance or  
 1319 any renewal thereof, even though the policy, certificate, or  
 1320 contract is not signed by him or her as agent or representative  
 1321 of the insurer, except as provided in s. 626.0428(1);

1322 (3) Directly or indirectly represent himself or herself to  
 1323 be an agent of any insurer or as an agent, to collect or forward  
 1324 any insurance premium, or to solicit, negotiate, effect,  
 1325 procure, receive, deliver, or forward, directly or indirectly,

1326 any insurance contract or renewal thereof or any endorsement  
1327 relating to an insurance contract, or attempt to effect the  
1328 same, of property or insurable business activities or interests,  
1329 located in this state;

1330 (4) In this state, engage or hold himself or herself out  
1331 as engaging in the business of analyzing or abstracting  
1332 insurance policies or of counseling or advising or giving  
1333 opinions, other than as a licensed attorney at law, relative to  
1334 insurance or insurance contracts, for fee, commission, or other  
1335 compensation, other than as a salaried bona fide full-time  
1336 employee so counseling and advising his or her employer relative  
1337 to the insurance interests of the employer and of the  
1338 subsidiaries or business affiliates of the employer;

1339 (5) In any way, directly or indirectly, make or cause to  
1340 be made, or attempt to make or cause to be made, any contract of  
1341 insurance for or on account of any insurer;

1342 (6) Solicit, negotiate, or in any way, directly or  
1343 indirectly, effect insurance contracts, if a member of a  
1344 partnership or association, or a stockholder, officer, or agent  
1345 of a corporation which holds an agency appointment from any  
1346 insurer; or

1347 (7) Receive or transmit applications for suretyship, or  
1348 receive for delivery bonds founded on applications forwarded  
1349 from this state, or otherwise procure suretyship to be effected  
1350 by a surety insurer upon the bonds of persons in this state or

1351 upon bonds given to persons in this state.

1352 Section 34. Paragraph (c) of subsection (6) of section  
 1353 627.351, Florida Statutes, is amended to read:

1354 627.351 Insurance risk apportionment plans.—

1355 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

1356 (c) The corporation's plan of operation:

1357 1. Must provide for adoption of residential property and  
 1358 casualty insurance policy forms and commercial residential and  
 1359 nonresidential property insurance forms, which must be approved  
 1360 by the office before use. The corporation shall adopt the  
 1361 following policy forms:

1362 a. Standard personal lines policy forms that are  
 1363 comprehensive multiperil policies providing full coverage of a  
 1364 residential property equivalent to the coverage provided in the  
 1365 private insurance market under an HO-3, HO-4, or HO-6 policy.

1366 b. Basic personal lines policy forms that are policies  
 1367 similar to an HO-8 policy or a dwelling fire policy that provide  
 1368 coverage meeting the requirements of the secondary mortgage  
 1369 market, but which is more limited than the coverage under a  
 1370 standard policy.

1371 c. Commercial lines residential and nonresidential policy  
 1372 forms that are generally similar to the basic perils of full  
 1373 coverage obtainable for commercial residential structures and  
 1374 commercial nonresidential structures in the admitted voluntary  
 1375 market.

1376 d. Personal lines and commercial lines residential  
 1377 property insurance forms that cover the peril of wind only. The  
 1378 forms are applicable only to residential properties located in  
 1379 areas eligible for coverage under the coastal account referred  
 1380 to in sub-subparagraph (b)2.a.

1381 e. Commercial lines nonresidential property insurance  
 1382 forms that cover the peril of wind only. The forms are  
 1383 applicable only to nonresidential properties located in areas  
 1384 eligible for coverage under the coastal account referred to in  
 1385 sub-subparagraph (b)2.a.

1386 f. The corporation may adopt variations of the policy  
 1387 forms listed in sub-subparagraphs a.-e. which contain more  
 1388 restrictive coverage.

1389 g. Effective January 1, 2013, the corporation shall offer  
 1390 a basic personal lines policy similar to an HO-8 policy with  
 1391 dwelling repair based on common construction materials and  
 1392 methods.

1393 2. Must provide that the corporation adopt a program in  
 1394 which the corporation and authorized insurers enter into quota  
 1395 share primary insurance agreements for hurricane coverage, as  
 1396 defined in s. 627.4025(2)(a), for eligible risks, and adopt  
 1397 property insurance forms for eligible risks which cover the  
 1398 peril of wind only.

1399 a. As used in this subsection, the term:

1400 (I) "Quota share primary insurance" means an arrangement



1401 in which the primary hurricane coverage of an eligible risk is  
1402 provided in specified percentages by the corporation and an  
1403 authorized insurer. The corporation and authorized insurer are  
1404 each solely responsible for a specified percentage of hurricane  
1405 coverage of an eligible risk as set forth in a quota share  
1406 primary insurance agreement between the corporation and an  
1407 authorized insurer and the insurance contract. The  
1408 responsibility of the corporation or authorized insurer to pay  
1409 its specified percentage of hurricane losses of an eligible  
1410 risk, as set forth in the agreement, may not be altered by the  
1411 inability of the other party to pay its specified percentage of  
1412 losses. Eligible risks that are provided hurricane coverage  
1413 through a quota share primary insurance arrangement must be  
1414 provided policy forms that set forth the obligations of the  
1415 corporation and authorized insurer under the arrangement,  
1416 clearly specify the percentages of quota share primary insurance  
1417 provided by the corporation and authorized insurer, and  
1418 conspicuously and clearly state that the authorized insurer and  
1419 the corporation may not be held responsible beyond their  
1420 specified percentage of coverage of hurricane losses.

1421 (II) "Eligible risks" means personal lines residential and  
1422 commercial lines residential risks that meet the underwriting  
1423 criteria of the corporation and are located in areas that were  
1424 eligible for coverage by the Florida Windstorm Underwriting  
1425 Association on January 1, 2002.

1426           b. The corporation may enter into quota share primary  
1427 insurance agreements with authorized insurers at corporation  
1428 coverage levels of 90 percent and 50 percent.

1429           c. If the corporation determines that additional coverage  
1430 levels are necessary to maximize participation in quota share  
1431 primary insurance agreements by authorized insurers, the  
1432 corporation may establish additional coverage levels. However,  
1433 the corporation's quota share primary insurance coverage level  
1434 may not exceed 90 percent.

1435           d. Any quota share primary insurance agreement entered  
1436 into between an authorized insurer and the corporation must  
1437 provide for a uniform specified percentage of coverage of  
1438 hurricane losses, by county or territory as set forth by the  
1439 corporation board, for all eligible risks of the authorized  
1440 insurer covered under the agreement.

1441           e. Any quota share primary insurance agreement entered  
1442 into between an authorized insurer and the corporation is  
1443 subject to review and approval by the office. However, such  
1444 agreement shall be authorized only as to insurance contracts  
1445 entered into between an authorized insurer and an insured who is  
1446 already insured by the corporation for wind coverage.

1447           f. For all eligible risks covered under quota share  
1448 primary insurance agreements, the exposure and coverage levels  
1449 for both the corporation and authorized insurers shall be  
1450 reported by the corporation to the Florida Hurricane Catastrophe

1451 Fund. For all policies of eligible risks covered under such  
1452 agreements, the corporation and the authorized insurer must  
1453 maintain complete and accurate records for the purpose of  
1454 exposure and loss reimbursement audits as required by fund  
1455 rules. The corporation and the authorized insurer shall each  
1456 maintain duplicate copies of policy declaration pages and  
1457 supporting claims documents.

1458 g. The corporation board shall establish in its plan of  
1459 operation standards for quota share agreements which ensure that  
1460 there is no discriminatory application among insurers as to the  
1461 terms of the agreements, pricing of the agreements, incentive  
1462 provisions if any, and consideration paid for servicing policies  
1463 or adjusting claims.

1464 h. The quota share primary insurance agreement between the  
1465 corporation and an authorized insurer must set forth the  
1466 specific terms under which coverage is provided, including, but  
1467 not limited to, the sale and servicing of policies issued under  
1468 the agreement by the insurance agent of the authorized insurer  
1469 producing the business, the reporting of information concerning  
1470 eligible risks, the payment of premium to the corporation, and  
1471 arrangements for the adjustment and payment of hurricane claims  
1472 incurred on eligible risks by the claims adjuster and personnel  
1473 of the authorized insurer. Entering into a quota sharing  
1474 insurance agreement between the corporation and an authorized  
1475 insurer is voluntary and at the discretion of the authorized

1476 insurer.

1477         3. May provide that the corporation may employ or  
1478 otherwise contract with individuals or other entities to provide  
1479 administrative or professional services that may be appropriate  
1480 to effectuate the plan. The corporation may borrow funds by  
1481 issuing bonds or by incurring other indebtedness, and shall have  
1482 other powers reasonably necessary to effectuate the requirements  
1483 of this subsection, including, without limitation, the power to  
1484 issue bonds and incur other indebtedness in order to refinance  
1485 outstanding bonds or other indebtedness. The corporation may  
1486 seek judicial validation of its bonds or other indebtedness  
1487 under chapter 75. The corporation may issue bonds or incur other  
1488 indebtedness, or have bonds issued on its behalf by a unit of  
1489 local government pursuant to subparagraph (q)2. in the absence  
1490 of a hurricane or other weather-related event, upon a  
1491 determination by the corporation, subject to approval by the  
1492 office, that such action would enable it to efficiently meet the  
1493 financial obligations of the corporation and that such  
1494 financings are reasonably necessary to effectuate the  
1495 requirements of this subsection. The corporation may take all  
1496 actions needed to facilitate tax-free status for such bonds or  
1497 indebtedness, including formation of trusts or other affiliated  
1498 entities. The corporation may pledge assessments, projected  
1499 recoveries from the Florida Hurricane Catastrophe Fund, other  
1500 reinsurance recoverables, policyholder surcharges and other

1501 surcharges, and other funds available to the corporation as  
1502 security for bonds or other indebtedness. In recognition of s.  
1503 10, Art. I of the State Constitution, prohibiting the impairment  
1504 of obligations of contracts, it is the intent of the Legislature  
1505 that no action be taken whose purpose is to impair any bond  
1506 indenture or financing agreement or any revenue source committed  
1507 by contract to such bond or other indebtedness.

1508 4. Must require that the corporation operate subject to  
1509 the supervision and approval of a board of governors consisting  
1510 of nine individuals who are residents of this state and who are  
1511 from different geographical areas of the state, one of whom is  
1512 appointed by the Governor and serves solely to advocate on  
1513 behalf of the consumer. The appointment of a consumer  
1514 representative by the Governor is deemed to be within the scope  
1515 of the exemption provided in s. 112.313(7) (b) and is in addition  
1516 to the appointments authorized under sub-subparagraph a.

1517 a. The Governor, the Chief Financial Officer, the  
1518 President of the Senate, and the Speaker of the House of  
1519 Representatives shall each appoint two members of the board. At  
1520 least one of the two members appointed by each appointing  
1521 officer must have demonstrated expertise in insurance and be  
1522 deemed to be within the scope of the exemption provided in s.  
1523 112.313(7) (b). The Chief Financial Officer shall designate one  
1524 of the appointees as chair. All board members serve at the  
1525 pleasure of the appointing officer. All members of the board are

1526 subject to removal at will by the officers who appointed them.  
1527 All board members, including the chair, must be appointed to  
1528 serve for 3-year terms beginning annually on a date designated  
1529 by the plan. However, for the first term beginning on or after  
1530 July 1, 2009, each appointing officer shall appoint one member  
1531 of the board for a 2-year term and one member for a 3-year term.  
1532 A board vacancy shall be filled for the unexpired term by the  
1533 appointing officer. The Chief Financial Officer shall appoint a  
1534 technical advisory group to provide information and advice to  
1535 the board in connection with the board's duties under this  
1536 subsection. The executive director and senior managers of the  
1537 corporation shall be engaged by the board and serve at the  
1538 pleasure of the board. Any executive director appointed on or  
1539 after July 1, 2006, is subject to confirmation by the Senate.  
1540 The executive director is responsible for employing other staff  
1541 as the corporation may require, subject to review and  
1542 concurrence by the board.

1543       b. The board shall create a Market Accountability Advisory  
1544 Committee to assist the corporation in developing awareness of  
1545 its rates and its customer and agent service levels in  
1546 relationship to the voluntary market insurers writing similar  
1547 coverage.

1548       (I) The members of the advisory committee consist of the  
1549 following 11 persons, one of whom must be elected chair by the  
1550 members of the committee: four representatives, one appointed by

1551 the Florida Association of Insurance Agents, one by the Florida  
 1552 Association of Insurance and Financial Advisors, one by the  
 1553 Professional Insurance Agents of Florida, and one by the Latin  
 1554 American Association of Insurance Agencies; three  
 1555 representatives appointed by the insurers with the three highest  
 1556 voluntary market share of residential property insurance  
 1557 business in the state; one representative from the Office of  
 1558 Insurance Regulation; one consumer appointed by the board who is  
 1559 insured by the corporation at the time of appointment to the  
 1560 committee; one representative appointed by the Florida  
 1561 Association of Realtors; and one representative appointed by the  
 1562 Florida Bankers Association. All members shall be appointed to  
 1563 3-year terms and may serve for consecutive terms.

1564 (II) The committee shall report to the corporation at each  
 1565 board meeting on insurance market issues which may include rates  
 1566 and rate competition with the voluntary market; service,  
 1567 including policy issuance, claims processing, and general  
 1568 responsiveness to policyholders, applicants, and agents; and  
 1569 matters relating to depopulation.

1570 5. Must provide a procedure for determining the  
 1571 eligibility of a risk for coverage, as follows:

1572 a. Subject to s. 627.3517, with respect to personal lines  
 1573 residential risks, if the risk is offered coverage from an  
 1574 authorized insurer at the insurer's approved rate under a  
 1575 standard policy including wind coverage or, if consistent with

1576 the insurer's underwriting rules as filed with the office, a  
1577 basic policy including wind coverage, for a new application to  
1578 the corporation for coverage, the risk is not eligible for any  
1579 policy issued by the corporation unless the premium for coverage  
1580 from the authorized insurer is more than 15 percent greater than  
1581 the premium for comparable coverage from the corporation.  
1582 Whenever an offer of coverage for a personal lines residential  
1583 risk is received for a policyholder of the corporation at  
1584 renewal from an authorized insurer, if the offer is equal to or  
1585 less than the corporation's renewal premium for comparable  
1586 coverage, the risk is not eligible for coverage with the  
1587 corporation. If the risk is not able to obtain such offer, the  
1588 risk is eligible for a standard policy including wind coverage  
1589 or a basic policy including wind coverage issued by the  
1590 corporation; however, if the risk could not be insured under a  
1591 standard policy including wind coverage regardless of market  
1592 conditions, the risk is eligible for a basic policy including  
1593 wind coverage unless rejected under subparagraph 8. However, a  
1594 policyholder removed from the corporation through an assumption  
1595 agreement remains eligible for coverage from the corporation  
1596 until the end of the assumption period. The corporation shall  
1597 determine the type of policy to be provided on the basis of  
1598 objective standards specified in the underwriting manual and  
1599 based on generally accepted underwriting practices.

1600 (I) If the risk accepts an offer of coverage through the



1601 market assistance plan or through a mechanism established by the  
1602 corporation other than a plan established by s. 627.3518, before  
1603 a policy is issued to the risk by the corporation or during the  
1604 first 30 days of coverage by the corporation, and the producing  
1605 agent who submitted the application to the plan or to the  
1606 corporation is not currently appointed by the insurer, the  
1607 insurer shall:

1608 (A) Pay to the producing agent of record of the policy for  
1609 the first year, an amount that is the greater of the insurer's  
1610 usual and customary commission for the type of policy written or  
1611 a fee equal to the usual and customary commission of the  
1612 corporation; or

1613 (B) Offer to allow the producing agent of record of the  
1614 policy to continue servicing the policy for at least 1 year and  
1615 offer to pay the agent the greater of the insurer's or the  
1616 corporation's usual and customary commission for the type of  
1617 policy written.

1618

1619 If the producing agent is unwilling or unable to accept  
1620 appointment, the new insurer shall pay the agent in accordance  
1621 with sub-sub-sub-subparagraph (A).

1622 (II) If the corporation enters into a contractual  
1623 agreement for a take-out plan, the producing agent of record of  
1624 the corporation policy is entitled to retain any unearned  
1625 commission on the policy, and the insurer shall:

1626 (A) Pay to the producing agent of record, for the first  
1627 year, an amount that is the greater of the insurer's usual and  
1628 customary commission for the type of policy written or a fee  
1629 equal to the usual and customary commission of the corporation;  
1630 or

1631 (B) Offer to allow the producing agent of record to  
1632 continue servicing the policy for at least 1 year and offer to  
1633 pay the agent the greater of the insurer's or the corporation's  
1634 usual and customary commission for the type of policy written.

1635

1636 If the producing agent is unwilling or unable to accept  
1637 appointment, the new insurer shall pay the agent in accordance  
1638 with sub-sub-sub-subparagraph (A).

1639 b. With respect to commercial lines residential risks, for  
1640 a new application to the corporation for coverage, if the risk  
1641 is offered coverage under a policy including wind coverage from  
1642 an authorized insurer at its approved rate, the risk is not  
1643 eligible for a policy issued by the corporation unless the  
1644 premium for coverage from the authorized insurer is more than 15  
1645 percent greater than the premium for comparable coverage from  
1646 the corporation. Whenever an offer of coverage for a commercial  
1647 lines residential risk is received for a policyholder of the  
1648 corporation at renewal from an authorized insurer, if the offer  
1649 is equal to or less than the corporation's renewal premium for  
1650 comparable coverage, the risk is not eligible for coverage with

1651 the corporation. If the risk is not able to obtain any such  
1652 offer, the risk is eligible for a policy including wind coverage  
1653 issued by the corporation. However, a policyholder removed from  
1654 the corporation through an assumption agreement remains eligible  
1655 for coverage from the corporation until the end of the  
1656 assumption period.

1657 (I) If the risk accepts an offer of coverage through the  
1658 market assistance plan or through a mechanism established by the  
1659 corporation other than a plan established by s. 627.3518, before  
1660 a policy is issued to the risk by the corporation or during the  
1661 first 30 days of coverage by the corporation, and the producing  
1662 agent who submitted the application to the plan or the  
1663 corporation is not currently appointed by the insurer, the  
1664 insurer shall:

1665 (A) Pay to the producing agent of record of the policy,  
1666 for the first year, an amount that is the greater of the  
1667 insurer's usual and customary commission for the type of policy  
1668 written or a fee equal to the usual and customary commission of  
1669 the corporation; or

1670 (B) Offer to allow the producing agent of record of the  
1671 policy to continue servicing the policy for at least 1 year and  
1672 offer to pay the agent the greater of the insurer's or the  
1673 corporation's usual and customary commission for the type of  
1674 policy written.

1675

1676 If the producing agent is unwilling or unable to accept  
 1677 appointment, the new insurer shall pay the agent in accordance  
 1678 with sub-sub-sub-subparagraph (A).

1679 (II) If the corporation enters into a contractual  
 1680 agreement for a take-out plan, the producing agent of record of  
 1681 the corporation policy is entitled to retain any unearned  
 1682 commission on the policy, and the insurer shall:

1683 (A) Pay to the producing agent of record, for the first  
 1684 year, an amount that is the greater of the insurer's usual and  
 1685 customary commission for the type of policy written or a fee  
 1686 equal to the usual and customary commission of the corporation;  
 1687 or

1688 (B) Offer to allow the producing agent of record to  
 1689 continue servicing the policy for at least 1 year and offer to  
 1690 pay the agent the greater of the insurer's or the corporation's  
 1691 usual and customary commission for the type of policy written.

1692  
 1693 If the producing agent is unwilling or unable to accept  
 1694 appointment, the new insurer shall pay the agent in accordance  
 1695 with sub-sub-sub-subparagraph (A).

1696 c. For purposes of determining comparable coverage under  
 1697 sub-subparagraphs a. and b., the comparison must be based on  
 1698 those forms and coverages that are reasonably comparable. The  
 1699 corporation may rely on a determination of comparable coverage  
 1700 and premium made by the producing agent who submits the

1701 application to the corporation, made in the agent's capacity as  
1702 the corporation's agent. A comparison may be made solely of the  
1703 premium with respect to the main building or structure only on  
1704 the following basis: the same coverage A or other building  
1705 limits; the same percentage hurricane deductible that applies on  
1706 an annual basis or that applies to each hurricane for commercial  
1707 residential property; the same percentage of ordinance and law  
1708 coverage, if the same limit is offered by both the corporation  
1709 and the authorized insurer; the same mitigation credits, to the  
1710 extent the same types of credits are offered both by the  
1711 corporation and the authorized insurer; the same method for loss  
1712 payment, such as replacement cost or actual cash value, if the  
1713 same method is offered both by the corporation and the  
1714 authorized insurer in accordance with underwriting rules; and  
1715 any other form or coverage that is reasonably comparable as  
1716 determined by the board. If an application is submitted to the  
1717 corporation for wind-only coverage in the coastal account, the  
1718 premium for the corporation's wind-only policy plus the premium  
1719 for the ex-wind policy that is offered by an authorized insurer  
1720 to the applicant must be compared to the premium for multiperil  
1721 coverage offered by an authorized insurer, subject to the  
1722 standards for comparison specified in this subparagraph. If the  
1723 corporation or the applicant requests from the authorized  
1724 insurer a breakdown of the premium of the offer by types of  
1725 coverage so that a comparison may be made by the corporation or

1726 its agent and the authorized insurer refuses or is unable to  
1727 provide such information, the corporation may treat the offer as  
1728 not being an offer of coverage from an authorized insurer at the  
1729 insurer's approved rate.

1730 6. Must include rules for classifications of risks and  
1731 rates.

1732 7. Must provide that if premium and investment income for  
1733 an account attributable to a particular calendar year are in  
1734 excess of projected losses and expenses for the account  
1735 attributable to that year, such excess shall be held in surplus  
1736 in the account. Such surplus must be available to defray  
1737 deficits in that account as to future years and used for that  
1738 purpose before assessing assessable insurers and assessable  
1739 insureds as to any calendar year.

1740 8. Must provide objective criteria and procedures to be  
1741 uniformly applied to all applicants in determining whether an  
1742 individual risk is so hazardous as to be uninsurable. In making  
1743 this determination and in establishing the criteria and  
1744 procedures, the following must be considered:

1745 a. Whether the likelihood of a loss for the individual  
1746 risk is substantially higher than for other risks of the same  
1747 class; and

1748 b. Whether the uncertainty associated with the individual  
1749 risk is such that an appropriate premium cannot be determined.

1750

1751 The acceptance or rejection of a risk by the corporation shall  
1752 be construed as the private placement of insurance, and the  
1753 provisions of chapter 120 do not apply.

1754 9. Must provide that the corporation make its best efforts  
1755 to procure catastrophe reinsurance at reasonable rates, to cover  
1756 its projected 100-year probable maximum loss as determined by  
1757 the board of governors.

1758 10. The policies issued by the corporation must provide  
1759 that if the corporation or the market assistance plan obtains an  
1760 offer from an authorized insurer to cover the risk at its  
1761 approved rates, the risk is no longer eligible for renewal  
1762 through the corporation, except as otherwise provided in this  
1763 subsection.

1764 11. Corporation policies and applications must include a  
1765 notice that the corporation policy could, under this section, be  
1766 replaced with a policy issued by an authorized insurer which  
1767 does not provide coverage identical to the coverage provided by  
1768 the corporation. The notice must also specify that acceptance of  
1769 corporation coverage creates a conclusive presumption that the  
1770 applicant or policyholder is aware of this potential.

1771 12. May establish, subject to approval by the office,  
1772 different eligibility requirements and operational procedures  
1773 for any line or type of coverage for any specified county or  
1774 area if the board determines that such changes are justified due  
1775 to the voluntary market being sufficiently stable and

1776 competitive in such area or for such line or type of coverage  
1777 and that consumers who, in good faith, are unable to obtain  
1778 insurance through the voluntary market through ordinary methods  
1779 continue to have access to coverage from the corporation. If  
1780 coverage is sought in connection with a real property transfer,  
1781 the requirements and procedures may not provide an effective  
1782 date of coverage later than the date of the closing of the  
1783 transfer as established by the transferor, the transferee, and,  
1784 if applicable, the lender.

1785       13. Must provide that, with respect to the coastal  
1786 account, any assessable insurer with a surplus as to  
1787 policyholders of \$25 million or less writing 25 percent or more  
1788 of its total countrywide property insurance premiums in this  
1789 state may petition the office, within the first 90 days of each  
1790 calendar year, to qualify as a limited apportionment company. A  
1791 regular assessment levied by the corporation on a limited  
1792 apportionment company for a deficit incurred by the corporation  
1793 for the coastal account may be paid to the corporation on a  
1794 monthly basis as the assessments are collected by the limited  
1795 apportionment company from its insureds, but a limited  
1796 apportionment company must begin collecting the regular  
1797 assessments not later than 90 days after the regular assessments  
1798 are levied by the corporation, and the regular assessments must  
1799 be paid in full within 15 months after being levied by the  
1800 corporation. A limited apportionment company shall collect from



1801 its policyholders any emergency assessment imposed under sub-  
1802 subparagraph (b)3.d. The plan must provide that, if the office  
1803 determines that any regular assessment will result in an  
1804 impairment of the surplus of a limited apportionment company,  
1805 the office may direct that all or part of such assessment be  
1806 deferred as provided in subparagraph (q)4. However, an emergency  
1807 assessment to be collected from policyholders under sub-  
1808 subparagraph (b)3.d. may not be limited or deferred.

1809 14. Must provide that the corporation appoint as its  
1810 licensed agents only those agents who throughout such  
1811 appointments also hold an appointment as defined in s. 626.015  
1812 ~~s. 626.015(3)~~ by an insurer who is authorized to write and is  
1813 actually writing or renewing personal lines residential property  
1814 coverage, commercial residential property coverage, or  
1815 commercial nonresidential property coverage within the state.

1816 15. Must provide a premium payment plan option to its  
1817 policyholders which, at a minimum, allows for quarterly and  
1818 semiannual payment of premiums. A monthly payment plan may, but  
1819 is not required to, be offered.

1820 16. Must limit coverage on mobile homes or manufactured  
1821 homes built before 1994 to actual cash value of the dwelling  
1822 rather than replacement costs of the dwelling.

1823 17. Must provide coverage for manufactured or mobile home  
1824 dwellings. Such coverage must also include the following  
1825 attached structures:

1826           a. Screened enclosures that are aluminum framed or  
 1827 screened enclosures that are not covered by the same or  
 1828 substantially the same materials as those of the primary  
 1829 dwelling;

1830           b. Carports that are aluminum or carports that are not  
 1831 covered by the same or substantially the same materials as those  
 1832 of the primary dwelling; and

1833           c. Patios that have a roof covering that is constructed of  
 1834 materials that are not the same or substantially the same  
 1835 materials as those of the primary dwelling.

1836

1837 The corporation shall make available a policy for mobile homes  
 1838 or manufactured homes for a minimum insured value of at least  
 1839 \$3,000.

1840           18. May provide such limits of coverage as the board  
 1841 determines, consistent with the requirements of this subsection.

1842           19. May require commercial property to meet specified  
 1843 hurricane mitigation construction features as a condition of  
 1844 eligibility for coverage.

1845           20. Must provide that new or renewal policies issued by  
 1846 the corporation on or after January 1, 2012, which cover  
 1847 sinkhole loss do not include coverage for any loss to  
 1848 appurtenant structures, driveways, sidewalks, decks, or patios  
 1849 that are directly or indirectly caused by sinkhole activity. The  
 1850 corporation shall exclude such coverage using a notice of

1851 coverage change, which may be included with the policy renewal,  
 1852 and not by issuance of a notice of nonrenewal of the excluded  
 1853 coverage upon renewal of the current policy.

1854 21. As of January 1, 2012, must require that the agent  
 1855 obtain from an applicant for coverage from the corporation an  
 1856 acknowledgment signed by the applicant, which includes, at a  
 1857 minimum, the following statement:

1858  
 1859 ACKNOWLEDGMENT OF POTENTIAL SURCHARGE  
 1860 AND ASSESSMENT LIABILITY:  
 1861

1862 1. AS A POLICYHOLDER OF CITIZENS PROPERTY INSURANCE  
 1863 CORPORATION, I UNDERSTAND THAT IF THE CORPORATION SUSTAINS A  
 1864 DEFICIT AS A RESULT OF HURRICANE LOSSES OR FOR ANY OTHER REASON,  
 1865 MY POLICY COULD BE SUBJECT TO SURCHARGES, WHICH WILL BE DUE AND  
 1866 PAYABLE UPON RENEWAL, CANCELLATION, OR TERMINATION OF THE  
 1867 POLICY, AND THAT THE SURCHARGES COULD BE AS HIGH AS 45 PERCENT  
 1868 OF MY PREMIUM, OR A DIFFERENT AMOUNT AS IMPOSED BY THE FLORIDA  
 1869 LEGISLATURE.

1870 2. I UNDERSTAND THAT I CAN AVOID THE CITIZENS POLICYHOLDER  
 1871 SURCHARGE, WHICH COULD BE AS HIGH AS 45 PERCENT OF MY PREMIUM,  
 1872 BY OBTAINING COVERAGE FROM A PRIVATE MARKET INSURER AND THAT TO  
 1873 BE ELIGIBLE FOR COVERAGE BY CITIZENS, I MUST FIRST TRY TO OBTAIN  
 1874 PRIVATE MARKET COVERAGE BEFORE APPLYING FOR OR RENEWING COVERAGE  
 1875 WITH CITIZENS. I UNDERSTAND THAT PRIVATE MARKET INSURANCE RATES

1876 ARE REGULATED AND APPROVED BY THE STATE.

1877         3. I UNDERSTAND THAT I MAY BE SUBJECT TO EMERGENCY  
 1878 ASSESSMENTS TO THE SAME EXTENT AS POLICYHOLDERS OF OTHER  
 1879 INSURANCE COMPANIES, OR A DIFFERENT AMOUNT AS IMPOSED BY THE  
 1880 FLORIDA LEGISLATURE.

1881         4. I ALSO UNDERSTAND THAT CITIZENS PROPERTY INSURANCE  
 1882 CORPORATION IS NOT SUPPORTED BY THE FULL FAITH AND CREDIT OF THE  
 1883 STATE OF FLORIDA.

1884  
 1885         a. The corporation shall maintain, in electronic format or  
 1886 otherwise, a copy of the applicant's signed acknowledgment and  
 1887 provide a copy of the statement to the policyholder as part of  
 1888 the first renewal after the effective date of this subparagraph.

1889         b. The signed acknowledgment form creates a conclusive  
 1890 presumption that the policyholder understood and accepted his or  
 1891 her potential surcharge and assessment liability as a  
 1892 policyholder of the corporation.

1893         Section 35. This act shall take effect July 1, 2017.