

By the Committee on Banking and Insurance; and Senator Stargel

597-02423-17

2017986c1

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 that is placed in use after a specified date;  
22      authorizing the department to adopt rules; conforming  
23      provisions to changes made by the act; amending s.  
24      554.104, F.S.; deleting a provision relating to  
25      boilers of special design which is recreated in s.  
26      554.103, F.S.; requiring certification of boiler  
27      inspectors; requiring an application for a  
28      certification examination; specifying qualifications  
29      and requirements for the certification examination;

597-02423-17

2017986c1

30 requiring the department to adopt a specified training  
31 course; providing authorized methods and requirements  
32 for the training course; requiring the chief boiler  
33 inspector to issue a certificate of competency to a  
34 person meeting certain requirements; providing  
35 procedures for renewing a certificate; authorizing the  
36 department to adopt rules; amending s. 554.105, F.S.;  
37 renaming the chief inspector as the chief boiler  
38 inspector; revising requirements for the department  
39 through the state boiler inspection program; amending  
40 s. 554.106, F.S.; renaming deputy inspectors as deputy  
41 boiler inspectors; specifying required and authorized  
42 duties of deputy boiler inspectors; amending s.  
43 554.107, F.S.; renaming special inspectors as special  
44 boiler inspectors; revising entities that may employ  
45 special boiler inspectors; specifying required  
46 inspection intervals for special boiler inspectors;  
47 amending s. 554.108, F.S.; providing an exemption,  
48 under certain conditions, from inspection  
49 requirements; specifying duties of an owner or an  
50 owner's designee to allow an inspector to conduct  
51 inspections; specifying requirements for boiler  
52 inspections and inspection reports; providing a  
53 penalty against an insurance carrier if certain  
54 followup inspections are not conducted; revising  
55 conditions that require a boiler to be shut down;  
56 revising requirements and procedures for a boiler that  
57 must be shut down; providing construction; authorizing  
58 the department to adopt rules; creating s. 554.1081,

597-02423-17

2017986c1

59 F.S.; revising requirements for boiler inspections by  
60 insurance companies and local governmental agencies;  
61 amending s. 554.109, F.S.; conforming provisions to  
62 changes made by the act; revising boilers that are  
63 exempt from regulation under the chapter; revising  
64 requirements for certain exempt boilers and water  
65 heaters; amending s. 554.1101, F.S.; conforming  
66 provisions to changes made by the act; requiring a  
67 boiler insurance company to notify, within a specified  
68 timeframe, the chief boiler inspector under certain  
69 circumstances; requiring a certificateholder to submit  
70 a certain certificate of insurance to the chief boiler  
71 inspector under certain circumstances; amending s.  
72 554.111, F.S.; requiring an application for a boiler  
73 permit to include a specified fee; requiring the chief  
74 boiler inspector to deposit fines into a specified  
75 trust fund; conforming provisions to changes made by  
76 the act; repealing ss. 554.112 and 554.113, F.S.,  
77 relating to examinations, and certification of  
78 inspectors and renewals, respectively; amending s.  
79 554.114, F.S.; revising prohibited acts; providing  
80 penalties for a boiler insurance company or authorized  
81 inspection agency that fails to conduct certain  
82 inspections; conforming provisions to changes made by  
83 the act; amending s. 554.115, F.S.; adding authorized  
84 disciplinary actions for the department; adding  
85 specified grounds for disciplinary action against an  
86 owner of a boiler; revising grounds for disciplinary  
87 action against a boiler inspector; deleting a

597-02423-17

2017986c1

88 provision requiring a chief inspector to report  
89 certain persons to the state attorney; deleting a  
90 provision authorizing certain administrative action by  
91 the chief inspector; deleting a provision relating to  
92 the duration of a suspended certificate of compliance;  
93 creating s. 554.1151, F.S.; authorizing the department  
94 to impose specified administrative fines in lieu of or  
95 in addition to certain disciplinary actions;  
96 authorizing procedures for payment of fines by a  
97 certificateholder; requiring a certificate to be  
98 revoked under certain circumstances; creating s.  
99 554.116, F.S.; requiring a boiler insurance company to  
100 annually file a specified report with the chief boiler  
101 inspector; requiring the department to adopt a form by  
102 rule; amending s. 624.307, F.S.; authorizing the  
103 department to expend funds for professional  
104 development of its employees; amending s. 626.015,  
105 F.S.; defining terms; conforming a cross-reference;  
106 amending s. 626.207, F.S.; defining the term  
107 "applicant"; revising a list of felonies subject to a  
108 permanent bar from licensure; revising a condition for  
109 when certain disqualifying periods begin; conforming  
110 cross-references; providing an exception from a  
111 permanent bar on or disqualifying periods for cases of  
112 executive clemency; providing construction; amending  
113 s. 626.9954, F.S.; revising a list of felonies subject  
114 to a permanent bar from licensure; revising conditions  
115 for when certain disqualifying periods begin;  
116 conforming cross-references; providing an exception

597-02423-17

2017986c1

117 from a permanent bar on or disqualifying periods for  
118 cases of executive clemency; providing construction;  
119 amending s. 626.2815, F.S.; authorizing the department  
120 to approve a certain number of elective continuing  
121 education credits for certain insurance licensees;  
122 providing an exception from a certain continuing  
123 education requirement for such licensees; amending s.  
124 626.611, F.S.; deleting a condition for the  
125 involvement of moral turpitude in felonies or certain  
126 crimes in relation to compulsory disciplinary actions  
127 by the department against certain entities' licenses  
128 or appointments; conforming a cross-reference;  
129 amending s. 626.621, F.S.; revising grounds for the  
130 department's discretionary refusal, suspension, or  
131 revocation of the license or appointment of certain  
132 persons; amending s. 626.7845, F.S.; revising an  
133 exception to the prohibition against the unlicensed  
134 transaction of life insurance; conforming a cross-  
135 reference; amending s. 626.8305, F.S.; revising an  
136 exception to the prohibition against the unlicensed  
137 transaction of health insurance; conforming a cross-  
138 reference; amending s. 626.861, F.S.; authorizing  
139 certain insurer employees to adjust specified claim  
140 losses or damage; amending s. 626.9543, F.S.; removing  
141 the scheduled expiration of a requirement for insurers  
142 to permit claims from a Holocaust victim or certain  
143 related persons irrespective of certain conditions;  
144 removing the scheduled expiration of an exception from  
145 statutes of limitations or laches for certain actions

597-02423-17

2017986c1

146 brought by Holocaust victims or certain related  
147 persons; amending s. 633.516, F.S.; authorizing the  
148 Division of State Fire Marshal within the division to  
149 contract for studies of, rather than to make a  
150 continuous study of, occupational diseases of  
151 firefighters; adding persons in other fire-related  
152 fields to such studies; authorizing the division to  
153 release confidential information of an individual  
154 firefighter or a person in another fire-related field  
155 to certain parties under certain circumstances;  
156 amending s. 768.28, F.S.; providing exceptions in tort  
157 claims against a county from requirements that a  
158 claimant present the written claim to the department  
159 within a specified timeframe and serve process upon  
160 the department; amending ss. 288.706, 626.7315, and  
161 627.351, F.S.; conforming cross-references; providing  
162 an effective date.

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

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

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

170 (1) There is created a Treasury Investment Council  
171 ~~Committee~~ within the Division of Treasury consisting of at least  
172 five members, at least three of whom are professionals from the  
173 private sector, who must possess special knowledge, experience,  
174 and familiarity in finance, investments, or accounting. The

597-02423-17

2017986c1

175 members of the council must ~~committee shall~~ be appointed by and  
176 serve at the pleasure of the Chief Financial Officer. Each  
177 member shall serve a term of 4 years from the date of  
178 appointment. The council ~~committee~~ shall annually elect a chair  
179 and vice chair from among its members ~~membership~~.

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

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

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

201 215.422 Payments, warrants, and invoices; processing time  
202 limits; dispute resolution; agency or judicial branch  
203 compliance.-

597-02423-17

2017986c1

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

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

208       554.1021 Definitions.—As used in this chapter, the term ~~ss.~~  
209 ~~554.1011-554.115:~~

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

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

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

225       (a)~~(e)~~ "Heating boiler" means a steam or vapor boiler  
226 operating at pressures not exceeding 15 psig, or a hot water  
227 boiler operating at pressures not exceeding 160 psig or  
228 temperatures not exceeding 250 °F.

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



597-02423-17

2017986c1

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

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

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

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

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

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

250 (9)~~(2)~~ "Public assembly locations" includes ~~include~~  
251 schools, day care centers, community centers, churches,  
252 theaters, hospitals, nursing and convalescent homes, stadiums,  
253 amusement parks, and other locations open to the general public.

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

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

597-02423-17

2017986c1

262        (6)~~(5)~~ "Certificate of competency" means a document issued  
263 to a person who has satisfied the minimum competency  
264 requirements for boiler inspectors under this chapter ss.  
265 ~~554.1011-554.115.~~

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

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

270        (2) "Authorized inspection agency" means:

271        (a) Any county, municipality, town, or other governmental  
272 subdivision that has adopted into law the Boiler and Pressure  
273 Vessel Code of the A.S.M.E. and the National Board Inspection  
274 Code for the construction, installation, inspection,  
275 maintenance, and repair of boilers to regulate boilers in public  
276 assembly locations, and whose boiler inspectors hold valid  
277 certificates of competency in accordance with s. 554.104;

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

283        (c) An inspecting agency accredited in accordance with The  
284 National Board of Boiler and Pressure Vessel Inspector's program  
285 entitled "Accreditation of Authorized Inspection Agencies (AIA)  
286 Performing Inservice or Repair/Alteration Inspection  
287 Activities," document number NB-369, and whose boiler inspectors  
288 hold valid certificates of competency in accordance with s.  
289 554.104.

290        (4) "Boiler insurance company" means a company authorized

597-02423-17

2017986c1

291 by a subsisting certificate of authority, issued by the Office  
292 of Insurance Regulation, to transact boiler and machinery  
293 insurance in this state.

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

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

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

314 (2) The installer ~~owner~~ of any boiler placed in use in this  
315 state after January 1, 2018, must, before installing the boiler,  
316 apply on a form adopted by rule of the department for a permit  
317 to install the boiler from the chief boiler inspector. The  
318 application must include the boiler's A.S.M.E. manufacturer's  
319 data report and other documents required by the State Boiler

597-02423-17

2017986c1

320 Code before the boiler is placed in service. The installer must  
321 contact the chief boiler inspector to schedule an inspection for  
322 each boiler no later than 7 days before the boiler is placed in  
323 service after October 1, 1987, shall submit the A.S.M.E.  
324 ~~manufacturer's data report on such boiler to the chief inspector~~  
325 ~~not more than 90 days following the inservice date of the~~  
326 ~~boiler.~~

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

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

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

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

348 (7) The department may adopt rules pursuant to ss.

597-02423-17

2017986c1

349 120.536(1) and 120.54 to administer this chapter. Such rules may  
350 include specifying the procedures and forms to be used to obtain  
351 an installation permit, an initial certificate, or a renewal  
352 certificate, and the submission of reports and notices required  
353 under this chapter.

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

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

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

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

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

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

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

377 (c) Has completed the 2-hour training course under

597-02423-17

2017986c1

378 subsection (4) on the requirements of this chapter and any  
379 related rules adopted by the department. The course must be  
380 completed no later than 12 months before issuance of an initial  
381 or renewal certificate; and

382 (d) Has:

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

386 2. Met the requirements to qualify as a commissioned  
387 inspector by the National Board of Boiler and Pressure Vessel  
388 Inspectors as set forth in NB-263, RCI-1, Rules for Commissioned  
389 Inspectors, as 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.

597-02423-17

2017986c1

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 to  
419 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,~~

597-02423-17

2017986c1

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 to  
447 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 to  
459 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



597-02423-17

2017986c1

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.

597-02423-17

2017986c1

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

597-02423-17

2017986c1

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 than  
530 every 4 months, of a previously identified code violation until  
531 it is corrected. Failure to conduct such followup inspections  
532 subjects the insurance carrier to the penalties provided in s.  
533 554.114(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.

597-02423-17

2017986c1

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,~~

597-02423-17

2017986c1

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

597-02423-17

2017986c1

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

597-02423-17

2017986c1

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

597-02423-17

2017986c1

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 Statutes,  
 676 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



597-02423-17

2017986c1

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.~~

597-02423-17

2017986c1

- 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 for  
 735 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;

597-02423-17

2017986c1

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. ~~7~~

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 have~~  
772 ~~a valid certificate of competency shall be reported by the chief~~  
773 ~~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~~

597-02423-17

2017986c1

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

597-02423-17

2017986c1

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 of  
841 an association who attends 4 or more hours of association

597-02423-17

2017986c1

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

597-02423-17

2017986c1

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

597-02423-17

2017986c1

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 which  
903 neither the permanent bar in subsection (2) ~~(3)~~ nor the 15-year  
904 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 met~~,  
925 the burden is on the applicant to demonstrate that the applicant  
926 has been rehabilitated, does not pose a risk to the insurance-  
927 buying public, is fit and trustworthy to engage in the business  
928 of insurance pursuant to s. 626.611(1)(g), and is otherwise



597-02423-17

2017986c1

929 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.

597-02423-17

2017986c1

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 first  
962 degree" and "capital felony" include all felonies so designated  
963 by the laws of this state, as well as any felony so designated  
964 in the jurisdiction in which the plea is entered or judgment is  
965 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

597-02423-17

2017986c1

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

597-02423-17

2017986c1

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,

597-02423-17

2017986c1

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)~~, 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 or  
1070 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

597-02423-17

2017986c1

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 an  
1077 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 or~~  
1102 ~~nolo contendere to a felony or a crime punishable by~~

597-02423-17

2017986c1

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 life  
 1116 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 applications;

1122 (b) In this state, engage or hold himself or herself out as  
 1123 engaging in the business of analyzing or abstracting insurance  
 1124 policies or of counseling or advising or giving opinions to  
 1125 persons relative to insurance or insurance contracts, unless the  
 1126 individual is ~~other than~~:

1127 1. ~~As~~ A consulting actuary advising insurers ~~an insurer~~; or

1128 2. An employee ~~As to the counseling and advising of a labor~~  
 1129 union, association, employer, or other business entity ~~labor~~  
 1130 ~~unions, associations, trustees, employers, or other business~~  
 1131 ~~entities, or~~ the subsidiaries and affiliates of each, who

597-02423-17

2017986c1

1132 counsels and advises such entity or entities relative to their  
 1133 interests and those of their members or employees under  
 1134 insurance benefit plans; or

1135 3. A trustee advising a settlor, a beneficiary, or a person  
 1136 regarding his or her interests in a trust, relative to insurance  
 1137 benefit plans; or

1138 (c) In this state, from this state, or with a resident of  
 1139 this state, offer or attempt to negotiate on behalf of another  
 1140 person a viatical settlement contract as defined in s. 626.9911.

1141 Section 27. Section 626.8305, Florida Statutes, is amended  
 1142 to read:

1143 626.8305 Prohibition against the unlicensed transaction of  
 1144 health insurance.—Except as provided in s. 626.112(6), with  
 1145 respect to any line of authority specified in s. 626.015(8) ~~s.~~  
 1146 ~~626.015(6)~~, an ~~no~~ individual may not ~~shall~~, unless licensed as a  
 1147 health agent:

1148 (1) Solicit insurance or procure applications; or

1149 (2) In this state, engage or hold himself or herself out as  
 1150 engaging in the business of analyzing or abstracting insurance  
 1151 policies or of counseling or advising or giving opinions to  
 1152 persons relative to insurance contracts, unless the individual  
 1153 is other than:

1154 (a) ~~As~~ A consulting actuary advising insurers; ~~or~~

1155 (b) An employee ~~As to the counseling and advising of a~~  
 1156 labor union, association, employer, or other business entity  
 1157 ~~labor unions, associations, trustees, employers, or other~~  
 1158 ~~business entities, or~~ the subsidiaries and affiliates of each,  
 1159 who counsels and advises such entity or entities relative to  
 1160 their interests and those of their members or employees under



597-02423-17

2017986c1

1161 insurance benefit plans; ~~or-~~

1162 (c) A trustee advising a settlor, a beneficiary, or a  
1163 person regarding his or her interests in a trust, relative to  
1164 insurance benefit plans.

1165 Section 28. Subsection (1) of section 626.861, Florida  
1166 Statutes, is amended to read:

1167 626.861 Insurer's officers, insurer's employees, reciprocal  
1168 insurer's representatives; adjustments by.-

1169 (1) This part may not ~~Nothing in this part shall~~ be  
1170 construed to prevent an executive officer of any insurer, ~~or~~ a  
1171 regularly salaried employee of an insurer handling claims with  
1172 respect to health insurance, a regular employee of an insurer  
1173 handling claims with respect to residential property when the  
1174 sublimit coverage does not exceed \$500, or the duly designated  
1175 attorney or agent authorized and acting for subscribers to  
1176 reciprocal insurers, from adjusting any claim loss or damage  
1177 under any insurance contract of such insurer.

1178 Section 29. Paragraph (c) of subsection (5) and subsection  
1179 (6) of section 626.9543, Florida Statutes, are amended to read:

1180 626.9543 Holocaust victims.-

1181 (5) PROOF OF A CLAIM.-Any insurer doing business in this  
1182 state, in receipt of a claim from a Holocaust victim or from a  
1183 beneficiary, descendant, or heir of a Holocaust victim, shall:

1184 (c) Permit claims irrespective of any statute of  
1185 limitations or notice requirements imposed by any insurance  
1186 policy issued, ~~provided the claim is submitted on or before July~~  
1187 ~~1, 2018.~~

1188 (6) STATUTE OF LIMITATIONS.-Notwithstanding any law or  
1189 agreement among the parties to an insurance policy to the

597-02423-17

2017986c1

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

1196 Section 30. Section 633.516, Florida Statutes, is amended  
1197 to read:

1198 633.516 Studies of Division to make study of firefighter  
1199 employee occupational diseases of firefighters or persons in  
1200 other fire-related fields.—The division may contract for  
1201 studies, subject to the availability of funding, of ~~shall make a~~  
1202 ~~continuous study of firefighter employee occupational diseases~~  
1203 of firefighters or persons in other fire-related fields and the  
1204 ways and means for the ~~their~~ control and prevention of such  
1205 occupational diseases. When such a study or another study that  
1206 is wholly or partly funded under an agreement, including a  
1207 contract or grant, with the department tracks a disease of an  
1208 individual firefighter or a person in another fire-related  
1209 field, the division may, with associated security measures,  
1210 release the confidential information, including a social  
1211 security number, of that individual to a party who has entered  
1212 into an agreement with the department ~~and shall adopt rules~~  
1213 ~~necessary for such control and prevention. For this purpose, the~~  
1214 ~~division is authorized to cooperate with firefighter employers,~~  
1215 ~~firefighter employees, and insurers and with the Department of~~  
1216 ~~Health.~~

1217 Section 31. Paragraph (a) of subsection (6) and subsection  
1218 (7) of section 768.28, Florida Statutes, are amended to read:

597-02423-17

2017986c1

1219 768.28 Waiver of sovereign immunity in tort actions;  
1220 recovery limits; limitation on attorney fees; statute of  
1221 limitations; exclusions; indemnification; risk management  
1222 programs.—

1223 (6) (a) An action may not be instituted on a claim against  
1224 the state or one of its agencies or subdivisions unless the  
1225 claimant presents the claim in writing to the appropriate  
1226 agency, and also, except as to any claim against a municipality,  
1227 county, or the Florida Space Authority, presents such claim in  
1228 writing to the Department of Financial Services, within 3 years  
1229 after such claim accrues and the Department of Financial  
1230 Services or the appropriate agency denies the claim in writing;  
1231 except that, if:

1232 1. Such claim is for contribution pursuant to s. 768.31, it  
1233 must be so presented within 6 months after the judgment against  
1234 the tortfeasor seeking contribution has become final by lapse of  
1235 time for appeal or after appellate review or, if there is no  
1236 such judgment, within 6 months after the tortfeasor seeking  
1237 contribution has either discharged the common liability by  
1238 payment or agreed, while the action is pending against her or  
1239 him, to discharge the common liability; or

1240 2. Such action is for wrongful death, the claimant must  
1241 present the claim in writing to the Department of Financial  
1242 Services within 2 years after the claim accrues.

1243 (7) In actions brought pursuant to this section, process  
1244 shall be served upon the head of the agency concerned and also,  
1245 except as to a defendant municipality, county, or the Florida  
1246 Space Authority, upon the Department of Financial Services; and  
1247 the department or the agency concerned shall have 30 days within

597-02423-17

2017986c1

1248 which to plead thereto.

1249 Section 32. Subsections (3) and (4) and paragraph (e) of  
1250 subsection (5) of section 288.706, Florida Statutes, are amended  
1251 to read:

1252 288.706 Florida Minority Business Loan Mobilization  
1253 Program.—

1254 (3) Notwithstanding ss. 215.422(15) and 216.181(16) ~~ss.~~  
1255 ~~215.422(14) and 216.181(16)~~, and pursuant to s. 216.351, under  
1256 the Florida Minority Business Loan Mobilization Program, a state  
1257 agency may disburse up to 10 percent of the base contract award  
1258 amount to assist a minority business enterprise vendor that is  
1259 awarded a state agency contract for goods or services in  
1260 obtaining working capital financing as provided in subsection  
1261 (5).

1262 (4) Notwithstanding ss. 215.422(15) and 216.181(16) ~~ss.~~  
1263 ~~215.422(14) and 216.181(16)~~, and pursuant to s. 216.351, in lieu  
1264 of applying for participation in the Florida Minority Business  
1265 Loan Mobilization Program, a minority business enterprise vendor  
1266 awarded a state agency contract for the performance of  
1267 professional services may apply with that contracting state  
1268 agency for up to 5 percent of the base contract award amount.  
1269 The contracting state agency may award such advance in order to  
1270 facilitate the performance of that contract.

1271 (5) The following Florida Minority Business Loan  
1272 Mobilization Program procedures apply to minority business  
1273 enterprise vendors for contracts awarded by a state agency for  
1274 construction or professional services or for the provision of  
1275 goods or services:

1276 (e) The following procedures shall apply when the minority

597-02423-17

2017986c1

1277 business enterprise is the prime contract vendor to the  
1278 contracting state agency:

1279 1. Pursuant to s. 216.351, ss. 215.422(15) and 216.181(16)  
1280 ~~the provisions of ss. 215.422(14) and 216.181(16)~~ do not apply  
1281 to this paragraph.

1282 2. For construction contracts, the designated loan  
1283 mobilization payment shall be disbursed when:

1284 a. The minority business enterprise prime contract vendor  
1285 requests disbursement in the first application for payment.

1286 b. The contracting state agency has issued a notice to  
1287 proceed and has approved the first application for payment.

1288 3. For contracts other than construction contracts, the  
1289 designated loan mobilization payment shall be disbursed when:

1290 a. The minority business enterprise prime contract vendor  
1291 requests disbursement by letter delivered to the contracting  
1292 state agency after the execution of the contract but prior to  
1293 the commencement of work.

1294 b. The contracting state agency has approved the minority  
1295 business enterprise prime contract vendor's letter of request.

1296 4. The designated loan mobilization payment may be paid by  
1297 the contracting state agency prior to the commencement of work.  
1298 In order to ensure that the contract time provisions do not  
1299 commence until the minority business enterprise prime contract  
1300 vendor has adequate working capital, the contract documents may  
1301 provide that the contract shall commence at such time as the  
1302 contracting state agency releases the designated loan  
1303 mobilization payment to the minority business enterprise prime  
1304 contract vendor and participating financial institution pursuant  
1305 to the working capital agreement.

597-02423-17

2017986c1

1306 Section 33. Section 626.7315, Florida Statutes, is amended  
1307 to read:

1308 626.7315 Prohibition against the unlicensed transaction of  
1309 general lines insurance.—With respect to any line of authority  
1310 as defined in s. 626.015(7) ~~s. 626.015(5)~~, no individual shall,  
1311 unless licensed as a general lines agent:

1312 (1) Solicit insurance or procure applications therefor;

1313 (2) In this state, receive or issue a receipt for any money  
1314 on account of or for any insurer, or receive or issue a receipt  
1315 for money from other persons to be transmitted to any insurer  
1316 for a policy, contract, or certificate of insurance or any  
1317 renewal thereof, even though the policy, certificate, or  
1318 contract is not signed by him or her as agent or representative  
1319 of the insurer, except as provided in s. 626.0428(1);

1320 (3) Directly or indirectly represent himself or herself to  
1321 be an agent of any insurer or as an agent, to collect or forward  
1322 any insurance premium, or to solicit, negotiate, effect,  
1323 procure, receive, deliver, or forward, directly or indirectly,  
1324 any insurance contract or renewal thereof or any endorsement  
1325 relating to an insurance contract, or attempt to effect the  
1326 same, of property or insurable business activities or interests,  
1327 located in this state;

1328 (4) In this state, engage or hold himself or herself out as  
1329 engaging in the business of analyzing or abstracting insurance  
1330 policies or of counseling or advising or giving opinions, other  
1331 than as a licensed attorney at law, relative to insurance or  
1332 insurance contracts, for fee, commission, or other compensation,  
1333 other than as a salaried bona fide full-time employee so  
1334 counseling and advising his or her employer relative to the

597-02423-17

2017986c1

1335 insurance interests of the employer and of the subsidiaries or  
1336 business affiliates of the employer;

1337 (5) In any way, directly or indirectly, make or cause to be  
1338 made, or attempt to make or cause to be made, any contract of  
1339 insurance for or on account of any insurer;

1340 (6) Solicit, negotiate, or in any way, directly or  
1341 indirectly, effect insurance contracts, if a member of a  
1342 partnership or association, or a stockholder, officer, or agent  
1343 of a corporation which holds an agency appointment from any  
1344 insurer; or

1345 (7) Receive or transmit applications for suretyship, or  
1346 receive for delivery bonds founded on applications forwarded  
1347 from this state, or otherwise procure suretyship to be effected  
1348 by a surety insurer upon the bonds of persons in this state or  
1349 upon bonds given to persons in this state.

1350 Section 34. Paragraph (c) of subsection (6) of section  
1351 627.351, Florida Statutes, is amended to read:

1352 627.351 Insurance risk apportionment plans.—

1353 (6) CITIZENS PROPERTY INSURANCE CORPORATION.—

1354 (c) The corporation's plan of operation:

1355 1. Must provide for adoption of residential property and  
1356 casualty insurance policy forms and commercial residential and  
1357 nonresidential property insurance forms, which must be approved  
1358 by the office before use. The corporation shall adopt the  
1359 following policy forms:

1360 a. Standard personal lines policy forms that are  
1361 comprehensive multiperil policies providing full coverage of a  
1362 residential property equivalent to the coverage provided in the  
1363 private insurance market under an HO-3, HO-4, or HO-6 policy.

597-02423-17

2017986c1

1364           b. Basic personal lines policy forms that are policies  
1365 similar to an HO-8 policy or a dwelling fire policy that provide  
1366 coverage meeting the requirements of the secondary mortgage  
1367 market, but which is more limited than the coverage under a  
1368 standard policy.

1369           c. Commercial lines residential and nonresidential policy  
1370 forms that are generally similar to the basic perils of full  
1371 coverage obtainable for commercial residential structures and  
1372 commercial nonresidential structures in the admitted voluntary  
1373 market.

1374           d. Personal lines and commercial lines residential property  
1375 insurance forms that cover the peril of wind only. The forms are  
1376 applicable only to residential properties located in areas  
1377 eligible for coverage under the coastal account referred to in  
1378 sub-subparagraph (b)2.a.

1379           e. Commercial lines nonresidential property insurance forms  
1380 that cover the peril of wind only. The forms are applicable only  
1381 to nonresidential properties located in areas eligible for  
1382 coverage under the coastal account referred to in sub-  
1383 subparagraph (b)2.a.

1384           f. The corporation may adopt variations of the policy forms  
1385 listed in sub-subparagraphs a.-e. which contain more restrictive  
1386 coverage.

1387           g. Effective January 1, 2013, the corporation shall offer a  
1388 basic personal lines policy similar to an HO-8 policy with  
1389 dwelling repair based on common construction materials and  
1390 methods.

1391           2. Must provide that the corporation adopt a program in  
1392 which the corporation and authorized insurers enter into quota



597-02423-17

2017986c1

1393 share primary insurance agreements for hurricane coverage, as  
1394 defined in s. 627.4025(2) (a), for eligible risks, and adopt  
1395 property insurance forms for eligible risks which cover the  
1396 peril of wind only.

1397 a. As used in this subsection, the term:

1398 (I) "Quota share primary insurance" means an arrangement in  
1399 which the primary hurricane coverage of an eligible risk is  
1400 provided in specified percentages by the corporation and an  
1401 authorized insurer. The corporation and authorized insurer are  
1402 each solely responsible for a specified percentage of hurricane  
1403 coverage of an eligible risk as set forth in a quota share  
1404 primary insurance agreement between the corporation and an  
1405 authorized insurer and the insurance contract. The  
1406 responsibility of the corporation or authorized insurer to pay  
1407 its specified percentage of hurricane losses of an eligible  
1408 risk, as set forth in the agreement, may not be altered by the  
1409 inability of the other party to pay its specified percentage of  
1410 losses. Eligible risks that are provided hurricane coverage  
1411 through a quota share primary insurance arrangement must be  
1412 provided policy forms that set forth the obligations of the  
1413 corporation and authorized insurer under the arrangement,  
1414 clearly specify the percentages of quota share primary insurance  
1415 provided by the corporation and authorized insurer, and  
1416 conspicuously and clearly state that the authorized insurer and  
1417 the corporation may not be held responsible beyond their  
1418 specified percentage of coverage of hurricane losses.

1419 (II) "Eligible risks" means personal lines residential and  
1420 commercial lines residential risks that meet the underwriting  
1421 criteria of the corporation and are located in areas that were

597-02423-17

2017986c1

1422 eligible for coverage by the Florida Windstorm Underwriting  
1423 Association on January 1, 2002.

1424 b. The corporation may enter into quota share primary  
1425 insurance agreements with authorized insurers at corporation  
1426 coverage levels of 90 percent and 50 percent.

1427 c. If the corporation determines that additional coverage  
1428 levels are necessary to maximize participation in quota share  
1429 primary insurance agreements by authorized insurers, the  
1430 corporation may establish additional coverage levels. However,  
1431 the corporation's quota share primary insurance coverage level  
1432 may not exceed 90 percent.

1433 d. Any quota share primary insurance agreement entered into  
1434 between an authorized insurer and the corporation must provide  
1435 for a uniform specified percentage of coverage of hurricane  
1436 losses, by county or territory as set forth by the corporation  
1437 board, for all eligible risks of the authorized insurer covered  
1438 under the agreement.

1439 e. Any quota share primary insurance agreement entered into  
1440 between an authorized insurer and the corporation is subject to  
1441 review and approval by the office. However, such agreement shall  
1442 be authorized only as to insurance contracts entered into  
1443 between an authorized insurer and an insured who is already  
1444 insured by the corporation for wind coverage.

1445 f. For all eligible risks covered under quota share primary  
1446 insurance agreements, the exposure and coverage levels for both  
1447 the corporation and authorized insurers shall be reported by the  
1448 corporation to the Florida Hurricane Catastrophe Fund. For all  
1449 policies of eligible risks covered under such agreements, the  
1450 corporation and the authorized insurer must maintain complete

597-02423-17

2017986c1

1451 and accurate records for the purpose of exposure and loss  
1452 reimbursement audits as required by fund rules. The corporation  
1453 and the authorized insurer shall each maintain duplicate copies  
1454 of policy declaration pages and supporting claims documents.

1455 g. The corporation board shall establish in its plan of  
1456 operation standards for quota share agreements which ensure that  
1457 there is no discriminatory application among insurers as to the  
1458 terms of the agreements, pricing of the agreements, incentive  
1459 provisions if any, and consideration paid for servicing policies  
1460 or adjusting claims.

1461 h. The quota share primary insurance agreement between the  
1462 corporation and an authorized insurer must set forth the  
1463 specific terms under which coverage is provided, including, but  
1464 not limited to, the sale and servicing of policies issued under  
1465 the agreement by the insurance agent of the authorized insurer  
1466 producing the business, the reporting of information concerning  
1467 eligible risks, the payment of premium to the corporation, and  
1468 arrangements for the adjustment and payment of hurricane claims  
1469 incurred on eligible risks by the claims adjuster and personnel  
1470 of the authorized insurer. Entering into a quota sharing  
1471 insurance agreement between the corporation and an authorized  
1472 insurer is voluntary and at the discretion of the authorized  
1473 insurer.

1474 3. May provide that the corporation may employ or otherwise  
1475 contract with individuals or other entities to provide  
1476 administrative or professional services that may be appropriate  
1477 to effectuate the plan. The corporation may borrow funds by  
1478 issuing bonds or by incurring other indebtedness, and shall have  
1479 other powers reasonably necessary to effectuate the requirements

597-02423-17

2017986c1

1480 of this subsection, including, without limitation, the power to  
1481 issue bonds and incur other indebtedness in order to refinance  
1482 outstanding bonds or other indebtedness. The corporation may  
1483 seek judicial validation of its bonds or other indebtedness  
1484 under chapter 75. The corporation may issue bonds or incur other  
1485 indebtedness, or have bonds issued on its behalf by a unit of  
1486 local government pursuant to subparagraph (q)2. in the absence  
1487 of a hurricane or other weather-related event, upon a  
1488 determination by the corporation, subject to approval by the  
1489 office, that such action would enable it to efficiently meet the  
1490 financial obligations of the corporation and that such  
1491 financings are reasonably necessary to effectuate the  
1492 requirements of this subsection. The corporation may take all  
1493 actions needed to facilitate tax-free status for such bonds or  
1494 indebtedness, including formation of trusts or other affiliated  
1495 entities. The corporation may pledge assessments, projected  
1496 recoveries from the Florida Hurricane Catastrophe Fund, other  
1497 reinsurance recoverables, policyholder surcharges and other  
1498 surcharges, and other funds available to the corporation as  
1499 security for bonds or other indebtedness. In recognition of s.  
1500 10, Art. I of the State Constitution, prohibiting the impairment  
1501 of obligations of contracts, it is the intent of the Legislature  
1502 that no action be taken whose purpose is to impair any bond  
1503 indenture or financing agreement or any revenue source committed  
1504 by contract to such bond or other indebtedness.

1505 4. Must require that the corporation operate subject to the  
1506 supervision and approval of a board of governors consisting of  
1507 nine individuals who are residents of this state and who are  
1508 from different geographical areas of the state, one of whom is

597-02423-17

2017986c1

1509 appointed by the Governor and serves solely to advocate on  
1510 behalf of the consumer. The appointment of a consumer  
1511 representative by the Governor is deemed to be within the scope  
1512 of the exemption provided in s. 112.313(7)(b) and is in addition  
1513 to the appointments authorized under sub-subparagraph a.

1514 a. The Governor, the Chief Financial Officer, the President  
1515 of the Senate, and the Speaker of the House of Representatives  
1516 shall each appoint two members of the board. At least one of the  
1517 two members appointed by each appointing officer must have  
1518 demonstrated expertise in insurance and be deemed to be within  
1519 the scope of the exemption provided in s. 112.313(7)(b). The  
1520 Chief Financial Officer shall designate one of the appointees as  
1521 chair. All board members serve at the pleasure of the appointing  
1522 officer. All members of the board are subject to removal at will  
1523 by the officers who appointed them. All board members, including  
1524 the chair, must be appointed to serve for 3-year terms beginning  
1525 annually on a date designated by the plan. However, for the  
1526 first term beginning on or after July 1, 2009, each appointing  
1527 officer shall appoint one member of the board for a 2-year term  
1528 and one member for a 3-year term. A board vacancy shall be  
1529 filled for the unexpired term by the appointing officer. The  
1530 Chief Financial Officer shall appoint a technical advisory group  
1531 to provide information and advice to the board in connection  
1532 with the board's duties under this subsection. The executive  
1533 director and senior managers of the corporation shall be engaged  
1534 by the board and serve at the pleasure of the board. Any  
1535 executive director appointed on or after July 1, 2006, is  
1536 subject to confirmation by the Senate. The executive director is  
1537 responsible for employing other staff as the corporation may

597-02423-17

2017986c1

1538 require, subject to review and concurrence by the board.

1539       b. The board shall create a Market Accountability Advisory  
1540 Committee to assist the corporation in developing awareness of  
1541 its rates and its customer and agent service levels in  
1542 relationship to the voluntary market insurers writing similar  
1543 coverage.

1544       (I) The members of the advisory committee consist of the  
1545 following 11 persons, one of whom must be elected chair by the  
1546 members of the committee: four representatives, one appointed by  
1547 the Florida Association of Insurance Agents, one by the Florida  
1548 Association of Insurance and Financial Advisors, one by the  
1549 Professional Insurance Agents of Florida, and one by the Latin  
1550 American Association of Insurance Agencies; three  
1551 representatives appointed by the insurers with the three highest  
1552 voluntary market share of residential property insurance  
1553 business in the state; one representative from the Office of  
1554 Insurance Regulation; one consumer appointed by the board who is  
1555 insured by the corporation at the time of appointment to the  
1556 committee; one representative appointed by the Florida  
1557 Association of Realtors; and one representative appointed by the  
1558 Florida Bankers Association. All members shall be appointed to  
1559 3-year terms and may serve for consecutive terms.

1560       (II) The committee shall report to the corporation at each  
1561 board meeting on insurance market issues which may include rates  
1562 and rate competition with the voluntary market; service,  
1563 including policy issuance, claims processing, and general  
1564 responsiveness to policyholders, applicants, and agents; and  
1565 matters relating to depopulation.

1566       5. Must provide a procedure for determining the eligibility

597-02423-17

2017986c1

1567 of a risk for coverage, as follows:

1568 a. Subject to s. 627.3517, with respect to personal lines  
1569 residential risks, if the risk is offered coverage from an  
1570 authorized insurer at the insurer's approved rate under a  
1571 standard policy including wind coverage or, if consistent with  
1572 the insurer's underwriting rules as filed with the office, a  
1573 basic policy including wind coverage, for a new application to  
1574 the corporation for coverage, the risk is not eligible for any  
1575 policy issued by the corporation unless the premium for coverage  
1576 from the authorized insurer is more than 15 percent greater than  
1577 the premium for comparable coverage from the corporation.

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

597-02423-17

2017986c1

1596 (I) If the risk accepts an offer of coverage through the  
1597 market assistance plan or through a mechanism established by the  
1598 corporation other than a plan established by s. 627.3518, before  
1599 a policy is issued to the risk by the corporation or during the  
1600 first 30 days of coverage by the corporation, and the producing  
1601 agent who submitted the application to the plan or to the  
1602 corporation is not currently appointed by the insurer, the  
1603 insurer shall:

1604 (A) Pay to the producing agent of record of the policy for  
1605 the first year, an amount that is the greater of the insurer's  
1606 usual and customary commission for the type of policy written or  
1607 a fee equal to the usual and customary commission of the  
1608 corporation; or

1609 (B) Offer to allow the producing agent of record of the  
1610 policy to continue servicing the policy for at least 1 year and  
1611 offer to pay the agent the greater of the insurer's or the  
1612 corporation's usual and customary commission for the type of  
1613 policy written.

1614  
1615 If the producing agent is unwilling or unable to accept  
1616 appointment, the new insurer shall pay the agent in accordance  
1617 with sub-sub-sub-subparagraph (A).

1618 (II) If the corporation enters into a contractual agreement  
1619 for a take-out plan, the producing agent of record of the  
1620 corporation policy is entitled to retain any unearned commission  
1621 on the policy, and the insurer shall:

1622 (A) Pay to the producing agent of record, for the first  
1623 year, an amount that is the greater of the insurer's usual and  
1624 customary commission for the type of policy written or a fee



597-02423-17

2017986c1

1625 equal to the usual and customary commission of the corporation;  
1626 or

1627 (B) Offer to allow the producing agent of record to  
1628 continue servicing the policy for at least 1 year and offer to  
1629 pay the agent the greater of the insurer's or the corporation's  
1630 usual and customary commission for the type of policy written.

1631  
1632 If the producing agent is unwilling or unable to accept  
1633 appointment, the new insurer shall pay the agent in accordance  
1634 with sub-sub-sub-subparagraph (A).

1635 b. With respect to commercial lines residential risks, for  
1636 a new application to the corporation for coverage, if the risk  
1637 is offered coverage under a policy including wind coverage from  
1638 an authorized insurer at its approved rate, the risk is not  
1639 eligible for a policy issued by the corporation unless the  
1640 premium for coverage from the authorized insurer is more than 15  
1641 percent greater than the premium for comparable coverage from  
1642 the corporation. Whenever an offer of coverage for a commercial  
1643 lines residential risk is received for a policyholder of the  
1644 corporation at renewal from an authorized insurer, if the offer  
1645 is equal to or less than the corporation's renewal premium for  
1646 comparable coverage, the risk is not eligible for coverage with  
1647 the corporation. If the risk is not able to obtain any such  
1648 offer, the risk is eligible for a policy including wind coverage  
1649 issued by the corporation. However, a policyholder removed from  
1650 the corporation through an assumption agreement remains eligible  
1651 for coverage from the corporation until the end of the  
1652 assumption period.

1653 (I) If the risk accepts an offer of coverage through the

597-02423-17

2017986c1

1654 market assistance plan or through a mechanism established by the  
1655 corporation other than a plan established by s. 627.3518, before  
1656 a policy is issued to the risk by the corporation or during the  
1657 first 30 days of coverage by the corporation, and the producing  
1658 agent who submitted the application to the plan or the  
1659 corporation is not currently appointed by the insurer, the  
1660 insurer shall:

1661 (A) Pay to the producing agent of record of the policy, for  
1662 the first year, an amount that is the greater of the insurer's  
1663 usual and customary commission for the type of policy written or  
1664 a fee equal to the usual and customary commission of the  
1665 corporation; or

1666 (B) Offer to allow the producing agent of record of the  
1667 policy to continue servicing the policy for at least 1 year and  
1668 offer to pay the agent the greater of the insurer's or the  
1669 corporation's usual and customary commission for the type of  
1670 policy written.

1671  
1672 If the producing agent is unwilling or unable to accept  
1673 appointment, the new insurer shall pay the agent in accordance  
1674 with sub-sub-sub-subparagraph (A).

1675 (II) If the corporation enters into a contractual agreement  
1676 for a take-out plan, the producing agent of record of the  
1677 corporation policy is entitled to retain any unearned commission  
1678 on the policy, and the insurer shall:

1679 (A) Pay to the producing agent of record, for the first  
1680 year, an amount that is the greater of the insurer's usual and  
1681 customary commission for the type of policy written or a fee  
1682 equal to the usual and customary commission of the corporation;

597-02423-17

2017986c1

1683 or

1684 (B) Offer to allow the producing agent of record to  
1685 continue servicing the policy for at least 1 year and offer to  
1686 pay the agent the greater of the insurer's or the corporation's  
1687 usual and customary commission for the type of policy written.

1688  
1689 If the producing agent is unwilling or unable to accept  
1690 appointment, the new insurer shall pay the agent in accordance  
1691 with sub-sub-sub-subparagraph (A).

1692 c. For purposes of determining comparable coverage under  
1693 sub-subparagraphs a. and b., the comparison must be based on  
1694 those forms and coverages that are reasonably comparable. The  
1695 corporation may rely on a determination of comparable coverage  
1696 and premium made by the producing agent who submits the  
1697 application to the corporation, made in the agent's capacity as  
1698 the corporation's agent. A comparison may be made solely of the  
1699 premium with respect to the main building or structure only on  
1700 the following basis: the same coverage A or other building  
1701 limits; the same percentage hurricane deductible that applies on  
1702 an annual basis or that applies to each hurricane for commercial  
1703 residential property; the same percentage of ordinance and law  
1704 coverage, if the same limit is offered by both the corporation  
1705 and the authorized insurer; the same mitigation credits, to the  
1706 extent the same types of credits are offered both by the  
1707 corporation and the authorized insurer; the same method for loss  
1708 payment, such as replacement cost or actual cash value, if the  
1709 same method is offered both by the corporation and the  
1710 authorized insurer in accordance with underwriting rules; and  
1711 any other form or coverage that is reasonably comparable as

597-02423-17

2017986c1

1712 determined by the board. If an application is submitted to the  
1713 corporation for wind-only coverage in the coastal account, the  
1714 premium for the corporation's wind-only policy plus the premium  
1715 for the ex-wind policy that is offered by an authorized insurer  
1716 to the applicant must be compared to the premium for multiperil  
1717 coverage offered by an authorized insurer, subject to the  
1718 standards for comparison specified in this subparagraph. If the  
1719 corporation or the applicant requests from the authorized  
1720 insurer a breakdown of the premium of the offer by types of  
1721 coverage so that a comparison may be made by the corporation or  
1722 its agent and the authorized insurer refuses or is unable to  
1723 provide such information, the corporation may treat the offer as  
1724 not being an offer of coverage from an authorized insurer at the  
1725 insurer's approved rate.

1726       6. Must include rules for classifications of risks and  
1727 rates.

1728       7. Must provide that if premium and investment income for  
1729 an account attributable to a particular calendar year are in  
1730 excess of projected losses and expenses for the account  
1731 attributable to that year, such excess shall be held in surplus  
1732 in the account. Such surplus must be available to defray  
1733 deficits in that account as to future years and used for that  
1734 purpose before assessing assessable insurers and assessable  
1735 insureds as to any calendar year.

1736       8. Must provide objective criteria and procedures to be  
1737 uniformly applied to all applicants in determining whether an  
1738 individual risk is so hazardous as to be uninsurable. In making  
1739 this determination and in establishing the criteria and  
1740 procedures, the following must be considered:

597-02423-17

2017986c1

1741 a. Whether the likelihood of a loss for the individual risk  
1742 is substantially higher than for other risks of the same class;  
1743 and

1744 b. Whether the uncertainty associated with the individual  
1745 risk is such that an appropriate premium cannot be determined.

1746

1747 The acceptance or rejection of a risk by the corporation shall  
1748 be construed as the private placement of insurance, and the  
1749 provisions of chapter 120 do not apply.

1750 9. Must provide that the corporation make its best efforts  
1751 to procure catastrophe reinsurance at reasonable rates, to cover  
1752 its projected 100-year probable maximum loss as determined by  
1753 the board of governors.

1754 10. The policies issued by the corporation must provide  
1755 that if the corporation or the market assistance plan obtains an  
1756 offer from an authorized insurer to cover the risk at its  
1757 approved rates, the risk is no longer eligible for renewal  
1758 through the corporation, except as otherwise provided in this  
1759 subsection.

1760 11. Corporation policies and applications must include a  
1761 notice that the corporation policy could, under this section, be  
1762 replaced with a policy issued by an authorized insurer which  
1763 does not provide coverage identical to the coverage provided by  
1764 the corporation. The notice must also specify that acceptance of  
1765 corporation coverage creates a conclusive presumption that the  
1766 applicant or policyholder is aware of this potential.

1767 12. May establish, subject to approval by the office,  
1768 different eligibility requirements and operational procedures  
1769 for any line or type of coverage for any specified county or

597-02423-17

2017986c1

1770 area if the board determines that such changes are justified due  
1771 to the voluntary market being sufficiently stable and  
1772 competitive in such area or for such line or type of coverage  
1773 and that consumers who, in good faith, are unable to obtain  
1774 insurance through the voluntary market through ordinary methods  
1775 continue to have access to coverage from the corporation. If  
1776 coverage is sought in connection with a real property transfer,  
1777 the requirements and procedures may not provide an effective  
1778 date of coverage later than the date of the closing of the  
1779 transfer as established by the transferor, the transferee, and,  
1780 if applicable, the lender.

1781 13. Must provide that, with respect to the coastal account,  
1782 any assessable insurer with a surplus as to policyholders of \$25  
1783 million or less writing 25 percent or more of its total  
1784 countrywide property insurance premiums in this state may  
1785 petition the office, within the first 90 days of each calendar  
1786 year, to qualify as a limited apportionment company. A regular  
1787 assessment levied by the corporation on a limited apportionment  
1788 company for a deficit incurred by the corporation for the  
1789 coastal account may be paid to the corporation on a monthly  
1790 basis as the assessments are collected by the limited  
1791 apportionment company from its insureds, but a limited  
1792 apportionment company must begin collecting the regular  
1793 assessments not later than 90 days after the regular assessments  
1794 are levied by the corporation, and the regular assessments must  
1795 be paid in full within 15 months after being levied by the  
1796 corporation. A limited apportionment company shall collect from  
1797 its policyholders any emergency assessment imposed under sub-  
1798 subparagraph (b)3.d. The plan must provide that, if the office

597-02423-17

2017986c1

1799 determines that any regular assessment will result in an  
1800 impairment of the surplus of a limited apportionment company,  
1801 the office may direct that all or part of such assessment be  
1802 deferred as provided in subparagraph (q)4. However, an emergency  
1803 assessment to be collected from policyholders under sub-  
1804 subparagraph (b)3.d. may not be limited or deferred.

1805 14. Must provide that the corporation appoint as its  
1806 licensed agents only those agents who throughout such  
1807 appointments also hold an appointment as defined in s. 626.015  
1808 ~~s. 626.015(3)~~ by an insurer who is authorized to write and is  
1809 actually writing or renewing personal lines residential property  
1810 coverage, commercial residential property coverage, or  
1811 commercial nonresidential property coverage within the state.

1812 15. Must provide a premium payment plan option to its  
1813 policyholders which, at a minimum, allows for quarterly and  
1814 semiannual payment of premiums. A monthly payment plan may, but  
1815 is not required to, be offered.

1816 16. Must limit coverage on mobile homes or manufactured  
1817 homes built before 1994 to actual cash value of the dwelling  
1818 rather than replacement costs of the dwelling.

1819 17. Must provide coverage for manufactured or mobile home  
1820 dwellings. Such coverage must also include the following  
1821 attached structures:

1822 a. Screened enclosures that are aluminum framed or screened  
1823 enclosures that are not covered by the same or substantially the  
1824 same materials as those of the primary dwelling;

1825 b. Carports that are aluminum or carports that are not  
1826 covered by the same or substantially the same materials as those  
1827 of the primary dwelling; and

597-02423-17

2017986c1

1828 c. Patios that have a roof covering that is constructed of  
1829 materials that are not the same or substantially the same  
1830 materials as those of the primary dwelling.

1831  
1832 The corporation shall make available a policy for mobile homes  
1833 or manufactured homes for a minimum insured value of at least  
1834 \$3,000.

1835 18. May provide such limits of coverage as the board  
1836 determines, consistent with the requirements of this subsection.

1837 19. May require commercial property to meet specified  
1838 hurricane mitigation construction features as a condition of  
1839 eligibility for coverage.

1840 20. Must provide that new or renewal policies issued by the  
1841 corporation on or after January 1, 2012, which cover sinkhole  
1842 loss do not include coverage for any loss to appurtenant  
1843 structures, driveways, sidewalks, decks, or patios that are  
1844 directly or indirectly caused by sinkhole activity. The  
1845 corporation shall exclude such coverage using a notice of  
1846 coverage change, which may be included with the policy renewal,  
1847 and not by issuance of a notice of nonrenewal of the excluded  
1848 coverage upon renewal of the current policy.

1849 21. As of January 1, 2012, must require that the agent  
1850 obtain from an applicant for coverage from the corporation an  
1851 acknowledgment signed by the applicant, which includes, at a  
1852 minimum, the following statement:

1853  
1854 ACKNOWLEDGMENT OF POTENTIAL SURCHARGE  
1855 AND ASSESSMENT LIABILITY:  
1856



597-02423-17

2017986c1

1857 1. AS A POLICYHOLDER OF CITIZENS PROPERTY INSURANCE  
1858 CORPORATION, I UNDERSTAND THAT IF THE CORPORATION SUSTAINS A  
1859 DEFICIT AS A RESULT OF HURRICANE LOSSES OR FOR ANY OTHER REASON,  
1860 MY POLICY COULD BE SUBJECT TO SURCHARGES, WHICH WILL BE DUE AND  
1861 PAYABLE UPON RENEWAL, CANCELLATION, OR TERMINATION OF THE  
1862 POLICY, AND THAT THE SURCHARGES COULD BE AS HIGH AS 45 PERCENT  
1863 OF MY PREMIUM, OR A DIFFERENT AMOUNT AS IMPOSED BY THE FLORIDA  
1864 LEGISLATURE.

1865 2. I UNDERSTAND THAT I CAN AVOID THE CITIZENS POLICYHOLDER  
1866 SURCHARGE, WHICH COULD BE AS HIGH AS 45 PERCENT OF MY PREMIUM,  
1867 BY OBTAINING COVERAGE FROM A PRIVATE MARKET INSURER AND THAT TO  
1868 BE ELIGIBLE FOR COVERAGE BY CITIZENS, I MUST FIRST TRY TO OBTAIN  
1869 PRIVATE MARKET COVERAGE BEFORE APPLYING FOR OR RENEWING COVERAGE  
1870 WITH CITIZENS. I UNDERSTAND THAT PRIVATE MARKET INSURANCE RATES  
1871 ARE REGULATED AND APPROVED BY THE STATE.

1872 3. I UNDERSTAND THAT I MAY BE SUBJECT TO EMERGENCY  
1873 ASSESSMENTS TO THE SAME EXTENT AS POLICYHOLDERS OF OTHER  
1874 INSURANCE COMPANIES, OR A DIFFERENT AMOUNT AS IMPOSED BY THE  
1875 FLORIDA LEGISLATURE.

1876 4. I ALSO UNDERSTAND THAT CITIZENS PROPERTY INSURANCE  
1877 CORPORATION IS NOT SUPPORTED BY THE FULL FAITH AND CREDIT OF THE  
1878 STATE OF FLORIDA.

1879  
1880 a. The corporation shall maintain, in electronic format or  
1881 otherwise, a copy of the applicant's signed acknowledgment and  
1882 provide a copy of the statement to the policyholder as part of  
1883 the first renewal after the effective date of this subparagraph.

1884 b. The signed acknowledgment form creates a conclusive  
1885 presumption that the policyholder understood and accepted his or

597-02423-17

2017986c1

1886 her potential surcharge and assessment liability as a  
1887 policyholder of the corporation.

1888 Section 35. This act shall take effect July 1, 2017.