

CHAPTER 2023-144

Committee Substitute for Committee Substitute for House Bill No. 487

An act relating to the Department of Financial Services; amending s. 20.121, F.S.; revising powers and duties of the Division of Investigative and Forensic Services of the Department of Financial Services; deleting provisions relating to establishment of the department's Strategic Markets Research and Assessment Unit; amending s. 112.215, F.S.; redefining the term "employee" as "government employee" and revising the definition of the term; revising eligibility for plans of deferred compensation established by the Chief Financial Officer; revising the membership of the Deferred Compensation Advisory Council; making technical changes; amending s. 215.55952, F.S.; revising the intervals in which the Chief Financial Officer must provide the Governor and the Legislature with a report on the economic impact of certain hurricanes; amending s. 274.01, F.S.; revising the definition of the term "governmental unit" for purposes of ch. 274, F.S.; amending s. 440.13, F.S.; authorizing, rather than requiring, a judge of compensation claims to order an injured employee's evaluation by an expert medical advisor under certain circumstances; revising the schedules of maximum reimbursement allowances determined by the three-member panel under the Workers' Compensation Law; revising reimbursement requirements for certain providers; requiring the department to annually notify carriers and self-insurers of certain schedules; requiring the publication of such schedules in a certain manner; providing construction; revising factors the panel must consider in establishing the uniform schedule of maximum reimbursement allowances; deleting certain standards for practice parameters; amending s. 440.385, F.S.; revising eligibility requirements for the board of directors of the Florida Self-Insurers Guaranty Association, Incorporated; authorizing the Chief Financial Officer to remove a director under certain circumstances; specifying requirements for, and restrictions on, directors; prohibiting directors and employees of the association from knowingly accepting certain gifts or expenditures; providing penalties; amending s. 497.005, F.S.; adding and revising definitions for purposes of the Florida Funeral, Cemetery, and Consumer Services Act; amending s. 624.1265, F.S.; revising conditions for a nonprofit religious organization to be exempt from requirements of the Florida Insurance Code; amending s. 624.501, F.S.; deleting an application filing and license fee for reinsurance intermediaries; amending s. 626.015, F.S.; revising the definition of the term "association" for purposes of part I of ch. 626, F.S.; amending s. 626.171, F.S.; deleting the authority of designated examination centers to take fingerprints of applicants for a license as an agent, customer representative, adjuster, service representative, or reinsurance intermediary; amending s. 626.173, F.S.; providing that a certain notice requirement for certain licensed insurance agencies ceasing the transacting of insurance does not apply to certain kinds of insurance; amending s.

626.207, F.S.; revising violations for which the department must adopt rules establishing specific penalties; amending s. 626.221, F.S.; adding a certification that exempts an applicant for license as an all-lines adjuster from an examination requirement; amending s. 626.2815, F.S.; revising continuing education requirements for certain insurance representatives; amending s. 626.321, F.S.; deleting certain requirements for, and restrictions on, licensees of specified limited licenses; adding a limited license for transacting preneed funeral agreement insurance; specifying conditions for issuing such license without an examination; amending s. 626.611, F.S.; revising specified grounds for compulsory disciplinary actions taken by the department against insurance representatives; amending s. 626.621, F.S.; adding grounds for discretionary disciplinary actions taken by the department against insurance representatives; amending s. 626.7315, F.S.; authorizing a livery operator, without a license or an appointment but subject to certain conditions, to offer certain coverage to renters; amending s. 626.7492, F.S.; revising definitions of the terms “producer” and “reinsurance intermediary manager”; revising licensure requirements for reinsurance intermediary brokers and reinsurance intermediary managers; deleting the authority of the department to refuse to issue a reinsurance intermediary license under certain circumstances; amending s. 626.752, F.S.; requiring the department to suspend the authority of an insurer or employer to appoint licensees under certain circumstances relating to the exchange of insurance business; amending s. 626.785, F.S.; authorizing certain persons to obtain a limited license to sell only policies of life insurance covering the expense of a prearrangement for funeral services or merchandise; amending ss. 626.793 and 626.837, F.S.; requiring the department to suspend the authority of an insurer or employer to appoint licensees under certain circumstances relating to the acceptance of excess or rejected insurance business; amending s. 626.8411, F.S.; providing that certain notice requirements do not apply to title insurance agents or title insurance agencies; amending s. 626.8437, F.S.; adding grounds for compulsory disciplinary actions taken by the department against a title insurance agent or agency; amending s. 626.844, F.S.; adding grounds for discretionary disciplinary actions taken by the department against a title insurance agent or agency; amending s. 626.8473, F.S.; revising requirements for engaging in the business as an escrow agent in connection with real estate closing transactions; amending s. 626.854, F.S.; revising applicability of a prohibited act relating to public insurance adjusters; amending s. 626.874, F.S.; revising eligibility requirements for the department’s issuance of licenses to catastrophe or emergency adjusters; revising grounds on which the department may deny such license; amending s. 626.9892, F.S.; revising a condition and adding violations for which the department may pay rewards under the Anti-Fraud Reward Program; amending s. 626.9957, F.S.; providing for the expiration of a health coverage navigator’s registration under certain circumstances; specifying a restriction on expired registrations; amending s. 627.351, F.S.; revising requirements for membership of the Florida Medical Malpractice Joint Underwriting Association; specifying a requirement

for filling vacancies; authorizing the Chief Financial Officer to remove board members under certain circumstances; providing requirements for, and restrictions on, board members; providing penalties; amending s. 627.4215, F.S.; specifying the health insurers that are required to make certain disclosure relating to behavioral health insurance care services available on their websites and in notices to their insureds; amending s. 627.7015, F.S.; providing that a disputed property insurance claim is not eligible for mediation until certain conditions are met; providing construction; providing that fees for a rescheduled mediation conference be assessed by the department rather than the administrator; authorizing the department to suspend an insurer's authority to appoint licensees under certain circumstances; amending s. 627.7074, F.S.; authorizing the department to designate, by written contract or agreement, an entity or a person to administer the alternative dispute resolution process for sinkhole insurance claims; amending s. 627.745, F.S.; revising requirements and procedures for the mediation of personal injury claims under a motor vehicle insurance policy; requiring the department to adopt specified rules relating to a motor vehicle claims insurance mediation program; authorizing the department to designate a person or entity to serve as administrator; amending s. 631.141, F.S.; authorizing the department in receivership proceedings to take certain actions as a domiciliary receiver; amending s. 631.252, F.S.; revising conditions under which policies and contracts of insolvent insurers are canceled; amending ss. 631.56, 631.716, 631.816, and 631.912, F.S.; revising membership eligibility requirements for the Florida Insurance Guaranty Association, the Florida Life and Health Insurance Guaranty Association, the Florida Health Maintenance Organization Consumer Assistance Plan, and the Florida Workers' Compensation Insurance Guaranty Association, Incorporated, respectively; authorizing the Chief Financial Officer to remove a board member under certain circumstances; specifying requirements for, on restrictions on, board members; providing penalties; creating s. 633.1423, F.S.; defining the term "organization"; authorizing the Division of State Fire Marshal to establish a direct-support organization; specifying the purpose of and requirements for the organization; specifying requirements for the organization's written contract and board of directors; providing requirements for the use of property, annual budgets and reports, an annual audit, and the division's receipt of proceeds; authorizing moneys received to be held in a depository account; providing for future repeal; amending s. 634.181, F.S.; adding grounds for compulsory disciplinary actions by the department against motor vehicle service agreement salespersons; requiring the department to immediately temporarily suspend a license or appointment under certain circumstances; prohibiting a person from transacting insurance business after such suspension; authorizing the department to adopt rules; amending s. 634.191, F.S.; revising grounds for discretionary disciplinary actions by the department against motor vehicle service agreement salespersons; requiring salespersons to submit certain documents to the department; authorizing the department to adopt rules; amending s. 634.320, F.S.; revising grounds for compulsory disciplinary actions by the department

against home warranty association sales representatives; requiring the department to immediately temporarily suspend a license or appointment under certain circumstances; prohibiting a person from transacting insurance business after such suspension; authorizing the department to adopt rules; amending s. 634.321, F.S.; revising grounds for discretionary disciplinary actions by the department against home warranty association sales representatives; authorizing the department to adopt rules; amending s. 634.419, F.S.; providing that specified home solicitation sale requirements do not apply to certain persons relating to the solicitation of service warranty or related service or product sales; amending s. 634.422, F.S.; revising grounds for compulsory disciplinary actions by the department against service warranty association sales representatives; requiring the department to immediately temporarily suspend a license or appointment under certain circumstances; prohibiting a person from transacting insurance business after such suspension; authorizing the department to adopt rules; amending s. 634.423, F.S.; revising grounds for discretionary disciplinary actions by the department against service warranty association sales representatives; authorizing the department to adopt rules; reordering and amending s. 648.25, F.S.; defining and redefining terms; amending s. 648.26, F.S.; authorizing certain actions by the department or the Office of Insurance Regulation relating to certain confidential records relating to bail bond agents; amending s. 648.27, F.S.; deleting a provision relating to the continuance of a temporary bail bond agent license; amending s. 648.285, F.S.; revising requirements, conditions, and procedures for a bail bond agency license; providing applicability; conforming a provision to changes made by the act; amending s. 648.30, F.S.; revising requirements and conditions for the licensure and appointment as a bail bond agent or bail bond agency; conforming a provision to changes made by the act; amending s. 648.31, F.S.; specifying that there is no fee for the issuance of any appointment to a bail bond agency; conforming a provision to changes made by the act; amending s. 648.34, F.S.; revising qualifications for a bail bond agent license; conforming a provision to changes made by the act; amending s. 648.355, F.S.; deleting provisions relating to temporary licenses as a limited surety agent or professional bail bond agent; specifying requirements for an individual licensed as a temporary bail bond agent to qualify for bail bond agent license; prohibiting the department from issuing a temporary bail bond agent license beginning on a specified date; providing construction relating to existing temporary licenses; amending s. 648.382, F.S.; revising requirements for the appointment of bail bond agents or bail bond agencies; conforming a provision to changes made by the act; amending s. 648.386, F.S.; defining the term “classroom instruction”; revising requirements for approval and certification as an approved limited surety agent and professional bail bond agent continuing education school; amending s. 648.387, F.S.; renaming primary bail bond agents as bail bond agents in charge; revising the department’s disciplinary authority; revising prohibited actions and the applicability of such prohibitions; providing for the automatic expiration of a bail bond agency license under certain circumstances; creating s. 648.3875, F.S.; providing

requirements for applying for designation as a bail bond agent in charge; amending s. 648.39, F.S.; revising applicability of provisions relating to termination of appointments of certain agents and agencies; repealing s. 648.41, F.S., relating to termination of appointment of temporary bail bond agents; amending s. 648.42, F.S.; conforming a provision to changes made by the act; making a technical change; amending s. 648.44, F.S.; revising applicability of prohibited acts; revising and specifying prohibited acts of bail bond agents and bail bond agencies; conforming provisions to changes made by the act; amending s. 648.441, F.S.; revising applicability of a prohibition against furnishing supplies to an unlicensed bail bond agent; amending s. 648.46, F.S.; authorizing certain actions by the department or the office relating to certain confidential records relating to bail bond agents; amending s. 648.50, F.S.; revising applicability of provisions relating to disciplinary actions taken by the department; conforming provisions to changes made by the act; amending s. 717.135, F.S.; revising a requirement for, and a prohibition on, claimants' representatives relating to unclaimed property recovery agreements and purchase agreements; providing construction; amending s. 843.021, F.S.; revising a defense to an unlawful possession of a concealed handcuff key; amending ss. 631.152, 631.398, and 903.09, F.S.; conforming cross-references; ratifying specified rules of the Florida Administrative Code relating to "Florida Workers' Compensation Health Care Provider Reimbursement Manual," "Health Care Provider Medical Billing and Reporting Responsibilities," and "Insurer Authorization and Medical Bill Review Responsibilities"; providing construction; providing effective dates.

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

Section 1. Paragraph (e) of subsection (2) and subsection (6) of section 20.121, Florida Statutes, are amended to read:

20.121 Department of Financial Services.—There is created a Department of Financial Services.

(2) DIVISIONS.—The Department of Financial Services shall consist of the following divisions and office:

(e) The Division of Investigative and Forensic Services, which shall function as a criminal justice agency for purposes of ss. 943.045-943.08. The division may initiate and conduct investigations into any matter under the jurisdiction of the Chief Financial Officer and Fire Marshal within or outside of this state as it deems necessary. If, during an investigation, the division has reason to believe that any criminal law of this state or the United States has or may have been violated, it shall refer any records tending to show such violation to state ~~or federal~~ law enforcement and, if applicable, federal ~~or~~ prosecutorial agencies and shall provide investigative assistance to those agencies as appropriate required. The division shall include the following bureaus and office:

1. The Bureau of Forensic Services;
2. The Bureau of Fire, Arson, and Explosives Investigations;
3. The Office of Fiscal Integrity, which shall have a separate budget;
4. The Bureau of Insurance Fraud; and
5. The Bureau of Workers' Compensation Fraud.

~~(6) STRATEGIC MARKETS RESEARCH AND ASSESSMENT UNIT. The Strategic Markets Research and Assessment Unit is established within the Department of Financial Services. The Chief Financial Officer or his or her designee shall report on September 1, 2008, and quarterly thereafter, to the Cabinet, the President of the Senate, and the Speaker of the House of Representatives on the status of the state's financial services markets. At a minimum, the report must include a summary of issues, trends, and threats that broadly impact the condition of the financial services industries, along with the effect of such conditions on financial institutions, the securities industries, other financial entities, and the credit market. The Chief Financial Officer shall also provide findings and recommendations regarding regulatory and policy changes to the Cabinet, the President of the Senate, and the Speaker of the House of Representatives.~~

Section 2. Subsections (2) and (4), paragraph (a) of subsection (8), and subsection (12) of section 112.215, Florida Statutes, are amended to read:

112.215 Government employees; deferred compensation program.—

(2) For the purposes of this section, the term “government employee” means any person employed, whether appointed, elected, or under contract, by providing services for the state or any governmental unit of the state, including, but not limited to,; any state agency; any or county, municipality, or other political subdivision of the state; any special district or water management district, as the terms are defined in s. 189.012 municipality; any state university or Florida College System institution, as the terms are defined in s. 1000.21(6) and (3), respectively board of trustees; or any constitutional county officer under s. 1(d), Art. VIII of the State Constitution for which compensation or statutory fees are paid.

(4)(a) The Chief Financial Officer, with the approval of the State Board of Administration, shall establish a state such plan or plans of deferred compensation for government state employees and may include persons employed by a state university as defined in s. 1000.21, a special district as defined in s. 189.012, or a water management district as defined in s. 189.012, including all such investment vehicles or products incident thereto, as may be available through, or offered by, qualified companies or persons, and may approve one or more such plans for implementation by and on behalf of the state and its agencies and employees.

(b) If the Chief Financial Officer deems it advisable, he or she shall have the power, with the approval of the State Board of Administration, to create a trust or other special funds for the segregation of funds or assets resulting from compensation deferred at the request of government employees participating in of the state plan ~~or its agencies and~~ for the administration of such program.

(c) The Chief Financial Officer, with the approval of the State Board of Administration, may delegate responsibility for administration of the state plan to a person the Chief Financial Officer determines to be qualified, compensate such person, and, directly or through such person or pursuant to a collective bargaining agreement, contract with a private corporation or institution to provide such services as may be part of any such plan or as may be deemed necessary or proper by the Chief Financial Officer or such person, including, but not limited to, providing consolidated billing, individual and collective recordkeeping and accountings, asset purchase, control, and safekeeping, and direct disbursement of funds to employees or other beneficiaries. The Chief Financial Officer may authorize a person, private corporation, or institution to make direct disbursement of funds under the state plan to an employee or other beneficiary.

(d) In accordance with such approved state plan, and upon contract or agreement with an eligible government employee, deferrals of compensation may be accomplished by payroll deductions made by the appropriate officer or officers of the state, with such funds being thereafter held and administered in accordance with the plan.

(e) The administrative costs of the deferred compensation plan must be wholly or partially self-funded. Fees for such self-funding of the state plan shall be paid by investment providers and may be recouped from their respective plan participants. Such fees shall be deposited in the Deferred Compensation Trust Fund.

(8)(a) There is created a Deferred Compensation Advisory Council composed of eight ~~seven~~ members.

1. One member shall be appointed by the Speaker of the House of Representatives and the President of the Senate jointly and shall be an employee of the legislative branch.

2. One member shall be appointed by the Chief Justice of the Supreme Court and shall be an employee of the judicial branch.

3. One member shall be appointed by the chair of the Public Employees Relations Commission and shall be a nonexempt public employee.

4. The remaining five ~~four~~ members shall be employed by the executive branch and shall be appointed as follows:

a. One member shall be appointed by the Chancellor of the State University System and shall be an employee of the university system.

b. One member shall be appointed by the Chief Financial Officer and shall be an employee of the Chief Financial Officer.

c. One member shall be appointed by the Governor and shall be an employee of the executive branch.

d. One member shall be appointed by the Executive Director of the State Board of Administration and shall be an employee of the State Board of Administration.

e. One member shall be appointed by the Chancellor of the Florida College System and shall be an employee of the Florida College System.

(12) The Chief Financial Officer may adopt any rule necessary to administer and implement this act with respect to ~~the state deferred compensation plan or plans for state employees and persons employed by a state university as defined in s. 1000.21, a special district as defined in s. 189.012, or a water management district as defined in s. 189.012.~~

Section 3. Section 215.55952, Florida Statutes, is amended to read:

215.55952 ~~Triennial Annual~~ report on economic impact of a 1-in-100-year hurricane.—The Chief Financial Officer shall provide a report on the economic impact on the state of a 1-in-100-year hurricane to the Governor, the President of the Senate, and the Speaker of the House of Representatives by March 1, 2025, and of each triennial year thereafter. The report shall include an estimate of the short-term and long-term fiscal impacts of such a storm on Citizens Property Insurance Corporation, the Florida Hurricane Catastrophe Fund, the private insurance and reinsurance markets, the state economy, and the state debt. The report shall also include an analysis of the average premium increase to fund a 1-in-100-year hurricane event and list the average cost, in both a percentage and dollar amount, impact to consumers on a county-level basis. The report may also include recommendations by the Chief Financial Officer for preparing for such a hurricane and reducing the economic impact of such a hurricane on the state. In preparing the analysis, the Chief Financial Officer shall coordinate with and obtain data from the Office of Insurance Regulation, Citizens Property Insurance Corporation, the Florida Hurricane Catastrophe Fund, the Florida Commission on Hurricane Loss Projection Methodology, the State Board of Administration, the Office of Economic and Demographic Research, and other state agencies.

Section 4. Subsection (1) of section 274.01, Florida Statutes, is amended to read:

274.01 Definitions.—The following words as used in this act have the meanings set forth in the below subsections, unless a different meaning is required by the context:

(1) “Governmental unit” means the governing board, commission, or authority of a county, a county agency, a municipality, a special district as

defined in s. 189.012 or taxing district of the state, or the sheriff of the county.

Section 5. Present subsections (15) and (16) of section 440.13, Florida Statutes, are redesignated as subsections (14) and (15), respectively, and paragraph (c) of subsection (9), subsection (12), and present subsection (14) of that section are amended, to read:

440.13 Medical services and supplies; penalty for violations; limitations.

(9) EXPERT MEDICAL ADVISORS.—

(c) If there is disagreement in the opinions of the health care providers, if two health care providers disagree on medical evidence supporting the employee’s complaints or the need for additional medical treatment, or if two health care providers disagree that the employee is able to return to work, the department may, and the judge of compensation claims ~~may shall~~, upon his or her own motion or within 15 days after receipt of a written request by either the injured employee, the employer, or the carrier, order the injured employee to be evaluated by an expert medical advisor. The injured employee and the employer or carrier may agree on the health care provider to serve as an expert medical advisor. If the parties do not agree, the judge of compensation claims shall select an expert medical advisor from the department’s list of certified expert medical advisors. If a certified medical advisor within the relevant medical specialty is unavailable, the judge of compensation claims shall appoint any otherwise qualified health care provider to serve as an expert medical advisor without obtaining the department’s certification. The opinion of the expert medical advisor is presumed to be correct unless there is clear and convincing evidence to the contrary as determined by the judge of compensation claims. The expert medical advisor appointed to conduct the evaluation shall have free and complete access to the medical records of the employee. An employee who fails to report to and cooperate with such evaluation forfeits entitlement to compensation during the period of failure to report or cooperate.

(12) CREATION OF THREE-MEMBER PANEL; GUIDES OF MAXIMUM REIMBURSEMENT ALLOWANCES.—

(a) A three-member panel is created, consisting of the Chief Financial Officer, or the Chief Financial Officer’s designee, and two members to be appointed by the Governor, subject to confirmation by the Senate, one member who, on account of present or previous vocation, employment, or affiliation, shall be classified as a representative of employers, the other member who, on account of previous vocation, employment, or affiliation, shall be classified as a representative of employees. The panel shall determine statewide schedules of maximum reimbursement allowances for medically necessary treatment, care, and attendance provided by ~~physicians, hospitals and, ambulatory surgical centers, work-hardening programs, pain programs, and durable medical equipment.~~ The maximum reimbursement allowances for inpatient hospital care shall be based on a

schedule of per diem rates, to be approved by the three-member panel no later than March 1, 1994, to be used in conjunction with a precertification manual as determined by the department, including maximum hours in which an outpatient may remain in observation status, which shall not exceed 23 hours. All compensable charges for hospital outpatient care shall be reimbursed at 75 percent of usual and customary charges, except as otherwise provided by this subsection. Annually, the three-member panel shall adopt schedules of maximum reimbursement allowances for ~~physicians, hospital inpatient care, hospital outpatient care, and ambulatory surgical centers, work-hardening programs, and pain programs.~~ A ~~An individual physician, hospital or an, ambulatory surgical center, pain program, or work-hardening program~~ shall be reimbursed either the agreed-upon contract price or the maximum reimbursement allowance in the appropriate schedule.

~~(b) It is the intent of the Legislature to increase the schedule of maximum reimbursement allowances for selected physicians effective January 1, 2004, and to pay for the increases through reductions in payments to hospitals. Revisions developed pursuant to this subsection are limited to the following:~~

~~1. Payments for outpatient physical, occupational, and speech therapy provided by hospitals shall be reduced to the schedule of maximum reimbursement allowances for these services which applies to nonhospital providers.~~

~~(c)2. Payments for scheduled outpatient nonemergency radiological and clinical laboratory services that are not provided in conjunction with a surgical procedure shall be reduced to the schedule of maximum reimbursement allowances for these services which applies to nonhospital providers.~~

~~(d)3. Outpatient reimbursement for scheduled surgeries shall be reduced from 75 percent of charges to 60 percent of charges.~~

~~(e)1. By July 1 of each year, the department shall notify carriers and self-insurers of the physician and nonhospital services schedule of maximum reimbursement allowances. The notice must include publication of this schedule of maximum reimbursement allowances on the division's website. This schedule is not subject to approval by the three-member panel and does not include reimbursement for prescription medication.~~

~~2. Subparagraph 1. shall take effect January 1, following the July 1, 2024, notice of the physician and nonhospital services schedule of maximum reimbursement allowances that the department provides to carriers and self-insurers.~~

~~(f)4. Maximum reimbursement for a physician licensed under chapter 458 or chapter 459 shall be increased to 110 percent of the reimbursement allowed by Medicare, using appropriate codes and modifiers or the medical~~

reimbursement level adopted by the three-member panel as of January 1, 2003, whichever is greater.

~~(g)5-~~ Maximum reimbursement for surgical procedures shall be ~~in-~~creased to 140 percent of the reimbursement allowed by Medicare or the medical reimbursement level adopted by the three-member panel as of January 1, 2003, whichever is greater.

~~(h)(e)~~ As to reimbursement for a prescription medication, the reimbursement amount for a prescription shall be the average wholesale price plus \$4.18 for the dispensing fee. For repackaged or relabeled prescription medications dispensed by a dispensing practitioner as provided in s. 465.0276, the fee schedule for reimbursement shall be 112.5 percent of the average wholesale price, plus \$8.00 for the dispensing fee. For purposes of this subsection, the average wholesale price shall be calculated by multiplying the number of units dispensed times the per-unit average wholesale price set by the original manufacturer of the underlying drug dispensed by the practitioner, based upon the published manufacturer's average wholesale price published in the Medi-Span Master Drug Database as of the date of dispensing. All pharmaceutical claims submitted for repackaged or relabeled prescription medications must include the National Drug Code of the original manufacturer. Fees for pharmaceuticals and pharmaceutical services shall be reimbursable at the applicable fee schedule amount except where the employer or carrier, or a service company, third party administrator, or any entity acting on behalf of the employer or carrier directly contracts with the provider seeking reimbursement for a lower amount.

~~(i)(d)~~ Reimbursement for all fees and other charges for such treatment, care, and attendance, including treatment, care, and attendance provided by any hospital or other health care provider, ambulatory surgical center, work-hardening program, or pain program, must not exceed the amounts provided by the uniform schedule of maximum reimbursement allowances as determined by the panel or as otherwise provided in this section. This subsection also applies to independent medical examinations performed by health care providers under this chapter. In determining the uniform schedule, the panel shall first approve the data which it finds representative of prevailing charges in the state for similar treatment, care, and attendance of injured persons. Each health care provider, health care facility, ambulatory surgical center, work-hardening program, or pain program receiving workers' compensation payments shall maintain records verifying their usual charges. In establishing the uniform schedule of maximum reimbursement allowances, the panel must consider:

1. The levels of reimbursement for similar treatment, care, and attendance made by other health care programs or third-party providers;
2. The impact upon cost to employers for providing a level of reimbursement for treatment, care, and attendance which will ensure the availability of treatment, care, and attendance required by injured workers; and

3. The financial impact of the reimbursement allowances upon health care providers and health care facilities, including trauma centers as defined in s. 395.4001, and its effect upon their ability to make available to injured workers such medically necessary remedial treatment, care, and attendance. The uniform schedule of maximum reimbursement allowances must be reasonable, must promote health care cost containment and efficiency with respect to the workers' compensation health care delivery system, and must be sufficient to ensure availability of such medically necessary remedial treatment, care, and attendance to injured workers; and

~~4. The most recent average maximum allowable rate of increase for hospitals determined by the Health Care Board under chapter 408.~~

(j)(e) In addition to establishing the uniform schedule of maximum reimbursement allowances, the panel shall:

1. Take testimony, receive records, and collect data to evaluate the adequacy of the workers' compensation fee schedule, nationally recognized fee schedules and alternative methods of reimbursement to health care providers and health care facilities for inpatient and outpatient treatment and care.

2. Survey health care providers and health care facilities to determine the availability and accessibility of workers' compensation health care delivery systems for injured workers.

3. Survey carriers to determine the estimated impact on carrier costs and workers' compensation premium rates by implementing changes to the carrier reimbursement schedule or implementing alternative reimbursement methods.

4. Submit recommendations on or before January 15, 2017, and biennially thereafter, to the President of the Senate and the Speaker of the House of Representatives on methods to improve the workers' compensation health care delivery system.

The department, as requested, shall provide data to the panel, including, but not limited to, utilization trends in the workers' compensation health care delivery system. The department shall provide the panel with an annual report regarding the resolution of medical reimbursement disputes and any actions pursuant to subsection (8). The department shall provide administrative support and service to the panel to the extent requested by the panel. For prescription medication purchased under the requirements of this subsection, a dispensing practitioner shall not possess such medication unless payment has been made by the practitioner, the practitioner's professional practice, or the practitioner's practice management company or employer to the supplying manufacturer, wholesaler, distributor, or drug repackager within 60 days of the dispensing practitioner taking possession of that medication.

~~(14) PRACTICE PARAMETERS.—The practice parameters and protocols mandated under this chapter shall be the practice parameters and protocols adopted by the United States Agency for Healthcare Research and Quality in effect on January 1, 2003.~~

Section 6. Effective January 1, 2024, subsection (2) of section 440.385, Florida Statutes, is amended to read:

440.385 Florida Self-Insurers Guaranty Association, Incorporated.—

(2) BOARD OF DIRECTORS.—The board of directors of the association shall consist of nine persons and shall be organized as established in the plan of operation. ~~Each director must~~ All board members shall be experienced in self-insurance in this state. Each director shall serve for a 4-year term and may be reappointed. ~~Appointments After July January 1, 2023 2002, shall be made by the department shall approve and appoint directors upon recommendation of members of the association or shall approve and appoint other persons with experience in self-insurance as determined by the Chief Financial Officer. These appointments are deemed to be within the scope of the exemption provided in s. 112.313(7)(b).~~ Any vacancy on the board shall be filled for the remaining period of the term in the same manner as appointments other than initial appointments are made. Each director shall be reimbursed for expenses incurred in carrying out the duties of the board on behalf of the association.

~~(a) The Chief Financial Officer may remove a director from office for misconduct, malfeasance, misfeasance, or neglect of duty. Any vacancy so created shall be filled as provided in this subsection.~~

~~(b) Directors are subject to the code of ethics under part III of chapter 112, including, but not limited to, the code of ethics and public disclosure and reporting of financial interests, pursuant to s. 112.3145. For purposes of applying part III of chapter 112 to activities of members of the board of directors, those persons are considered public officers and the association is considered their agency. Notwithstanding s. 112.3143(2), a director may not vote on any measure that he or she knows would inure to his or her special private gain or loss; that he or she knows would inure to the special private gain or loss of any principal by which he or she is retained, other than an agency as defined in s. 112.312; or that he or she knows would inure to the special private gain or loss of a relative or business associate of the public officer. Before the vote is taken, such director shall publicly state to the board the nature of his or her interest in the matter from which he or she is abstaining from voting and, within 15 days after the vote occurs, disclose the nature of his or her interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes.~~

~~(c) Notwithstanding s. 112.3148, s. 112.3149, or any other law, an employee of the association or a director may not knowingly accept, directly or indirectly, any gift or expenditure from a person or an entity, or an~~

employee or a representative of such person or entity, which has a contractual relationship with the association or which is under consideration for a contract.

(d) A director who fails to comply with paragraph (b) or paragraph (c) is subject to the penalties provided under ss. 112.317 and 112.3173.

Section 7. Present subsections (62) through (78) of section 497.005, Florida Statutes, are redesignated as subsections (63) through (79), respectively, and a new subsection (62) is added to that section, to read:

497.005 Definitions.—As used in this chapter, the term:

(9) “Burial service” or “service” means any service offered or provided in connection with the final disposition, memorialization, interment, entombment, or inurnment of human remains or cremated remains. Such service is required to be offered or provided by an individual or entity licensed under this chapter.

(61) “Preneed ~~contract~~” means any arrangement or method, of which the provider of funeral merchandise or services has actual knowledge, whereby any person agrees to furnish funeral merchandise or service in the future.

(62) “Preneed contract” means any arrangement or method for which the provider of funeral merchandise or services receives any payment in advance for funeral or burial merchandise and services after the death of the contract beneficiary. The term excludes a transportation protection agreement and any payments received on a transportation protection agreement. As used in this subsection, the term “transportation protection agreement” means an agreement that exclusively provides or arranges for services related to the preparation for the purpose of transportation and subsequent transportation of human remains or cremated remains. The Florida Insurance Code, as defined in s. 624.01, does not apply to any transportation protection agreement sold by any licensee under this chapter.

Section 8. Subsection (1) of section 624.1265, Florida Statutes, is amended to read:

624.1265 Nonprofit religious organization exemption; authority; notice.

(1) A nonprofit religious organization is not subject to the requirements of the Florida Insurance Code if the nonprofit religious organization:

(a) Qualifies under Title 26, s. 501 of the Internal Revenue Code of 1986, as amended;

(b) Limits its participants to those members who share a common set of ethical or religious beliefs;

(c) Acts as a facilitator among participants who have financial, physical, or medical needs to assist those with financial, physical, or medical needs in accordance with criteria established by the nonprofit religious organization;

(d) Provides for the financial or medical needs of a participant through contributions from other participants, or through payments directly from one participant to another participant;

(e) Provides amounts that participants may contribute, with no assumption of risk and no promise to pay:

- 1. Among the participants; or
- 2. By the nonprofit religious organization to the participants;

(f) Provides a monthly accounting to the participants of the total dollar amount of qualified needs actually shared in the previous month in accordance with criteria established by the nonprofit religious organization; **and**

(g) Conducts an annual audit that is performed by an independent certified public accounting firm in accordance with generally accepted accounting principles and that is made available to the public by providing a copy upon request or by posting on the nonprofit religious organization’s website; and

(h) Does not market or sell health plans through agents licensed by the department under chapter 626.

Section 9. Subsection (25) of section 624.501, Florida Statutes, is amended to read:

624.501 Filing, license, appointment, and miscellaneous fees.—The department, commission, or office, as appropriate, shall collect in advance, and persons so served shall pay to it in advance, fees, licenses, and miscellaneous charges as follows:

- (25) Reinsurance intermediary:
 - ~~(a) Application filing and license fee.....~~ \$50.00
 - ~~(b) Original appointment and biennial renewal or continuation thereof, appointment fee.....~~ \$60.00

Section 10. Subsection (5) of section 626.015, Florida Statutes, is amended to read:

626.015 Definitions.—As used in this part:

(5) “Association” includes the Florida Association of Insurance Agents (FAIA), the National Association of Insurance and Financial Advisors (NAIFA), the National Association of Benefits and Insurance Professionals

~~Florida Chapter (NABIP Florida) Florida Association of Health Underwriters (FAHU), the Latin American Association of Insurance Agencies (LAAIA), the Florida Association of Public Insurance Adjusters (FAPIA), the Florida Bail Agents Association (FBAA), or the Professional Bail Agents of the United States (PBUS).~~

Section 11. Subsection (4) of section 626.171, Florida Statutes, is amended to read:

626.171 Application for license as an agent, customer representative, adjuster, service representative, or reinsurance intermediary.—

(4) An applicant for a license issued by the department under this chapter must submit a set of the individual applicant's fingerprints, or, if the applicant is not an individual, a set of the fingerprints of the sole proprietor, majority owner, partners, officers, and directors, to the department and must pay the fingerprint processing fee set forth in s. 624.501. Fingerprints must be processed in accordance with s. 624.34 and used to investigate the applicant's qualifications pursuant to s. 626.201. The fingerprints must be taken by a law enforcement agency, ~~designated examination center~~, or other department-approved entity. ~~The department shall require all designated examination centers to have fingerprinting equipment and to take fingerprints from any applicant or prospective applicant who pays the applicable fee.~~ The department may not approve an application for licensure as an agent, customer service representative, adjuster, service representative, or reinsurance intermediary if fingerprints have not been submitted.

Section 12. Paragraph (c) of subsection (1) of section 626.173, Florida Statutes, is amended to read:

626.173 Insurance agency closure; cancellation of licenses.—

(1) If a licensed insurance agency permanently ceases the transacting of insurance or ceases the transacting of insurance for more than 30 days, the agent in charge, the director of the agency, or other officer listed on the original application for licensure must, within 35 days after the agency first ceases the transacting of insurance, do all of the following:

(c) Notify all policyholders currently insured by a policy written, produced, or serviced by the agency of the agency's cessation of operations; the date on which operations ceased; and the identity of the agency or agent to which the agency's current book of business has been transferred or, if no transfer has occurred, a statement directing the policyholder to contact the insurance company for assistance in locating a licensed agent to service the policy. This paragraph does not apply to title insurance, life insurance, or annuity contracts.

Section 13. Subsection (8) of section 626.207, Florida Statutes, is amended to read:

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

(8) The department shall adopt rules establishing specific penalties against licensees in accordance with ss. 626.641 and 626.651 for violations of s. 626.112(7) or (9), s. 626.611, s. 626.6115, s. 626.621, s. 626.6215, s. 626.7451, s. 626.8437, s. 626.844, s. 626.8695, s. 626.8697, s. 626.8698, s. 626.935, s. 634.181, s. 634.191, s. 634.320, s. 634.321, s. 634.422, s. 634.423, s. 642.041, or s. 642.043. The purpose of the revocation or suspension is to provide a sufficient penalty to deter future violations of the Florida Insurance Code. The imposition of a revocation or the length of suspension shall be based on the type of conduct and the probability that the propensity to commit further illegal conduct has been overcome at the time of eligibility for relicensure. The length of suspension may be adjusted based on aggravating or mitigating factors, established by rule and consistent with this purpose.

Section 14. Paragraph (j) of subsection (2) of section 626.221, Florida Statutes, is amended to read:

626.221 Examination requirement; exemptions.—

(2) However, an examination is not necessary for any of the following:

(j) An applicant for license as an all-lines adjuster who has the designation of Accredited Claims Adjuster (ACA) from a regionally accredited postsecondary institution in this state; Certified All Lines Adjuster (CALA) from Kaplan Financial Education; Associate in Claims (AIC) from the Insurance Institute of America; Professional Claims Adjuster (PCA) from the Professional Career Institute; Professional Property Insurance Adjuster (PPIA) from the HurriClaim Training Academy; Certified Adjuster (CA) from ALL LINES Training; Certified Claims Adjuster (CCA) from AE21 Incorporated; Claims Adjuster Certified Professional (CACP) from WebCE, Inc.; Accredited Insurance Claims Specialist (AICS) from Encore Claim Services; Professional in Claims (PIC) from 2021 Training, LLC; or Universal Claims Certification (UCC) from Claims and Litigation Management Alliance (CLM) whose curriculum has been approved by the department and which includes comprehensive analysis of basic property and casualty lines of insurance and testing at least equal to that of standard department testing for the all-lines adjuster license. The department shall adopt rules establishing standards for the approval of curriculum.

Section 15. Paragraphs (c) and (f) of subsection (3) of section 626.2815, Florida Statutes, are amended to read:

626.2815 Continuing education requirements.—

(3) Each licensee except a title insurance agent must complete a 4-hour update course every 2 years which is specific to the license held by the licensee. The course must be developed and offered by providers and

approved by the department. The content of the course must address all lines of insurance for which examination and licensure are required and include the following subject areas: insurance law updates, ethics for insurance professionals, disciplinary trends and case studies, industry trends, premium discounts, determining suitability of products and services, and other similar insurance-related topics the department determines are relevant to legally and ethically carrying out the responsibilities of the license granted. A licensee who holds multiple insurance licenses must complete an update course that is specific to at least one of the licenses held. Except as otherwise specified, any remaining required hours of continuing education are elective and may consist of any continuing education course approved by the department under this section.

(c) A licensee who has been licensed for 25 years or more and is a CLU or a CPCU or has a Bachelor of Science degree or higher in risk management or insurance with evidence of 18 or more semester hours in insurance-related courses must also complete a minimum of 6 hours of elective continuing education courses every 2 years.

(f) Elective continuing education courses for public adjusters ~~may must~~ be any course related to commercial and residential property coverages, claim adjusting practices, and any other adjuster elective courses specifically designed for public adjusters and approved by the department. Notwithstanding this subsection, public adjusters for workers' compensation insurance or health insurance are not required to take continuing education courses pursuant to this section.

Section 16. Paragraphs (a), (b), and (e) of subsection (1) of section 626.321, Florida Statutes, are amended, and paragraph (i) is added to that subsection, to read:

626.321 Limited licenses and registration.—

(1) The department shall issue to a qualified applicant a license as agent authorized to transact a limited class of business in any of the following categories of limited lines insurance:

(a) Motor vehicle physical damage and mechanical breakdown insurance.—License covering insurance against only the loss of or damage to a motor vehicle that is designed for use upon a highway, including trailers and semitrailers designed for use with such vehicles. Such license also covers insurance against the failure of an original or replacement part to perform any function for which it was designed. ~~A licensee under this paragraph may not hold a license as an agent for any other or additional kind or class of insurance coverage except a limited license for credit insurance as provided in paragraph (e).~~ Effective October 1, 2012, all licensees holding such limited license and appointment may renew the license and appointment, but no new or additional licenses may be issued pursuant to this paragraph, and a licensee whose limited license under this paragraph has been terminated, suspended, or revoked may not have such license reinstated.

(b) Industrial fire insurance or burglary insurance.—License covering only industrial fire insurance or burglary insurance. A licensee under this paragraph may not hold a license as an agent for any other or additional kind or class of insurance coverage except for life insurance and health insurance. Effective July 1, 2019, all licensees holding such limited license and appointment may renew the license and appointment, but no new or additional licenses may be issued pursuant to this paragraph, and a licensee whose limited license under this paragraph has been terminated, suspended, or revoked may not have such license reinstated.

(e) Credit insurance.—License covering credit life, credit disability, credit property, credit unemployment, involuntary unemployment, mortgage life, mortgage guaranty, mortgage disability, guaranteed automobile protection (GAP) insurance, and any other form of insurance offered in connection with an extension of credit which is limited to partially or wholly extinguishing a credit obligation that the department determines should be designated a form of limited line credit insurance. Effective October 1, 2012, all valid licenses held by persons for any of the lines of insurance listed in this paragraph shall be converted to a credit insurance license. Licensees who wish to obtain a new license reflecting such change must request a duplicate license and pay a \$5 fee as specified in s. 624.501(15). The license may be issued only to an individual employed by a life or health insurer as an officer or other salaried or commissioned representative, to an individual employed by or associated with a lending or financial institution or creditor, or to a lending or financial institution or creditor, and may authorize the sale of such insurance only with respect to borrowers or debtors of such lending or financing institution or creditor. However, only the individual or entity whose tax identification number is used in receiving or is credited with receiving the commission from the sale of such insurance shall be the licensed agent of the insurer. ~~No individual while so licensed shall hold a license as an agent as to any other or additional kind or class of life or health insurance coverage.~~

(i) Preneed funeral agreement insurance.—Limited license for insurance covering only prearranged funeral, cremation, or cemetery agreements, or any combination thereof, funded by insurance and offered in connection with an establishment that holds a preneed license pursuant to s. 497.452. Such license may be issued without examination only to an individual who has filed with the department an application for a license in a form and manner prescribed by the department, who currently holds a valid preneed sales agent license pursuant to s. 497.466, who paid the applicable fees for a license as prescribed in s. 624.501, who has been appointed under s. 626.112, and who paid the prescribed appointment fee under s. 624.501.

Section 17. Paragraph (n) of subsection (1) of section 626.611, Florida Statutes, is amended to read:

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

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

(n) Having been found guilty of or having pleaded guilty or nolo contendere to a misdemeanor directly related to the financial services business, any felony, or any a crime punishable by imprisonment of 1 year or more under the law of the United States of America or of any state thereof or under the law of any other country, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of such cases.

Section 18. Subsection (18) is added to section 626.621, Florida Statutes, to read:

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

(18) Cancellation of the applicant's, licensee's, or appointee's resident license in a state other than Florida.

Section 19. Contingent upon SB 418 or similar legislation in the 2023 Regular Session or an extension thereof becoming a law, section 626.7315, Florida Statutes, is amended to read:

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

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

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

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

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

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

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

However, a livery operator may offer renters the ability to obtain coverage to satisfy the requirements of s. 327.54(7)(b)2. without a license or appointment. However, the livery operator may not advise or inform the prospective renter of specific coverage provisions, exclusions, or limitations, and the signed acknowledgement must identify the licensed insurer or agent that transacted the livery's insurance policy. If such coverage is offered for a price, all compensation received for such coverage must be remitted by the livery to the insurer or agent that transacted the livery's insurance policy.

Section 20. Paragraphs (d) and (g) of subsection (2) and paragraphs (a), (b), and (e) through (j) of subsection (3) of section 626.7492, Florida Statutes, are amended to read:

626.7492 Reinsurance intermediaries.—

(2) DEFINITIONS.—As used in this section:

(d) “Producer” means a licensed an agent, broker, or insurance agency that is appointed as a reinsurance intermediary licensed pursuant to the applicable provision of the Florida Insurance Code.

(g) “Reinsurance intermediary manager” means any person who has authority to bind, or manages all or part of, the assumed reinsurance business of a reinsurer, including the management of a separate division, department, or underwriting office, and acts as a representative an agent for the reinsurer whether known as a reinsurance intermediary manager, manager, or other similar term. Notwithstanding the above, none of the following persons is a reinsurance intermediary manager with respect to the reinsurer for the purposes of this section:

1. An employee of the reinsurer;
2. A manager of the United States branch of an alien reinsurer;
3. An underwriting manager which, pursuant to contract, manages all the reinsurance operations of the reinsurer, is under common control with the reinsurer, subject to the holding company act, and whose compensation is not based on the volume of premiums written.
4. The manager of a group, association, pool, or organization of insurers which engage in joint underwriting or joint reinsurance and who are subject to examination by the insurance regulatory authority of the state in which the manager’s principal business office is located.

(3) LICENSURE.—

(a) No person shall act as a reinsurance intermediary broker in this state if the reinsurance intermediary broker maintains an office either directly or as a member or employee of a firm or association, or an officer, director, or employee of a corporation:

1. In this state, unless the reinsurance intermediary broker is a licensed producer in this state; or
2. In another state, unless the reinsurance intermediary broker is a licensed producer in this state or in another state having a law substantially similar to this section or the reinsurance intermediary broker is licensed in this state as an insurance agency and appointed as a ~~nonresident~~ reinsurance intermediary.

(b) No person shall act as a reinsurance intermediary manager:

1. For a reinsurer domiciled in this state, unless the reinsurance intermediary manager is a licensed producer in this state;
2. In this state, if the reinsurance intermediary manager maintains an office either directly or as a member or employee of a firm or association, or an officer, director, or employee of a corporation in this state, unless the reinsurance intermediary manager is a licensed producer in this state;
3. In another state for a nondomestic insurer, unless the reinsurance intermediary manager is a licensed producer in this state or another state

having a law substantially similar to this section, or the person is licensed in this state as a producer ~~nonresident reinsurance intermediary~~.

(e) If the applicant for a reinsurance intermediary appointment license is a nonresident, the applicant, as a condition precedent to receiving or holding an appointment ~~a license~~, must designate the Chief Financial Officer as agent for service of process in the manner, and with the same legal effect, provided for by this section for designation of service of process upon unauthorized insurers. Such applicant shall also furnish the department with the name and address of a resident of this state upon whom notices or orders of the department or process affecting the nonresident reinsurance intermediary may be served. The licensee shall promptly notify the department in writing of each change in its designated agent for service of process, and the change shall not become effective until acknowledged by the department.

~~(f) The department may refuse to issue a reinsurance intermediary license if, in its judgment, the applicant, anyone named on the application, or any member, principal, officer, or director of the applicant, has demonstrated a lack of fitness and trustworthiness, or that any controlling person of the applicant is not fit or trustworthy to act as a reinsurance intermediary, or that any of the foregoing has given cause for revocation or suspension of the license, or has failed to comply with any prerequisite for the issuance of the license.~~

~~(g) Reinsurance intermediaries shall be licensed, appointed, renewed, continued, reinstated, or terminated as prescribed in this chapter for insurance representatives in general, except that they shall be exempt from the photo, education, and examination provisions. License, Appointment, and other fees shall be those prescribed in s. 624.501.~~

~~(g)(h) The grounds and procedures for refusal of an a license or appointment or suspension or revocation of a license or appointment issued to a reinsurance intermediary under this section are as set forth in ss. 626.611-626.691 for insurance representatives in general.~~

~~(h)(i) An attorney licensed in this state, when acting in a professional capacity, is exempt from this subsection.~~

~~(i)(j) The department may develop necessary rules to carry out this section.~~

Section 21. Subsection (5) of section 626.752, Florida Statutes, is amended to read:

626.752 Exchange of business.—

(5) Within 15 days after the last day of each month, any insurer accepting business under this section shall report to the department the name, address, telephone number, and social security number of each agent from which the insurer received more than four personal lines risks during

the calendar year, except for risks being removed from the Citizens Property Insurance Corporation and placed with that insurer by a brokering agent. Once the insurer has reported pursuant to this subsection an agent's name to the department, additional reports on the same agent shall not be required. However, the fee set forth in s. 624.501 must be paid for the agent by the insurer for each year until the insurer notifies the department that the insurer is no longer accepting business from the agent pursuant to this section. The insurer may require that the agent reimburse the insurer for the fee. If the insurer or employer does not pay the fees and taxes due under this subsection within 21 days after notice by the department, the department must suspend the insurer's or employer's authority to appoint licensees until all outstanding fees and taxes have been paid.

Section 22. Subsection (3) of section 626.785, Florida Statutes, is amended to read:

626.785 Qualifications for license.—

(3) Notwithstanding any other provisions of this chapter, a funeral director, a direct disposer, or an employee of a funeral establishment that holds a preneed license pursuant to s. 497.452 may obtain an agent's license or a limited license to sell only policies of life insurance covering the expense of a prearrangement for funeral services or merchandise so as to provide funds at the time the services and merchandise are needed. The face amount of insurance covered by any such policy shall not exceed \$21,000, plus an annual percentage increase based on the Annual Consumer Price Index compiled by the United States Department of Labor, beginning with the Annual Consumer Price Index announced by the United States Department of Labor for 2016.

Section 23. Subsection (4) of section 626.793, Florida Statutes, is amended to read:

626.793 Excess or rejected business.—

(4) Within 15 days after the last day of each month, any insurer accepting business under this section shall report to the department the name, address, telephone number, and social security number of each agent from which the insurer received more than four risks during the calendar year. Once the insurer has reported an agent's name to the department pursuant to this subsection, additional reports on the same agent shall not be required. However, the fee set forth in s. 624.501 must be paid for the agent by the insurer for each year until the insurer notifies the department that the insurer is no longer accepting business from the agent pursuant to this section. The insurer may require that the agent reimburse the insurer for the fee. If the insurer or employer does not pay the fees and taxes due under this subsection within 21 days after notice by the department, the department must suspend the insurer's or employer's authority to appoint licensees until all outstanding fees and taxes have been paid.

Section 24. Subsection (5) of section 626.837, Florida Statutes, is amended to read:

626.837 Excess or rejected business.—

(5) Within 15 days after the last day of each month, any insurer accepting business under this section shall report to the department the name, address, telephone number, and social security number of each agent from which the insurer received more than four risks during the calendar year. Once the insurer has reported pursuant to this subsection an agent’s name to the department, additional reports on the same agent shall not be required. However, the fee set forth in s. 624.501 must be paid for the agent by the insurer for each year until the insurer notifies the department that the insurer is no longer accepting business from the agent pursuant to this section. The insurer may require that the agent reimburse the insurer for the fee. If the insurer or employer does not pay the fees and taxes due under this subsection within 21 days after notice by the department, the department must suspend the insurer’s or employer’s authority to appoint licensees until all outstanding fees and taxes have been paid.

Section 25. Paragraph (e) is added to subsection (2) of section 626.8411, Florida Statutes, to read:

626.8411 Application of Florida Insurance Code provisions to title insurance agents or agencies.—

(2) The following provisions of part I do not apply to title insurance agents or title insurance agencies:

(e) Section 626.173(1)(c), relating to notifying policyholders of the agency closure.

Section 26. Present subsections (8) through (11) of section 626.8437, Florida Statutes, are redesignated as subsections (9) through (12), respectively, and a new subsection (8) and subsection (13) are added to that section, to read:

626.8437 Grounds for denial, suspension, revocation, or refusal to renew license or appointment.—The department shall deny, suspend, revoke, or refuse to renew or continue the license or appointment of any title insurance agent or agency, and it shall suspend or revoke the eligibility to hold a license or appointment of such person, if it finds that as to the applicant, licensee, appointee, or any principal thereof, any one or more of the following grounds exist:

(8) Misappropriation, conversion, or improper withholding of funds to which such person is not legally entitled and which are received in a fiduciary capacity and held as part of an escrow agreement or real estate sales contract, or as provided on a settlement statement in a real estate transaction.

(13) Revocation or cancellation of a licensee's resident license in a jurisdiction other than this state.

Section 27. Subsections (7) and (8) are added to section 626.844, Florida Statutes, to read:

626.844 Grounds for discretionary refusal, suspension, or revocation of license or appointment.—The department may, in its discretion, deny, suspend, revoke, or refuse to renew or continue the license or appointment of any title insurance agent or agency, and it may suspend or revoke the eligibility to hold a license or appointment of any such title insurance agent or agency if it finds that as to the applicant or licensee or appointee, or any principal thereof, any one or more of the following grounds exist under circumstances for which such denial, suspension, revocation, or refusal is not mandatory under s. 626.8437:

(7) Having been the subject of, or having had a license, permit, appointment, registration, or other authority to conduct business subject to, any decision, finding, injunction, suspension, prohibition, revocation, denial, judgment, final agency action, or administrative order by any court of competent jurisdiction, administrative law proceeding, state agency, federal agency, national securities, commodities, or option exchange, or national securities, commodities, or option association involving a violation of any federal or state securities or commodities law or any rule or regulation adopted thereunder, or a violation of any rule or regulation of any national securities, commodities, or options exchange or national securities, commodities, or options association.

(8) Revocation or cancellation of a licensee's resident license in a jurisdiction other than this state.

Section 28. Section 626.8473, Florida Statutes, is amended to read:

626.8473 Escrow; trust fund.—

(1) A title insurance agency agent may engage in business as an escrow agent as to funds received from others to be subsequently disbursed by the ~~title insurance agent~~ in connection with real estate closing transactions involving the issuance of title ~~insurance binders~~, commitments, policies of title insurance, or guarantees of title, provided that a licensed and appointed title insurance agency agent complies with the requirements of ~~s. 626.8419 s.~~ 626.8417, including such requirements added after the initial licensure of the agency agent.

(2) All funds received by a title insurance agency agent as described in subsection (1) shall be trust funds received in a fiduciary capacity by the title insurance agency agent and shall be the property of the person or persons entitled thereto.

(3) All funds received by a title insurance agency agent to be held in trust shall be immediately placed in a financial institution that is located within

this state and is a member of the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund. These funds shall be invested in an escrow account in accordance with the investment requirements and standards established for deposits and investments of state funds in s. 17.57, where the funds shall be kept until disbursement thereof is properly authorized.

(4) Funds required to be maintained in escrow trust accounts pursuant to this section shall not be subject to any debts of the title insurance agency agent and shall be used only in accordance with the terms of the individual, escrow, settlement, or closing instructions under which the funds were accepted.

(5) The title insurance agency agents shall maintain separate records of all receipts and disbursements of escrow, settlement, or closing funds.

(6) In the event that the department promulgates rules necessary to implement the requirements of this section pursuant to s. 624.308, the department shall consider reasonable standards necessary for the protection of funds held in trust, including, but not limited to, standards for accounting of funds, standards for receipt and disbursement of funds, and protection for the person or persons to whom the funds are to be disbursed.

(7) A title insurance agency agent, or any officer, director, or employee thereof, or any person associated therewith as an independent contractor for bookkeeping or similar purposes, who converts or misappropriates funds received or held in escrow or in trust by such title insurance agency agent, or any person who knowingly receives or conspires to receive such funds, commits:

(a) If the funds converted or misappropriated are \$300 or less, a misdemeanor of the first degree, punishable as provided in s. 775.082 or s. 775.083.

(b) If the funds converted or misappropriated are more than \$300, but less than \$20,000, a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(c) If the funds converted or misappropriated are \$20,000 or more, but less than \$100,000, a felony of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(d) If the funds converted or misappropriated are \$100,000 or more, a felony of the first degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(8) An attorney shall deposit and maintain all funds received in connection with transactions in which the attorney is serving as a title or real estate settlement agent into a separate trust account that is maintained exclusively for funds received in connection with such transactions and permit the account to be audited by its title insurers, unless maintaining

funds in the separate account for a particular client would violate applicable rules of The Florida Bar.

Section 29. Subsection (19) of section 626.854, Florida Statutes, is amended to read:

626.854 “Public adjuster” defined; prohibitions.—The Legislature finds that it is necessary for the protection of the public to regulate public insurance adjusters and to prevent the unauthorized practice of law.

(19) Except as otherwise provided in this chapter, no person, except an attorney at law or a licensed and appointed public adjuster, may for money, commission, or any other thing of value, directly or indirectly:

(a) Prepare, complete, or file an insurance claim for an insured or a third-party claimant;

(b) Act on behalf of or aid an insured or a third-party claimant in negotiating for or effecting the settlement of a claim for loss or damage covered by an insurance contract;

(c) Offer to initiate or negotiate a claim on behalf of an insured;

(d) Advertise services that require a license as a public adjuster; or

(e) Solicit, investigate, or adjust a claim on behalf of a public adjuster, an insured, or a third-party claimant.

Section 30. Section 626.874, Florida Statutes, is amended to read:

626.874 Catastrophe or emergency adjusters.—

(1) In the event of a catastrophe or emergency, the department may issue a license, for the purposes and under the conditions and for the period of emergency as it shall determine, to persons who are residents or non-residents of this state, who are at least 18 years of age, who are United States citizens or legal aliens who possess work authorization from the United States Bureau of Citizenship and Immigration Services, and who are not licensed adjusters under this part but who have been designated and certified to it as qualified to act as adjusters by an authorized insurer to adjust claims, losses, or damages under policies or contracts of insurance issued by such insurers, or by a licensed ~~the primary adjuster of an independent adjusting firm contracted with an authorized insurer to adjust claims on behalf of the insurer.~~ The fee for the license is as provided in s. 624.501(12)(c).

(2) If any person not a licensed adjuster who has been permitted to adjust such losses, claims, or damages under the conditions and circumstances set forth in subsection (1), engages in any of the misconduct described in or contemplated by chapter 626 ss. 626.611 and 626.621, the department, without notice and hearing, shall be authorized to issue its

order denying such person the privileges granted under this section; and thereafter it shall be unlawful for any such person to adjust any such losses, claims, or damages in this state.

Section 31. Subsection (2) of section 626.9892, Florida Statutes, is amended to read:

626.9892 Anti-Fraud Reward Program; reporting of insurance fraud.—

(2) The department may pay rewards of up to \$25,000 to persons providing information leading to the arrest and conviction of persons committing crimes investigated by the department arising from violations of s. 400.9935, s. 440.105, s. 624.15, s. 626.112, s. 626.8473, s. 626.8738, s. 626.9541, s. 626.989, s. 790.164, s. 790.165, s. 790.166, s. 806.01, s. 806.031, s. 806.10, s. 806.111, s. 812.014, s. 817.034, s. 817.233, or s. 817.234, s. 817.236, s. 817.2361, s. 817.505, s. 817.568, s. 831.01, s. 895.03, s. 895.04, or s. 896.101.

Section 32. Present subsections (7) through (12) of section 626.9957, Florida Statutes, are redesignated as subsections (8) through (13), respectively, and a new subsection (7) is added to that section, to read:

626.9957 Conduct prohibited; denial, revocation, termination, expiration, or suspension of registration.—

(7) If a navigator registered under this part fails to maintain an active, valid navigator’s registration status with the Federal Government or an exchange, the navigator’s registration issued under this part shall expire by operation of law. A navigator with an expired registration may not be granted subsequent registration until the navigator qualifies as a first-time applicant.

Section 33. Paragraph (c) of subsection (4) of section 627.351, Florida Statutes, is amended to read:

627.351 Insurance risk apportionment plans.—

(4) MEDICAL MALPRACTICE RISK APPORTIONMENT.—

(c) The Joint Underwriting Association shall operate subject to the supervision and approval of a board of governors consisting of representatives of five of the insurers participating in the Joint Underwriting Association, an attorney named by The Florida Bar, a physician named by the Florida Medical Association, a dentist named by the Florida Dental Association, and a hospital representative named by the Florida Hospital Association; or consisting of other persons approved and appointed by the Chief Financial Officer. The Chief Financial Officer shall select the representatives of the five insurers or shall approve and appoint other persons with experience in medical malpractice insurance as determined by the Chief Financial Officer. These appointments are deemed to be within the scope of the exemption provided in s. 112.313(7)(b). One insurer

representative shall be selected from recommendations of the American Insurance Association. One insurer representative shall be selected from recommendations of the Property Casualty Insurers Association of America. One insurer representative shall be selected from recommendations of the Florida Insurance Council. Two insurer representatives shall be selected to represent insurers that are not affiliated with these associations. Vacancies on the board shall be filled for the remaining period of the term in the same manner as the initial appointments. During the first meeting of the board after June 30 of each year, the board shall choose one of its members to serve as chair of the board and another member to serve as vice chair of the board. There is no liability on the part of, and no cause of action shall arise against, any member insurer, self-insurer, or its agents or employees, the Joint Underwriting Association or its agents or employees, members of the board of governors, or the office or its representatives for any action taken by them in the performance of their powers and duties under this subsection.

1. The Chief Financial Officer may remove a board member from office for misconduct, malfeasance, misfeasance, or neglect of duty. Any vacancy so created shall be filled as provided in this paragraph.

2. Board members are subject to the code of ethics under part III of chapter 112, including, but not limited to, the code of ethics and public disclosure and reporting of financial interests, pursuant to s. 112.3145. For purposes of applying part III of chapter 112 to activities of members of the board of governors, those persons are considered public officers and the Joint Underwriting Association is considered their agency. Notwithstanding s. 112.3143(2), a board member may not vote on any measure that he or she knows would inure to his or her special private gain or loss; that he or she knows would inure to the special private gain or loss of any principal by which he or she is retained, other than an agency as defined in s. 112.312; or that he or she knows would inure to the special private gain or loss of a relative or business associate of the public officer. Before the vote is taken, such board member shall publicly state to the board the nature of his or her interest in the matter from which he or she is abstaining from voting and, within 15 days after the vote occurs, disclose the nature of his or her interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes.

3. Notwithstanding s. 112.3148, s. 112.3149, or any other law, a board member may not knowingly accept, directly or indirectly, any gift or expenditure from a person or entity, or an employee or representative of such person or entity, which has a contractual relationship with the Joint Underwriting Association or which is under consideration for a contract.

4. A board member who fails to comply with subparagraph 2. or subparagraph 3. is subject to the penalties provided under ss. 112.317 and 112.3173.

Section 34. Section 33. Section 627.4215, Florida Statutes, is amended to read:

627.4215 Disclosures to policyholders; coverage of behavioral health care services.—

(1) A health insurer that offers behavioral health insurance coverages required by federal or state law shall make all of the following information available on its website:

(a) The federal and state requirements for coverage of behavioral health care services.

(b) Contact information for the Division of Consumer Services of the department, including a hyperlink, for consumers to submit inquiries or complaints relating to health insurer products or services regulated by the department or the office.

(2) On an annual basis, a health insurer that offers behavioral health insurance coverages required by federal or state law shall provide a direct notice to insureds with behavioral health insurance coverages required by federal or state law which must include a description of the federal and state requirements for coverage of behavioral health care services. Such notice must also include the website address and statewide toll-free telephone number of the Division of Consumer Services of the department for receiving and logging complaints.

Section 35. Subsections (2) and (3) of section 627.7015, Florida Statutes, are amended to read:

627.7015 Alternative procedure for resolution of disputed property insurance claims.—

(2) At the time of issuance and renewal of a policy or at the time a first-party claim within the scope of this section is filed by the policyholder, the insurer shall notify the policyholder of its right to participate in the mediation program under this section. A claim becomes eligible for mediation after the insurer complies with s. 627.70131(7) or elects to reinspect pursuant to s. 627.70152(4)(a)3. If the insurer has not complied with s. 627.70131(7) or elected to reinspect pursuant to s. 627.70152(4)(a)3, within 90 days after notice of the loss, the insurer may not require mediation under this section. This subsection does not impair the right of an insurance company to request mediation after a determination of coverage pursuant to this section or require appraisal or another method of alternative dispute resolution pursuant to s. 627.70152(4)(b). The department shall prepare a consumer information pamphlet for distribution to persons participating in mediation.

(3) The costs of mediation must be reasonable, and the insurer must bear all of the cost of conducting mediation conferences, except as otherwise provided in this section. If a policyholder fails to appear at the conference,

the conference must be rescheduled upon the policyholder's payment of the costs of a rescheduled conference. If the insurer fails to appear at the conference, the insurer must pay the policyholder's actual cash expenses incurred in attending the conference if the insurer's failure to attend was not due to a good cause acceptable to the department. An insurer will be deemed to have failed to appear if the insurer's representative lacks authority to settle the full value of the claim. The insurer shall incur an additional fee for a rescheduled conference necessitated by the insurer's failure to appear at a scheduled conference. The fees assessed by the department administrator must include a charge necessary to defray the expenses of the department related to its duties under this section and must be deposited in the Insurance Regulatory Trust Fund. The department may suspend the insurer's authority to appoint licensees if the insurer does not timely pay the required fees.

Section 36. Subsection (18) is added to section 627.7074, Florida Statutes, to read:

627.7074 Alternative procedure for resolution of disputed sinkhole insurance claims.—

(18) The department may designate, by means of a written contract or agreement, an entity or a person to serve as administrator to carry out any of the provisions of this section.

Section 37. Section 627.745, Florida Statutes, is amended to read:

627.745 Mediation of claims.—

(1)(a) In any claim filed with an insurer for personal injury in an amount of \$10,000 or less or any claim for property damage in any amount, arising out of the ownership, operation, use, or maintenance of a motor vehicle, either party may demand mediation of the claim prior to the institution of litigation.

(b) The costs of mediation must be reasonable, and the insurer must bear all of the cost of conducting mediation conferences, except as otherwise provided in this section. If a policyholder fails to appear at the conference, the conference must be rescheduled upon the policyholder's payment of the costs of a rescheduled conference. If the insurer fails to appear at the conference, the insurer must pay the policyholder's actual cash expenses incurred in attending the conference if the insurer's failure to attend was not due to a good cause acceptable to the department. An insurer is deemed to have failed to appear if the insurer's representative lacks authority to settle the full value of the claim. The insurer shall incur an additional fee, paid to the mediator, for a rescheduled conference necessitated by the insurer's failure to appear at a scheduled conference. The fees assessed by the department or administrator must include a charge necessary to defray the expenses of the department related to its duties under this section and must be deposited in the Insurance Regulatory Trust Fund. The department or

administrator may request that the department suspend the insurer's authority to appoint licensees if the insurer does not timely pay the per-mediation-event administrative fee. Mediation under this section is also available to litigants referred to the department by a county court or circuit court.

~~(b) A request for mediation shall be filed with the department on a form approved by the department. The request for mediation shall state the reason for the request for mediation and the issues in dispute which are to be mediated. The filing of a request for mediation tolls the applicable time requirements for filing suit for a period of 60 days following the conclusion of the mediation process or the time prescribed in s. 95.11, whichever is later.~~

~~(c) The insurance policy must specify in detail the terms and conditions for mediation of a first-party claim.~~

~~(d) The mediation shall be conducted as an informal process in which formal rules of evidence and procedure need not be observed. Any party participating in a mediation must have the authority to make a binding decision. All parties must mediate in good faith.~~

~~(e) The department shall randomly select mediators. Each party may once reject the mediator selected, either originally or after the opposing side has exercised its option to reject a mediator.~~

~~(f) Costs of mediation shall be borne equally by both parties unless the mediator determines that one party has not mediated in good faith.~~

~~(g) Only one mediation may be requested for each claim, unless all parties agree to further mediation.~~

~~(2) Upon receipt of a request for mediation, the department shall refer the request to a mediator. The mediator shall notify the applicant and all interested parties, as identified by the applicant, and any other parties the mediator believes may have an interest in the mediation, of the date, time, and place of the mediation conference. The conference may be held by telephone, if feasible. The mediation conference shall be held within 45 days after the request for mediation.~~

~~(2)(a)(3)(a) The department shall approve mediators to conduct mediations pursuant to this section. All mediators must file an application under oath for approval as a mediator.~~

~~(b) To qualify for approval as a mediator, an individual must meet one of the following qualifications:~~

~~1. Possess an active certification as a Florida Supreme Court certified circuit court mediator. A Florida Supreme Court certified circuit court mediator in a lapsed, suspended, sanctioned, or decertified status is not eligible to participate in the mediation program.~~

2. Be an approved department mediator as of July 1, 2014, and have conducted at least one mediation on behalf of the department within 4 years immediately preceding that date.

(3)(4) The department shall deny an application, or suspend or revoke its approval, of a mediator to serve in such capacity if the department finds that one or more of the following grounds exist:

(a) Lack of one or more of the qualifications specified in this section for approval.

(b) Material misstatement, misrepresentation, or fraud in obtaining or attempting to obtain the approval.

(c) Demonstrated lack of fitness or trustworthiness to act as a mediator.

(d) Fraudulent or dishonest practices in the conduct of mediation or in the conduct of business in the financial services industry.

(e) Violation of any provision of this code or of a lawful order or rule of the department, violation of the Florida Rules for Certified and Court-Appointed Mediators, or aiding, instructing, or encouraging another party in committing such a violation.

The department may adopt rules to administer this subsection.

(4) The department shall adopt by rule a motor vehicle claims insurance mediation program to be administered by the department or its designee. The department may also adopt special rules that are applicable in cases of an emergency within the state. The rules shall be modeled after practices and procedures set forth in mediation rules of procedure adopted by the Supreme Court. The rules must include:

(a) Reasonable requirements for processing and scheduling of requests for mediation.

(b) Provisions governing who may attend mediation conferences.

(c) Selection of mediators.

(d) Criteria for the conduct of mediation conferences.

(e) Right to legal counsel.

~~(5) The department must adopt rules of procedure for claims mediation, taking into consideration a system which:~~

~~(a) Is fair.~~

~~(b) Promotes settlement.~~

~~(c) Avoids delay.~~

- ~~(d) Is nonadversarial.~~
- ~~(e) Uses a framework for modern mediating technique.~~
- (f) Controls of costs and expenses of mediation.

(5) The department may designate an entity or person to serve as an administrator to carry out any of the provisions of this section and may take this action by means of a written contract or agreement.

(6) Disclosures and information divulged in the mediation process are not admissible in any subsequent action or proceeding relating to the claim or to the cause of action giving rise to the claim. A person demanding mediation under this section may not demand or request mediation after a suit is filed relating to the same facts already mediated.

Section 38. Present subsections (7) through (12) of section 631.141, Florida Statutes, are redesignated as subsections (8) through (13), respectively, and a new subsection (7) is added to that section, to read:

631.141 Conduct of delinquency proceeding; domestic and alien insurers.

(7) In order to preserve as much as possible the right and interest of the policyholders whose insurance policies or similar contracts are affected by the receivership proceedings, the department as a domiciliary receiver may:

(a) Use the property of the estate of the insurer to transfer the insurer's book of business, policies, or similar contracts of coverage, in whole or in part, to a solvent assuming insurer or insurers.

(b) Notwithstanding s. 631.195, share records of the insurer with the prospective solvent assuming insurer or insurers, but only to the extent necessary to undertake due diligence for a transfer contemplated under this section.

Section 39. Subsections (1) and (3) of section 631.252, Florida Statutes, are amended to read:

631.252 Continuation of coverage.—

(1) Unless another insurer, with approval of the receivership court, assumes or otherwise provides coverage for the policies of the insolvent insurer, all insurance policies or similar contracts of coverage, other than coverages defined in s. 631.713 or health maintenance organization coverage under part IV, issued by the insurer shall be canceled upon the earlier earliest to occur of the following:

- (a) The date of entry of the liquidation or, if the court so provides in its order, the expiration of 30 days from the date of entry of the liquidation order;
- (b) The normal expiration of the policy or contract coverage;

(c) The replacement of the coverage by the insured, or the replacement of the policy or contract of coverage, with a policy or contract acceptable to the insured by the receiver with another insurer; or

(d) The date proposed by the receiver and approved by the receivership court to cancel coverage; or

~~(e)~~ (d) The termination of the coverage by the insured.

(3) The 30-day coverage continuation period provided in paragraph (1)(a) and s. 631.57(1)(a)1. may not be extended unless the Chief Financial Officer office determines, based on a reasonable belief, that market conditions are such that policies of residential property insurance coverage cannot be placed with an authorized insurer within 30 days and that an additional 15 days is needed to place such coverage;~~;~~ ~~and~~ Failure of actual notice to the policyholder of the insolvency of the insurer, of commencement of a delinquency proceeding, or of expiration of the extension period does not affect such expiration.

Section 40. Subsection (1) of section 631.56, Florida Statutes, is amended, and subsections (5) through (8) are added to that section, to read:

631.56 Board of directors.—

(1) The board of directors of the association shall consist of not less than five or more than nine persons serving terms as established in the plan of operation. Three members of the board must be representatives from domestic insurers appointed by the Chief Financial Officer. The department shall approve and appoint to the board persons recommended by the member insurers or shall approve and appoint other persons with experience in property and casualty insurance or motor vehicle insurance as determined by the Chief Financial Officer. ~~These appointments are deemed to be within the scope of the exemption provided in s. 112.313(7)(b). In the event the department finds that any recommended person does not meet the qualifications for service on the board, the department shall request the member insurers to recommend another person.~~ Each member shall serve for a 4-year term and may be reappointed. Vacancies on the board shall be filled for the remaining period of the term in the same manner as initial appointments.

(5) The Chief Financial Officer may remove a board member from office for misconduct, malfeasance, misfeasance, or neglect of duty. Any vacancy so created shall be filled as provided in subsection (1).

(6) Board members are subject to the code of ethics under part III of chapter 112, including, but not limited to, the code of ethics and public disclosure and reporting of financial interests, pursuant to s. 112.3145. For purposes of applying part III of chapter 112 to activities of members of the board of directors, those persons are considered public officers and the association is considered their agency. Notwithstanding s. 112.3143(2), a

board member may not vote on any measure that he or she knows would inure to his or her special private gain or loss; that he or she knows would inure to the special private gain or loss of any principal by which he or she is retained, other than an agency as defined in s. 112.312; or that he or she knows would inure to the special private gain or loss of a relative or business associate of the public officer. Before the vote is taken, such member shall publicly state to the board the nature of his or her interest in the matter from which he or she is abstaining from voting and, within 15 days after the vote occurs, disclose the nature of his or her interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes.

(7) Notwithstanding s. 112.3148, s. 112.3149, or any other law, a board member may not knowingly accept, directly or indirectly, any gift or expenditure from a person or entity, or an employee or representative of such person or entity, which has a contractual relationship with the association or which is under consideration for a contract.

(8) A board member who fails to comply with subsection (6) or subsection (7) is subject to the penalties provided under ss. 112.317 and 112.3173.

Section 41. Paragraph (a) of subsection (1) of section 631.716, Florida Statutes, is amended, and subsections (4) through (7) are added to that section, to read:

631.716 Board of directors.—

(1)(a) The board of directors of the association shall have at least 9, but no more than 11, members. The members shall consist be comprised of member insurers serving terms as established in the plan of operation and 1 Florida Health Maintenance Organization Consumer Assistance Plan director confirmed pursuant to paragraph (b) or shall consist of other persons, appointed by the department, who have experience in life and annuity or accident and health insurance as determined by the Chief Financial Officer. These directors are deemed to be within the scope of the exemption provided in s. 112.313(7)(b). At all times, at least 1 member of the board member must be a domestic insurer as defined in s. 624.06(1). The members of the board members who are member insurers shall be elected by member insurers, subject to the approval of the department. Each board member shall serve for a 4-year term and may be reappointed.

(4) The Chief Financial Officer may remove a board member from office for misconduct, malfeasance, misfeasance, or neglect of duty. Any vacancy so created shall be filled as provided in subsection (1).

(5) Board members are subject to the code of ethics under part III of chapter 112, including, but not limited to, the code of ethics and public disclosure and reporting of financial interests, pursuant to s. 112.3145. For purposes of applying part III of chapter 112 to activities of members of the board of directors, those persons are considered public officers and the

association is considered their agency. Notwithstanding s. 112.3143(2), a board member may not vote on any measure that he or she knows would inure to his or her special private gain or loss; that he or she knows would inure to the special private gain or loss of any principal by which he or she is retained, other than an agency as defined in s. 112.312; or that he or she knows would inure to the special private gain or loss of a relative or business associate of the public officer. Before the vote is taken, such member shall publicly state to the board the nature of his or her interest in the matter from which he or she is abstaining from voting and, within 15 days after the vote occurs, disclose the nature of his or her interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes.

(6) Notwithstanding s. 112.3148, s. 112.3149, or any other law, a board member may not knowingly accept, directly or indirectly, any gift or expenditure from a person or entity, or an employee or representative of such person or entity, which has a contractual relationship with the association or which is under consideration for a contract.

(7) A board member who fails to comply with subsection (5) or subsection (6) is subject to the penalties provided under ss. 112.317 and 112.3173.

Section 42. Subsection (1) of section 631.816, Florida Statutes, is amended, and subsections (8) through (11) are added to that section, to read:

631.816 Board of directors.—

(1) The board of directors of the plan shall consist of not less than five or more than nine persons serving terms as established in the plan of operation. The department shall approve and appoint to the board persons recommended by the member HMOs or shall approve and appoint other persons with experience in health insurance as determined by the Chief Financial Officer. These appointments are deemed to be within the scope of the exemption provided in s. 112.313(7)(b). In the event the department finds that any recommended person does not meet the qualifications for service on the board, the department shall request the member HMOs to recommend another person. Each member shall serve for a 4-year term and may be reappointed, except that terms may be staggered as defined in the plan of operation. Vacancies on the board shall be filled for the remaining period of the term in the same manner as initial appointments. In determining voting rights, each HMO is entitled to vote on the basis of cumulative weighted voting based on the net written premium for non-Medicare and non-Medicaid policies.

(8) The Chief Financial Officer may remove a board member from office for misconduct, malfeasance, misfeasance, or neglect of duty. Any vacancy so created shall be filled as provided in subsection (1).

(9) Board members are subject to the code of ethics under part III of chapter 112, including, but not limited to, the code of ethics and public

disclosure and reporting of financial interests, pursuant to s. 112.3145. For purposes of applying part III of chapter 112 to activities of members of the board of directors, those persons are considered public officers and the plan is considered their agency. Notwithstanding s. 112.3143(2), a board member may not vote on any measure that he or she knows would inure to his or her special private gain or loss; that he or she knows would inure to the special private gain or loss of any principal by which he or she is retained, other than an agency as defined in s. 112.312; or that he or she knows would inure to the special private gain or loss of a relative or business associate of the public officer. Before the vote is taken, such member shall publicly state to the board the nature of his or her interest in the matter from which he or she is abstaining from voting and, within 15 days after the vote occurs, disclose the nature of his or her interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes.

(10) Notwithstanding s. 112.3148, s. 112.3149, or any other law, a board member may not knowingly accept, directly or indirectly, any gift or expenditure from a person or entity, or an employee or representative of such person or entity, which has a contractual relationship with the plan or which is under consideration for a contract.

(11) A board member who fails to comply with subsection (9) or subsection (10) is subject to the penalties provided under ss. 112.317 and 112.3173.

Section 43. Subsection (1) of section 631.912, Florida Statutes, is amended, and subsections (4), (5), and (6) are added to that section, to read:

631.912 Board of directors.—

(1) The board of directors of the corporation shall consist of 11 persons, 1 of whom is the insurance consumer advocate appointed under s. 627.0613 or designee and 1 of whom is designated by the Chief Financial Officer. The department shall appoint to the board 6 persons selected by private carriers from among the 20 workers' compensation insurers with the largest amount of direct written premium as determined by the department, and 2 persons selected by the self-insurance funds or other persons with experience in workers' compensation insurance as determined by the Chief Financial Officer. These appointments are deemed to be within the scope of the exemption provided in s. 112.313(7)(b). The Governor shall appoint one person who has commercial insurance experience. At least two of the private carriers shall be foreign carriers authorized to do business in this state. The board shall elect a chairperson from among its members. The Chief Financial Officer may remove any board member for cause. Each board member shall be appointed to serve a 4-year term and may be reappointed. A vacancy on the board shall be filled for the remaining period of the term in the same manner by which the original appointment was made.

(4) Board members are subject to the code of ethics under part III of chapter 112, including, but not limited to, the code of ethics and public disclosure and reporting of financial interests, pursuant to s. 112.3145. For purposes of applying part III of chapter 112 to activities of members of the board of directors, those persons are considered public officers and the corporation is considered their agency. Notwithstanding s. 112.3143(2), a board member may not vote on any measure that he or she knows would inure to his or her special private gain or loss; that he or she knows would inure to the special private gain or loss of any principal by which he or she is retained, other than an agency as defined in s. 112.312; or that he or she knows would inure to the special private gain or loss of a relative or business associate of the public officer. Before the vote is taken, such member shall publicly state to the board the nature of his or her interest in the matter from which he or she is abstaining from voting and, within 15 days after the vote occurs, disclose the nature of his or her interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes.

(5) Notwithstanding s. 112.3148, s. 112.3149, or any other law, a board member may not knowingly accept, directly or indirectly, any gift or expenditure from a person or entity, or an employee or representative of such person or entity, which has a contractual relationship with the corporation or which is under consideration for a contract.

(6) A board member who fails to comply with subsection (4) or subsection (5) is subject to the penalties provided under ss. 112.317 and 112.3173.

Section 44. Section 633.1423, Florida Statutes, is created to read:

633.1423 State Fire Marshal direct-support organization.—

(1) DEFINITION.—As used in this section, the term “organization” means the direct-support organization established under this section.

(2) ORGANIZATION ESTABLISHED.—The division may establish a direct-support organization, to be known as the “State Fire Marshal Safety and Training Force,” whose sole purpose is to support the safety and training of firefighters and to recognize exemplary service. The organization must:

(a) Be a not-for-profit corporation incorporated under chapter 617 and approved by the Department of State.

(b) Be organized and operated to raise funds; request and receive grants, gifts, and bequests of money; conduct programs and activities; acquire, receive, hold, invest, and administer, in its own name, securities, funds, or property; and make grants and expenditures to or for the direct or indirect benefit of the division. Grants and expenditures may include the cost of education or training of firefighters, or the recognition of exemplary service of firefighters.

(c) Be determined by the division to operate in a manner that is:

1. Consistent with the goals of the division and laws relating to the safety and training of firefighters.

2. In the best interest of the state.

3. In accordance with the adopted goals and mission of the division.

(d) Use all of its grants and expenditures solely for the purpose of educating, training, and recognizing firefighters, and not for advertising using the likeness or name of any elected official nor for the purpose of lobbying as defined in s. 11.045(1).

(e) Be subject to an annual financial audit in accordance with s. 215.981.

(3) CONTRACT.—The organization shall operate under written contract with the division. The contract must provide for:

(a) Certification by the division that the organization is complying with the terms of the contract and in a manner consistent with the goals and purposes of the department and in the best interest of the state. Such certification must be made annually and reported in the official minutes of a meeting of the organization.

(b) The reversion of moneys and property held by the organization for firefighter safety, training, and recognition to the division if the organization is no longer approved to operate by the division or if the organization ceases to exist, or to the state if the division ceases to exist.

(4) BOARD OF DIRECTORS.—The organization shall be governed by a board of directors. The State Fire Marshal, or his or her designee, shall appoint a president of the board. The board of directors shall be appointed by the president of the board.

(5) USE OF PROPERTY.—The division may authorize, without charge, appropriate use of fixed property and facilities of the division by the organization, subject to this subsection.

(a) The department may prescribe any condition with which the organization must comply in order to use the division’s property or facilities.

(b) The department may not authorize the use of the division’s property or facilities if the organization does not provide equal membership and employment opportunities to all persons regardless of race, religion, sex, age, or national origin.

(c) The department shall adopt rules prescribing the procedures by which the organization is governed and any conditions with which the organization must comply to use the division’s property or facilities.

(6) DEPOSITORY ACCOUNT.—Any moneys received by the organization may be held in a separate depository account in the name of the organization and subject to the contract with the division.

(7) ANNUAL BUDGETS AND REPORTS.—The organization shall submit to the division its annual budget and financial reports, its federal Internal Revenue Service Application for Recognition of Exemption Form 1023, and its federal Internal Revenue Service Return of Organization Exempt from Income Tax Form 990.

(8) ANNUAL AUDIT.—The organization shall provide for an annual financial audit in accordance with s. 215.981.

(9) DIVISION'S RECEIPT OF PROCEEDS.—Proceeds received by the division from the organization shall be deposited into the Insurance Regulatory Trust Fund.

(10) REPEAL.—This section is repealed October 1, 2028, unless reviewed and saved from repeal by the Legislature.

Section 45. Section 634.181, Florida Statutes, is amended to read:

634.181 Grounds for compulsory refusal, suspension, or revocation of license or appointment of salespersons.—

(1) The department shall deny, suspend, revoke, or refuse to renew or continue the license or appointment of any such salesperson if it finds that as to the salesperson any one or more of the following applicable grounds exist:

(a)(1) Material misstatement, misrepresentation, or fraud in obtaining or attempting to obtain the license or appointment.

(b)(2) If the license or appointment is willfully used, or to be used, to circumvent any of the requirements or prohibitions of this part, any applicable provision of the Florida Insurance Code, or rule of the department or commission.

(c)(3) Willful misrepresentation of any service agreement or willful deception with regard to any agreement, done either in person or by any form of dissemination of information or advertising.

(d)(4) If in the adjustment of claims arising out of service agreements, she or he has materially misrepresented to a service agreement holder or other interested party the terms and coverage of a service agreement with intent and for the purpose of effecting settlement of the claim on less favorable terms than those provided in and contemplated by the service agreement.

(e)(5) For demonstrated lack of fitness or trustworthiness to engage in the service agreement business.

(f)(6) For demonstrated lack of adequate knowledge and technical competence to engage in the transactions authorized by the license or appointment.

(g)(7) Fraudulent or dishonest practices in the conduct of business under the license or appointment.

(h)(8) Misappropriation, conversion, or unlawful withholding of moneys belonging to a service agreement company, insurer, or service agreement holder or to others and received in the conduct of business under the license or appointment.

(i)(9) For unlawfully rebating, or attempt thereat, or for unlawfully dividing or offering to divide her or his commission with another.

(j)(10) Willful failure to comply with, or willful violation of any proper order of the department or office, or willful violation of any provision of this part, or of any applicable provision of the insurance code, or applicable rule of the department or commission.

(k)(11) Having been found guilty of, or having pleaded guilty or nolo contendere to, a felony or a crime punishable by imprisonment of 1 year or more under the law of the United States of America or any state thereof or under the law of any other country which involves moral turpitude, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of the cases.

(l)(12) Failure to refund unearned pro rata commission to the agreement holder or the service agreement company, if the service agreement company is making a full unearned pro rata refund to the agreement holder.

(m) Having been the subject of, or having had a license, permit, appointment, registration, or other authority to conduct business subject to, any decision, finding, injunction, suspension, prohibition, revocation, denial, judgment, final agency action, or administrative order by any court of competent jurisdiction, administrative law proceeding, state agency, federal agency, national securities, commodities, or options exchange, or national securities, commodities, or options association involving a violation of any federal or state securities or commodities law or any rule or regulation adopted thereunder, or a violation of any rule or regulation of any national securities, commodities, or options exchange or national securities, commodities, or options association.

(2) When a licensee is charged with a felony enumerated in s. 626.207(2), the department shall, immediately upon receipt of information on or indictment for the felony, temporarily suspend a license or appointment issued under this chapter. Such suspension shall continue if the licensee is found guilty of, or pleads guilty or nolo contendere to, the crime, regardless of whether a judgment or conviction is entered, during a pending appeal. A

person may not transact insurance business after suspension of his or her license or appointment.

(3) The department may adopt rules to administer this section.

Section 46. Section 634.191, Florida Statutes, is amended to read:

634.191 Grounds for discretionary refusal, suspension, or revocation of license or appointment of salespersons.—

(1) The department may, in its discretion, deny, suspend, revoke, or refuse to renew or continue the license or appointment of any salesperson if it finds that as to the salesperson any one or more of the following applicable grounds exist under circumstances for which such denial, suspension, revocation, or refusal is not mandatory under s. 634.181:

(a)(1) For any cause for which granting of the license or appointment could have been refused had it then existed and been known to the department.

(b)(2) Violation of any provision of this part or of any other law applicable to the business of service agreements in the course of dealings under the license or appointment.

(c)(3) Violation of Has violated any lawful order or rule of the department or commission.

(d)(4) Failure or refusal, upon demand, to pay over to any company or insurer the salesperson represents or has represented any money coming into her or his hands belonging to the company or insurer.

(e)(5) If, in the conduct of business under the license or appointment, the salesperson has engaged in unfair methods of competition or in unfair or deceptive acts or practices, as such methods, acts, or practices are or may be defined under this part, or has otherwise shown herself or himself to be a source of injury or loss to the public or detrimental to the public interest.

(f)(6) Failure to report to the department within 30 days the final disposition of an administrative action taken against a salesperson by a governmental agency or other regulatory agency in this state or any other state or jurisdiction relating to the business of insurance, the sale of securities, or an activity involving fraud, dishonesty, trustworthiness, or breach of a fiduciary duty. The salesperson must submit a copy of the order, consent to order, or other relevant legal documents to the department ~~Having been found guilty of, or having pleaded guilty or nolo contendere to, a felony or a crime punishable by imprisonment of 1 year or more under the law of the United States of America or any state thereof or under the law of any other country, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of the cases.~~

(2) The department may adopt rules to administer this section.

Section 47. Section 634.320, Florida Statutes, is amended to read:

634.320 Grounds for compulsory refusal, suspension, or revocation of license or appointment of sales representatives.—

(1) The department shall deny, suspend, revoke, or refuse to renew or continue the license or appointment of any sales representative if it is found that any one or more of the following grounds applicable to the sales representative exist:

(a)(1) Material misstatement, misrepresentation, or fraud in obtaining or attempting to obtain a license or appointment.

(b)(2) The license or appointment is willfully used, or to be used, to circumvent any of the requirements or prohibitions of this part.

(c)(3) Willful misrepresentation of any warranty contract or willful deception with regard to any such contract, done either in person or by any form of dissemination of information or advertising.

(d)(4) In the adjustment of claims arising out of warranties, material misrepresentation to a warranty holder or other interested party of the terms and coverage of a contract, with the intent and for the purpose of effecting settlement of such claim on less favorable terms than those provided in and contemplated by the contract.

(e)(5) Demonstrated lack of fitness or trustworthiness to engage in the business of home warranty.

(f)(6) Demonstrated lack of adequate knowledge and technical competence to engage in the transactions authorized by the license or appointment.

(g)(7) Fraudulent or dishonest practices in the conduct of business under the license or appointment.

(h)(8) Misappropriation, conversion, or unlawful withholding of moneys belonging to an association, insurer, or warranty holder, or to others, and received in the conduct of business under the license or appointment.

(i)(9) Unlawfully rebating, or attempting to unlawfully rebate, or unlawfully dividing, or offering to divide, her or his commission with another.

(j)(10) Willful failure to comply with, or willful violation of, any proper order or rule of the department or commission or willful violation of any provision of this part.

(k)(11) Being found guilty of or pleading guilty or nolo contendere to a felony or a crime punishable by imprisonment of 1 year or more under the law of the United States of America or any state thereof or under the law of

any other country involving moral turpitude, without regard to whether judgment of conviction has been entered by the court.

(1) Having been the subject of, or having had a license, permit, appointment, registration, or other authority to conduct business subject to, any decision, finding, injunction, suspension, prohibition, revocation, denial, judgment, final agency action, or administrative order by any court of competent jurisdiction, administrative law proceeding, state agency, federal agency, national securities, commodities, or options exchange, or national securities, commodities, or options association involving a violation of any federal or state securities or commodities law or any rule or regulation adopted thereunder, or a violation of any rule or regulation of any national securities, commodities, or options exchange or national securities, commodities, or options association.

(2) When a licensee is charged with a felony enumerated in s. 626.207(2), the department shall, immediately upon receipt of information on or indictment for the felony, temporarily suspend a license or appointment issued under this chapter. Such suspension shall continue if the licensee is found guilty of, or pleads guilty or nolo contendere to, the crime, regardless of whether a judgment or conviction is entered, during a pending appeal. A person may not transact insurance business after suspension of his or her license or appointment.

(3) The department may adopt rules to administer this section.

Section 48. Section 634.321, Florida Statutes, is amended to read:

634.321 Grounds for discretionary refusal, suspension, or revocation of license or appointment of sales representatives.—

(1) The department may, in its discretion, deny, suspend, revoke, or refuse to renew or continue the license or appointment of any sales representative if it is found that any one or more of the following grounds applicable to the sales representative exist under circumstances for which such denial, suspension, revocation, or refusal is not mandatory under s. 634.320:

(a)(1) Any cause for which granting of the license or appointment could have been refused had it then existed and been known to the department.

(b)(2) Violation of any provision of this part, or of any other law applicable to the business of warranties, in the course of dealings under the license or appointment.

(c)(3) Violation of any lawful order or rule of the department or commission.

(d)(4) Failure or refusal to pay over, upon demand, to any home warranty association or insurer the sales representative represents or has represented

any money coming into her or his hands which belongs to the association or insurer.

(e)(5) In the conduct of business under the license or appointment, engaging in unfair methods of competition or in unfair or deceptive acts or practices, as such methods, acts, or practices are or may be defined under this part, or otherwise showing herself or himself to be a source of injury or loss to the public or detriment to the public interest.

~~(f)(6) Failure to report to the department within 30 days the final disposition of an administrative action taken against a sales representative by a governmental agency or other regulatory agency in this state or any other state or jurisdiction relating to the business of insurance, the sale of securities, or an activity involving fraud, dishonesty, trustworthiness, or breach of a fiduciary duty. The sales representative must submit a copy of the order, consent to order, or other relevant legal documents to the department Being found guilty of or pleading guilty or nolo contendere to a felony or a crime punishable by imprisonment of 1 year or more under the law of the United States of America or any state thereof or under the law of any other country, without regard to whether a judgment of conviction has been entered by the court.~~

(2) The department may adopt rules to administer this section.

Section 49. Section 634.419, Florida Statutes, is amended to read:

634.419 License and appointment required.—No person or entity shall solicit, negotiate, advertise, or effectuate service warranty contracts in this state unless such person or entity is licensed and appointed as a sales representative. Sales representatives shall be responsible for the actions of persons under their supervision. However, a service warranty association licensed as such under this part shall not be required to be licensed and appointed as a sales representative to solicit, negotiate, advertise, or effectuate its products. Sections 501.021-501.055 do not apply to persons or entities licensed and appointed under this section, or their affiliates, which solicit the sale of a service warranty or related service or product in connection with a prearranged appointment at the request of the consumer.

Section 50. Section 634.422, Florida Statutes, is amended to read:

634.422 Grounds for compulsory refusal, suspension, or revocation of license or appointment of sales representatives.—

(1) The department shall deny, suspend, revoke, or refuse to renew or continue the license or appointment of any sales representative if it is found that any one or more of the following grounds applicable to the sales representative exist:

(a)(1) Material misstatement, misrepresentation, or fraud in obtaining or attempting to obtain a license or appointment.

(b)(2) The license or appointment is willfully used, or to be used, to circumvent any of the requirements or prohibitions of this part.

(c)(3) Willful misrepresentation of any service warranty contract or willful deception with regard to any such contract, done either in person or by any form of dissemination of information or advertising.

(d)(4) In the adjustment of claims arising out of warranties, material misrepresentation to a service warranty holder or other interested party of the terms and coverage of a contract with the intent and for the purpose of effecting settlement of the claim on less favorable terms than those provided in and contemplated by the contract.

(e)(5) Demonstrated lack of fitness or trustworthiness to engage in the business of service warranty.

(f)(6) Demonstrated lack of adequate knowledge and technical competence to engage in the transactions authorized by the license or appointment.

(g)(7) Fraudulent or dishonest practices in the conduct of business under the license or appointment.

(h)(8) Misappropriation, conversion, or unlawful withholding of moneys belonging to an association, insurer, or warranty holder, or to others, and received in the conduct of business under the license or appointment.

(i)(9) Unlawfully rebating, or attempting to unlawfully rebate, or unlawfully dividing, or offering to divide, her or his commission with another.

(j)(10) Willful failure to comply with, or willful violation of, any proper order or rule of the department or commission, or willful violation of any provision of this part.

(k)(11) Being found guilty of or pleading nolo contendere to a felony or a crime punishable by imprisonment of 1 year or more under the law of the United States of America or any state thereof or under the law of any other country ~~involving moral turpitude~~, without regard to whether judgment of conviction has been entered by the court having jurisdiction of the case.

(l) Having been the subject of, or having had a license, permit, appointment, registration, or other authority to conduct business subject to, any decision, finding, injunction, suspension, prohibition, revocation, denial, judgment, final agency action, or administrative order by any court of competent jurisdiction, administrative law proceeding, state agency, federal agency, national securities, commodities, or options exchange, or national securities, commodities, or options association involving a violation of any federal or state securities or commodities law or any rule or regulation adopted thereunder, or a violation of any rule or regulation of any national securities, commodities, or options exchange or national securities, commodities, or options association.

(2) When a licensee is charged with a felony enumerated in s. 626.207(2), the department shall, immediately upon receipt of information on or indictment for the felony, temporarily suspend a license or appointment issued under this chapter. Such suspension shall continue if the licensee is found guilty of, or pleads guilty or nolo contendere to, the crime, regardless of whether a judgment or conviction is entered, during a pending appeal. A person may not transact insurance business after suspension of his or her license or appointment.

(3) The department may adopt rules to administer this section.

Section 51. Section 634.423, Florida Statutes, is amended to read:

634.423 Grounds for discretionary refusal, suspension, or revocation of license or appointment of sales representatives.—

(1) The department may deny, suspend, revoke, or refuse to renew or continue the license or appointment of any sales representative if it is found that any one or more of the following grounds applicable to the sales representative exist under circumstances for which such denial, suspension, revocation, or refusal is not mandatory under s. 634.422:

~~(a)(1)~~ Any cause for which granting of the license or appointment could have been refused had it then existed and been known to the department.

~~(b)(2)~~ Violation of any provision of this part, or of any other law applicable to the business of service warranties, in the course of dealings under the license or appointment.

~~(c)(3)~~ Violation of any lawful order or rule of the department or commission.

~~(d)(4)~~ Failure or refusal to pay over, upon demand, to any service warranty association or insurer the sales representative represents or has represented any money coming into her or his hands which belongs to the association or insurer.

~~(e)(5)~~ In the conduct of business under the license or appointment, engaging in unfair methods of competition or in unfair or deceptive acts or practices, as such methods, acts, or practices are or may be defined under this part, or otherwise showing herself or himself to be a source of injury or loss to the public or detriment to the public interest.

(f)(6) Failure to report to the department within 30 days the final disposition of an administrative action taken against a sales representative by a governmental agency or other regulatory agency in this state or any other state or jurisdiction relating to the business of insurance, the sale of securities, or an activity involving fraud, dishonesty, trustworthiness, or breach of a fiduciary duty. The sales representative must submit a copy of the order, consent to order, or other relevant legal documents to the department Being found guilty of or pleading guilty or nolo contendere to a

~~felony or a crime punishable by imprisonment of 1 year or more under the law of the United States of America or any state thereof or under the law of any other country, without regard to whether judgment of conviction has been entered by the court having jurisdiction of such case.~~

(2) The department may adopt rules to administer this section.

Section 52. Section 648.25, Florida Statutes, is reordered and amended to read:

648.25 Definitions.—As used in this chapter, the term:

(1) “Appointment” means the authority given by an insurer or the managing general agent of an insurer through the department to a licensee to transact insurance or adjust claims on behalf of the insurer or managing general agent.

(2)(1) “Bail bond agency” means:

(a) The building where a licensee maintains an office and where all records required by ss. 648.34 and 648.36 are maintained; or

(b) An entity that:

1. Charges a fee or premium to release an accused defendant or detainee from jail; or

2. Engages in or employs others to engage in any activity that may be performed only by a licensed and appointed bail bond agent.

(3)(2) “Bail bond agent” means a limited surety agent or a professional bail bond agent as hereafter defined.

(7)(3) “Managing general agent” means any individual, partnership, association, or corporation appointed or employed by an insurer to supervise or manage the bail bond business written in this state by limited surety agents appointed by the insurer.

(5)(4) “Insurer” means any domestic, foreign, or alien surety company which has been authorized to transact surety business in this state.

(6)(5) “Limited surety agent” means any individual appointed by an insurer by power of attorney to execute or countersign bail bonds in connection with judicial proceedings who receives or is promised money or other things of value therefor.

(4)(6) “Primary Bail bond agent in charge” means a licensed bail bond agent who is responsible for the overall operation and management of a bail bond agency location and whose responsibilities include hiring and supervising all individuals within that location. A bail bond agent may be designated as the primary bail bond agent in charge for only one bail bond agency location.

(8)(7) “Professional bail bond agent” means any person who pledges United States currency, United States postal money orders, or cashier’s checks as security for a bail bond in connection with a judicial proceeding and receives or is promised therefor money or other things of value.

(9)(8) “Temporary bail bond agent” means a person licensed before January 1, 2024, who is employed by a bail bond agent or agency, insurer, or managing general agent, and such licensee has the same authority as a licensed bail bond agent, including presenting defendants in court; apprehending, arresting, and surrendering defendants to the proper authorities, while accompanied by a supervising bail bond agent or an agent from the same agency; and keeping defendants under necessary surveillance. However, a temporary licensee may not execute or sign bonds, handle collateral receipts, or deliver bonds to appropriate authorities. A temporary licensee may not operate an agency or branch agency separate from the location of the supervising bail bond agent, managing general agent, or insurer by whom the licensee is employed. This does not affect the right of a bail bond agent or insurer to hire counsel or to obtain the assistance of law enforcement officers. A temporary bail bond agent license expires 18 months after issuance and is no longer valid on or after June 30, 2025.

Section 53. Subsection (3) of section 648.26, Florida Statutes, is amended to read:

648.26 Department of Financial Services; administration.—

(3) The papers, documents, reports, or any other investigatory records of the department are confidential and exempt from ~~the provisions of~~ s. 119.07(1) until such investigation is completed or ceases to be active. For the purpose of this section, an investigation is considered active “~~active~~” while the investigation is being conducted by the department with a reasonable, good faith belief that it may lead to the filing of administrative, civil, or criminal proceedings. An investigation does not cease to be active if the department is proceeding with reasonable dispatch and there is good faith belief that action may be initiated by the department or other administrative or law enforcement agency. This subsection does not prevent the department or office from disclosing the content of a complaint or such information as it deems necessary to conduct the investigation, to update the complainant as to the status and outcome of the complaint, or to share such information with any law enforcement agency or other regulatory body.

Section 54. Subsection (5) of section 648.27, Florida Statutes, is amended to read:

648.27 Licenses and appointments; general.—

(5)(a) The license of a bail bond agent shall continue in force, without further examination unless deemed necessary by the department, until suspended, revoked, or otherwise terminated.

~~(b) The license of a temporary bail bond agent shall continue in force until suspended, revoked, or otherwise terminated.~~

Section 55. Section 648.285, Florida Statutes, is amended to read:

648.285 Bond agency; ownership requirements; applications for bail bond agency licenses.—

(1) A person may not own, control, manage, or otherwise have a pecuniary interest in a bail bond agency unless such individual is a licensed pursuant to s. 648.27, and appointed through the department, and actively engaged as a bail bond agent for at least the preceding 24 months. Any agency that is not in compliance with this subsection is shall be subject to the issuance of an immediate final order of suspension of its license and all operations until the agency achieves compliance.

(2) Effective January 1, 2024, the department may issue a bail bond agency license to any person only after such person files a written application with the department and qualifies for such license.

(3) An application for a bail bond agency license must be signed by an individual required to be listed in the application under paragraph (a). A bail bond agency license may permit a third party to complete, submit, and sign an application on the bail bond agency's behalf; however, the bail bond agency is responsible for ensuring that the information on the application is true and correct, and the bail bond agency is accountable for any misstatements or misrepresentations. The application for a bail bond agency license must include:

(a) The name and license number of each owner, partner, officer, director, president, senior vice president, secretary, treasurer, and limited liability company member who directs or participates in the management or control of the bail bond agency, whether through ownership of voting securities, by contract, by ownership of any agency bank account, or otherwise.

(b) The residence address of each person required to be listed in the application under paragraph (a).

(c) The name, principal business street address, and valid e-mail address of the bail bond agency and the name, address, and e-mail address of the agency's registered agent or person or company authorized to accept service on behalf of the bail bond agency.

(d) The physical address of each branch bail bond agency, including its name, e-mail address, and telephone number, and the date that the branch location began transacting bail bond business.

(e) The name of the full-time bail bond agent in charge of the agency office, including branch locations, and his or her corresponding location.

(f) Such additional information as the department requires by rule to ascertain the trustworthiness and competence of persons required to be listed on the application and to ascertain that such persons meet the requirements of this code. However, the department may not require that credit or character reports be submitted for persons required to be listed on the application.

(4) The department must issue a license to each agency upon approval of the application, and each agency location must display the license prominently in a manner that makes it clearly visible to any customer or potential customer who enters the agency location.

(5) A bail bond agency that holds a current and valid registration number with the department shall have its registration automatically converted to a license on July 1, 2024.

(6) Section 112.011 does not apply to bail bond agencies or to applicants for licensure as owners of bail bond agencies.

(7)(2) If the owner of a bail bond agency dies or becomes mentally incapacitated, a personal representative or legal guardian may be issued a temporary permit to manage the affairs of the bail bond agency. Such person must appoint or maintain the appointment of a primary bail bond agent in charge, as provided in s. 648.387, and may not engage in any activities as a licensed bail bond agent but must comply with s. 648.387 during the administration of the estate or guardianship. A temporary permit is valid for a maximum of 24 months.

(8)(3) Application for a temporary permit must be made by the personal representative or legal guardian upon statements and affidavits filed with the department on forms prescribed and furnished by it. The applicant must meet the qualifications for licensure as a bail bond agent, except for the residency, examination, education, and experience requirements.

Section 56. Subsection (1) of section 648.30, Florida Statutes, is amended to read:

648.30 Licensure and appointment required; prohibited acts; penalties.

(1)(a) A person or entity may not act in the capacity of a bail bond agent or temporary bail bond agency agent or perform any of the functions, duties, or powers prescribed for bail bond agents or temporary bail bond agencies agents under this chapter unless that person or entity is qualified, licensed, and appointed as provided in this chapter and employed by a bail bond agency.

(b) A bail bond agent may not sell a bail bond issued by an insurer for which the agent and the agent's bail bond agency do not hold a current appointment.

(c) Except as otherwise provided in this part, a person or entity, other than a bail bond agency or an employee of a bail bond agency, may not perform any of the functions of a bail bond agency without a bail bond agency license.

Section 57. Section 648.31, Florida Statutes, is amended to read:

648.31 Appointment taxes and fees.—The department shall collect in advance all appointment taxes and fees for the issuance of any appointment to a bail bond agent or temporary bail bond agent, as provided in s. 624.501. There is no fee for the issuance of any appointment to a bail bond agency.

Section 58. Subsection (2) of section 648.34, Florida Statutes, is amended to read:

648.34 Bail bond agents; qualifications.—

(2) To qualify as a bail bond agent, it must affirmatively appear at the time of application and throughout the period of licensure that the applicant has complied with the provisions of s. 648.355 and has obtained a temporary license pursuant to such section and:

(a) The applicant Is a natural person who has reached the age of 18 years and holds a high school diploma or its equivalent.

(b) The applicant Is a United States citizen or legal alien who possesses work authorization from the United States Bureau of Citizenship and Immigration Services and is a resident of this state. An individual who is a resident of this state shall be deemed to meet the residence requirement of this paragraph, notwithstanding the existence, at the time of application for license, of a license in the applicant's name on the records of another state as a resident licensee of such other state, if the applicant furnishes a letter of clearance satisfactory to the department that his or her resident licenses have been canceled or changed to a nonresident basis and that he or she is in good standing.

(c) Will maintain his or her ~~The place of business of the applicant will be located in this state and in the county where the applicant will maintain his or her records and be actively engaged in the bail bond business and work with a licensed maintain an agency accessible to the public which is open for reasonable business hours.~~

(d) The applicant Is vouched for and recommended upon sworn statements filed with the department by at least three reputable citizens who are residents of the same counties in which the applicant proposes to engage in the bail bond business.

(e) The applicant Is a person of high character and approved integrity and has not been convicted of or pleaded guilty or no contest to a felony, a crime involving moral turpitude, or a crime punishable by imprisonment of 1

year or more under the law of any state, territory, or country, whether or not a judgment or conviction has been entered.

(f) Within 2 years immediately before applying for the license, has successfully completed a basic certification course in the criminal justice system which consists of at least 120 hours of classroom instruction with a passing grade of 80 percent or higher and has successfully completed a correspondence course for bail bond agents approved by the department.

(g)(f) The applicant Has passed any required examination.

Section 59. Section 648.355, Florida Statutes, is amended to read:

648.355 Temporary limited license as Limited surety agents and agent or professional bail bond agents agent; qualifications pending examination.

(1) The department may, in its discretion, issue a temporary license as a limited surety agent or professional bail bond agent, subject to the following conditions:

~~(a) The applicant is a natural person at least 18 years of age and holds a high school diploma or its equivalent.~~

~~(b) The applicant is a United States citizen or legal alien who possesses work authorization from the United States Bureau of Citizenship and Immigration Services and is a resident of this state. An individual who is a resident of this state shall be deemed to meet the residence requirement of this paragraph, notwithstanding the existence, at the time of application for temporary license, of a license in the individual's name on the records of another state as a resident licensee of such other state, if the applicant furnishes a letter of clearance satisfactory to the department that the individual's resident licenses have been canceled or changed to a non-resident basis and that the individual is in good standing.~~

~~(c) The applicant is a person of high character and approved integrity and has never been convicted of or pleaded guilty or no contest to a felony, a crime involving moral turpitude, or a crime punishable by imprisonment of 1 year or more under the law of any state, territory, or country, whether or not a judgment or conviction is entered.~~

~~(d) Within 4 years prior to the date of application for a temporary license, the applicant has successfully completed a basic certification course in the criminal justice system, consisting of not less than 120 hours of classroom instruction with a passing grade of 80 percent or higher and has successfully completed a correspondence course for bail bond agents approved by the department.~~

~~(e) The applicant must be employed full time at the time of licensure, and at all times throughout the existence of the temporary license, by only one licensed and appointed supervising bail bond agent, who supervises the work of the applicant and is responsible for the licensee's conduct in the bail~~

~~bond business. The applicant must be appointed by the same insurers as the supervising bail bond agent. The supervising bail bond agent shall certify monthly to the department under oath, on a form prescribed by the department, the names and hours worked each week of all temporary bail bond agents. Filing a false certification is grounds for the immediate suspension of the license and imposition of a \$5,000 administrative fine. The department may adopt rules that establish standards for the employment requirements.~~

~~(f) The application must be accompanied by an affidavit verifying proposed employment and a report as to the applicant's integrity and moral character on a form prescribed by the department and executed by the proposed employer.~~

~~(g) The applicant must file with the department statements by at least three reputable citizens who are residents of the same counties in which the applicant proposes to engage as a temporary licensee.~~

~~(h) The applicant's employer is responsible for the bail bonding acts of any licensee under this section.~~

~~(2) All applicable license fees, as prescribed in s. 624.501, must be paid before issuance of the temporary license.~~

~~(3) The temporary license shall be effective for 18 months, subject to earlier termination at the request of the employer or if suspended or revoked by the department.~~

~~(4) The applicant shall furnish, with the application for temporary license, a complete set of the applicant's fingerprints in accordance with s. 626.171(4) and a recent credential-sized, fullface photograph of the applicant. The department may shall not issue a temporary license under this section until the department has received a report from the Department of Law Enforcement and the Federal Bureau of Investigation relative to the existence or nonexistence of a criminal history report based on the applicant's fingerprints.~~

~~(2)(5) The department may collect a fee necessary to cover the cost of a character and credit report made by an established and reputable independent reporting service. The fee shall be deposited to the credit of the Insurance Regulatory Trust Fund.~~

~~(3)(6) Effective July 1, 2023, any individual licensed by the department as a temporary bail bond agent may take the required bail bond agent licensure examination and may file an application for a bail bond agent license if otherwise qualified for licensure After licensure as a temporary licensee for at least 12 months, such licensee may file an application for and become eligible for a regular bail bond agent's license based on the licensee's experience in the bail bond business and education pursuant to paragraph (1)(d) and, if otherwise qualified, take the required bail bond agent's~~

licensure examination. The applicant and supervising bail bond agent must each file an affidavit under oath, on a form prescribed by the department, verifying the required employment of the temporary agent before issuance of the license.

~~(7) In no event shall a temporary licensee licensed under this section perform any of the functions for which a bail bond agent's license is required after expiration of the temporary license without having passed the written examination as for a regular bail bond agent's license.~~

~~(8)(a) A temporary licensee has the same authority as a licensed bail bond agent, including presenting defendants in court; apprehending, arresting, and surrendering defendants to the proper authorities; and keeping defendants under necessary surveillance. However, a temporary licensee must be accompanied by a supervising bail bond agent or an agent from the same agency when apprehending, arresting, or surrendering defendants to authorities.~~

~~(b) A temporary licensee may not execute or sign bonds, handle collateral receipts, deliver bonds to appropriate authorities, or operate an agency or branch agency separate from the location of the supervising bail bond agent, managing general agent, or insurer by whom the licensee is employed.~~

(4)(9) Effective July 1, 2023, the department may not issue a temporary bail bond agent license. An individual currently licensed as a temporary bail bond agent may continue to be licensed in accordance with this chapter. A temporary bail bond agent license may not be reinstated if the license expires or is terminated, suspended, or revoked. The department shall not issue a temporary bail bond agent's license to any individual who has held such a temporary license in this state within 2 years after the expiration of such temporary bail bond agent's license.

Section 60. Subsections (1) through (4) of section 648.382, Florida Statutes, are amended to read:

648.382 Appointment of bail bond agents and bail bond agencies ~~temporary bail bond agents~~; effective date of appointment.—

(1)(a) Each insurer or appointing a bail bond agent and each insurer, managing general agent, or bail bond agent appointing a temporary bail bond agent or bail bond agency in this state must file the appointment with the department and, at the same time, pay the applicable appointment fees and taxes. A person appointed under this section must hold a valid bail bond agent agent's or temporary bail bond agency agent's license. There is no fee for the issuance of any appointment of a bail bond agency.

(b) Effective July 1, 2025, each insurer or managing general agent appointing a bail bond agency in this state must file the appointment with the department. An entity appointed under this section must hold a valid bail bond agency license.

(2) ~~Before Prior to~~ any appointment, an appropriate officer or official of the appointing insurer ~~in the case of a bail bond agent or an insurer, managing general agent, or bail bond agent in the case of a temporary bail bond agent~~ must submit:

(a) A certified statement or affidavit to the department stating what investigation has been made concerning the proposed appointee and the proposed appointee's background and the appointing person's opinion to the best of his or her knowledge and belief as to the moral character and reputation of the proposed appointee. In lieu of such certified statement or affidavit, by authorizing the effectuation of an appointment for a licensee, the appointing entity certifies to the department that such investigation has been made and that the results of the investigation and the appointing person's opinion is that the proposed appointee is a person of good moral character and reputation and is fit to engage in the bail bond business;

(b) An affidavit under oath on a form prescribed by the department, signed by the proposed appointee, stating that premiums are not owed to any insurer and that the appointee will discharge all outstanding forfeitures and judgments on bonds previously written. If the appointee does not satisfy or discharge such forfeitures or judgments, the former insurer shall file a notice, with supporting documents, with the appointing insurer, the former agent or agency, and the department, stating under oath that the licensee has failed to timely satisfy forfeitures and judgments on bonds written and that the insurer has satisfied the forfeiture or judgment from its own funds. Upon receipt of such notification and supporting documents, the appointing insurer shall immediately cancel the licensee's appointment. The licensee may be reappointed only upon certification by the former insurer that all forfeitures and judgments on bonds written by the licensee have been discharged. The appointing insurer or former agent or agency may, within 10 days, file a petition with the department seeking relief from this paragraph. Filing of the petition stays the duty of the appointing insurer to cancel the appointment until the department grants or denies the petition; and

(c) Any other information that the department reasonably requires concerning the proposed appointee; and

(d) Effective January 1, 2025, a certification that the appointing entity obtained from each appointee the following sworn statement:

Pursuant to section 648.382(2)(b), Florida Statutes, I do solemnly swear that I owe no premium to any insurer or agency and that I will discharge all outstanding forfeitures and judgments on bonds that have been previously written. I acknowledge that failure to do this will result in my active appointments being canceled.

An appointed bail bond agency must have the attestation under this paragraph signed by its owner.

(3) By authorizing the effectuation of an appointment for a licensee, the appointing insurer certifies to the department that the insurer will be bound by the acts of the bail bond agent or bail bond agency acting within the scope of the agent's or agency's his or her appointment, and, in the case of a temporary bail bond agent, the appointing insurer, managing general agent, or bail bond agent, as the case may be, must certify to the department that he or she will supervise the temporary bail bond agent's activities.

(4) Each appointing insurer ~~or~~, managing general agent, ~~or bail bond agent~~ must advise the department in writing within 5 days after receiving notice or learning that an appointee has been arrested for, pled guilty or nolo contendere to, or been found guilty of, a felony or other offense punishable by imprisonment of 1 year or more under the law of any jurisdiction, whether judgment was entered or withheld by the court.

Section 61. Present subsections (1) through (4) of section 648.386, Florida Statutes, are redesignated as subsections (2) through (5), respectively, a new subsection (1) is added to that section, and present subsection (2) of that section is amended, to read:

648.386 Qualifications for prelicensing and continuing education schools and instructors.—

(1) DEFINITION OF "CLASSROOM INSTRUCTION".—As used in this section, the term "classroom instruction" means a course designed to be presented to a group of students by a live instructor using lecture, video, webcast, or virtual or other audio-video presentation.

~~(3)~~(2) SCHOOLS AND CURRICULUM FOR CONTINUING EDUCATION SCHOOLS.—In order to be considered for approval and certification as an approved limited surety agent and professional bail bond agent continuing education school, such entity must:

(a) Provide a minimum of three classroom-instruction continuing education classes per calendar year.

(b) Submit a course curriculum to the department for approval.

(c) Offer continuing education classes that comprise which are comprised of a minimum of 2 hours of approved classroom-instruction coursework and are taught by an approved supervising instructor or guest lecturer approved by the entity or the supervising instructor.

Section 62. Section 648.387, Florida Statutes, is amended to read:

648.387 Primary Bail bond agent in charge agents; duties.—

(1) The owner or operator of a bail bond agency shall designate a ~~primary~~ bail bond agent in charge for each location, and shall file with the department the name and license number of the person and the address of the location on a form approved by the department. The designation of the

~~primary~~ bail bond agent in charge may be changed if the department is notified immediately. Failure to notify the department within 10 working days after such change is grounds for disciplinary action pursuant to s. 648.45.

(2) The ~~primary~~ bail bond agent in charge is responsible for the overall operation and management of a bail bond agency location, whose responsibilities may include, without limitations, hiring and supervising of all individuals within the location, whether they deal with the public in the solicitation or negotiation of bail bond contracts or in the collection or accounting of moneys. A person may be designated as the primary bail bond agent in charge for only one agency and location.

(3) The department may suspend or revoke the license of the owner, bail bond agent in charge operator, and primary bail bond agency agent if the a bail bond agency employs, contracts with, or uses the services of a person who has had a license denied or whose license is currently suspended or revoked. However, a person who has been denied a license for failure to pass a required examination may be employed to perform clerical or administrative functions for which licensure is not required.

(4) An owner, a bail bond agent in charge operator, or a bail bond agency primary agent may not employ, contract with, or use the services of any person in a bail bond agency who has been charged with, found guilty of, or pled guilty or nolo contendere to a felony or a crime punishable by imprisonment of 1 year or more under the law of any jurisdiction, without regard to whether judgment was entered or withheld by the court.

(5) A bail bond agency location may not conduct surety business unless a ~~primary~~ bail bond agent in charge is designated by, and provides services to, the bail bond agency at all times. If the bail bond agent in charge designated with the department ends his or her affiliation with the bail bond agency for any reason and if the bail bond agency fails to designate another bail bond agent in charge within the 10-day period under subsection (1) and such failure continues for 90 days, the bail bond agency license automatically expires on the 91st day after the date the designated bail bond agent in charge ended his or her affiliation with the agency ~~The failure to designate a primary agent on a form prescribed by the department, within 10 working days after an agency's inception or a change of primary agent, is a violation of this chapter, punishable as provided in s. 648.45.~~

Section 63. Section 648.3875, Florida Statutes, is created to read:

648.3875 Bail bond agent in charge; qualifications.—

(1) An application for designation as a bail bond agent in charge must be submitted on forms prescribed by the department. The application must include the applicant's full name and the applicant's license number issued pursuant to s. 648.27.

(2) To qualify as a bail bond agent in charge, it must affirmatively appear that, at the time of application and throughout the period of licensure, the applicant has complied with s. 648.285 and that the applicant has been licensed as a bail bond agent for the 24 months immediately preceding the appointment as the bail bond agent in charge.

Section 64. Section 648.39, Florida Statutes, is amended to read:

648.39 Termination of appointment of managing general agents, bail bond agents, and ~~temporary bail bond agencies agents.~~—

(1) An insurer ~~that who~~ terminates the appointment of a managing general agent, bail bond agent, or ~~temporary bail bond agency agent~~ shall, within 10 days after such termination, file written notice thereof with the department together with a statement that it has given or mailed notice to the terminated agent ~~or agency~~. Such notice filed with the department must state the reasons, if any, for such termination. Information so furnished to the department is confidential and exempt from the ~~provisions of~~ s. 119.07(1).

(2) Each insurer shall, within 5 days after terminating the appointment of any managing general agent, bail bond agent, or ~~temporary bail bond agency agent~~, give written notice thereof to each clerk of the circuit court and sheriff with whom such person is registered.

(3) An insurer that terminates the appointment of a managing general agent ~~or~~, bail bond agent, ~~or temporary bail bond agent~~ may authorize such person to continue to attempt the arrest and surrender of a defendant for whom a surety bond had been written by the bail bond agent ~~before prior to~~ termination and to seek discharge of forfeitures and judgments as provided in chapter 903.

Section 65. ~~Section 648.41, Florida Statutes, is repealed.~~

Section 66. Section 648.42, Florida Statutes, is amended to read:

648.42 Registration of bail bond agents.—A bail bond agent may not become a surety on an undertaking unless he or she has registered in the office of the sheriff and with the clerk of the circuit court in the county in which the bail bond agent resides. The bail bond agent may register in a like manner in any other county, and any bail bond agent shall file a certified copy of his or her appointment by power of attorney from each insurer which he or she represents as a bail bond agent with each of such officers. Registration and filing of a certified copy of renewed power of attorney shall be performed by April 1 of each odd-numbered year. The clerk of the circuit court and the sheriff ~~may shall~~ not permit the registration of a bail bond agent unless such bail bond agent is currently licensed ~~by the department~~ and appointed by ~~an insurer the department~~. ~~Nothing in this section shall prevent the registration of a temporary licensee at the jail for the purposes of~~

~~enabling the licensee to perform the duties under such license as set forth in this chapter.~~

Section 67. Subsections (1) and (2) and paragraphs (c) and (d) of subsection (8) of section 648.44, Florida Statutes, are amended to read:

648.44 Prohibitions; penalty.—

(1) A bail bond agent or ~~temporary~~ bail bond agency agent may not:

(a) Suggest or advise the employment of, or name for employment, any particular attorney or attorneys to represent his or her principal.

(b) Directly or indirectly solicit business in or on the property or grounds of a jail, prison, or other place where prisoners are confined or in or on the property or grounds of any court. The term “solicitation” includes the distribution of business cards, print advertising, or other written or oral information directed to prisoners or potential indemnitors, unless a request is initiated by the prisoner or a potential indemnitor. Permissible print advertising in the jail is strictly limited to a listing in a telephone directory and the posting of the bail bond agent’s or agency’s name, address, e-mail address, web address, and telephone number in a designated location within the jail.

(c) Initiate in-person or telephone solicitation after 9:00 p.m. or before 8:00 a.m., ~~in the case of domestic violence cases,~~ at the residence of the detainee or the detainee’s family. Any solicitation ~~not prohibited by this chapter~~ must comply with the telephone solicitation requirements in ss. 501.059(2) and (4), 501.613, and 501.616(6).

(d) Wear or display any identification other than the department issued or approved license or approved department identification, which includes a citation of the licensee’s arrest powers, in or on the property or grounds of a jail, prison, or other place where prisoners are confined or in or on the property or grounds of any court.

(e) Pay a fee or rebate or give or promise anything of value to a jailer, police officer, peace officer, or committing trial court judge or any other person who has power to arrest or to hold in custody or to any public official or public employee in order to secure a settlement, compromise, remission, or reduction of the amount of any bail bond or estreatment thereof.

(f) Pay a fee or rebate or give anything of value to an attorney in a bail bond matter, except in defense of any action on a bond.

(g) Pay a fee or rebate or give or promise anything of value to the principal or anyone in his or her behalf.

(h) Participate in the capacity of an attorney at a trial or hearing of one on whose bond he or she is surety.

- (i) Loiter in or about a jail, courthouse, or where prisoners are confined.
- (j) Accept anything of value from a principal for providing a bail bond except the premium and transfer fee authorized by the office, except that the bail bond agent or bail bond agency may accept collateral security or other indemnity from the principal or another person in accordance with the ~~provisions of s. 648.442~~, together with documentary stamp taxes, if applicable. No fees, expenses, or charges of any kind shall be permitted to be deducted from the collateral held or any return premium due, except as authorized by this chapter or rule of the department or commission. A bail bond agent or bail bond agency may, upon written agreement with another party, receive a fee or compensation for returning to custody an individual who has fled the jurisdiction of the court or caused the forfeiture of a bond.
- (k) Write more than one power of attorney per charge on a bond, except in the case of a cosurety, unless the power of attorney prohibits a cosurety.
- (l) Execute a bond in this state on his or her own behalf.
- (m) Execute a bond in this state if a judgment has been entered on a bond executed by the bail bond agent or the bail bond agency is a named party on the judgment, which has remained unpaid for 35 days, unless the full amount of the judgment is deposited with the clerk in accordance with s. 903.27(5).
- (n) Make a statement or representation to a court, unless such statement or representation is under oath. Such statement or representation may not be false, misleading, or deceptive.
- (o) Attempt to collect, through threat or coercion, amounts due for the payment of any indebtedness related to the issuance of a bail bond in violation of s. 559.72.
- (p) Conduct bail bond business with any person, other than the defendant, on the grounds of the jail or courthouse for the purpose of executing a bond.
- (2) The following persons or classes may shall not be bail bond agents, ~~temporary bail bond agents~~, or employees of a bail bond agent or a bail bond agency business and may shall not directly or indirectly receive any benefits from the execution of any bail bond:
- (a) Jailers or persons employed in any jail.
- (b) Police officers or employees of any police department or law enforcement agency.
- (c) Committing trial court judges, employees of a court, or employees of the clerk of any court.
- (d) Sheriffs and deputy sheriffs or employees of any sheriff's department.

(e) Attorneys.

(f) Persons having the power to arrest or persons who have authority over or control of federal, state, county, or municipal prisoners.

(8)

(c) Any law enforcement agency, state attorney's office, court clerk, or insurer that is aware that a bail bond agent ~~or temporary bail bond agent~~ has been convicted of or who has pleaded guilty or no contest to a crime as described in paragraph (a) shall notify the department of this fact.

(d) Upon the filing of an information or indictment against a bail bond agent ~~or temporary bail bond agent~~, the state attorney or clerk of the circuit court shall immediately furnish the department a certified copy of the information or indictment.

Section 68. Subsection (1) of section 648.441, Florida Statutes, is amended to read:

648.441 Furnishing supplies to unlicensed bail bond agent prohibited; civil liability and penalty.—

(1) An insurer, managing general agent, bail bond agent, or ~~temporary~~ bail bond agency agent appointed under this chapter may not furnish to any person any blank forms, applications, stationery, business card, or other supplies to be used in soliciting, negotiating, or effecting bail bonds until such person has received from the department a license to act as a bail bond agent and is appointed by the insurer. This section does not prohibit an unlicensed employee, under the direct supervision and control of a licensed and appointed bail bond agent, from possessing or executing in the bail bond agency, any forms, except for powers of attorney, bond forms, and collateral receipts, while acting within the scope of his or her employment.

Section 69. Subsection (3) of section 648.46, Florida Statutes, is amended to read:

648.46 Procedure for disciplinary action against licensees.—

(3) The complaint and all information obtained pursuant to the investigation of the department are confidential and exempt from the provisions of s. 119.07(1) until such investigation is completed or ceases to be active. For the purpose of this section, an investigation is considered "active" while the investigation is being conducted by the department with a reasonable, good faith belief that it may lead to the filing of administrative, civil, or criminal proceedings. An investigation does not cease to be active if the department is proceeding with reasonable dispatch and there is good faith belief that action may be initiated by the department or other administrative or law enforcement agency. This subsection does not prevent the department or office from disclosing the complaint or such information as it deems necessary to conduct the investigation, to update the

complainant as to the status and outcome of the complaint, or to share such information with any law enforcement agency or other regulatory body.

Section 70. Section 648.50, Florida Statutes, is amended to read:

648.50 Effect of suspension, revocation upon associated licenses and licensees.—

(1) Upon the suspension, revocation, or refusal to renew or continue any license or appointment or the eligibility to hold a license or appointment of a bail bond agent or ~~temporary~~ bail bond agency agent, the department shall at the same time likewise suspend or revoke all other licenses or appointments and the eligibility to hold any other such licenses or appointments which may be held by the licensee under the Florida Insurance Code.

(2) In case of the suspension or revocation of the license or appointment, or the eligibility to hold a license or appointment, of any bail bond agent, the license, appointment, or eligibility of any and all bail bond agents who are members of a bail bond agency, whether incorporated or unincorporated, ~~and any and all temporary bail bond agents employed by such bail bond agency,~~ who knowingly are parties to the act which formed the ground for the suspension or revocation may likewise be suspended or revoked.

(3) ~~A~~ No person whose license as a bail bond agent or ~~temporary bail bond agent~~ has been revoked or suspended may not ~~shall~~ be employed by any bail bond agent, have any ownership interest in any business involving bail bonds, or have any financial interest of any type in any bail bond business during the period of revocation or suspension.

Section 71. Subsections (4) and (6) of section 717.135, Florida Statutes, are amended to read:

717.135 Recovery agreements and purchase agreements for claims filed by a claimant's representative; fees and costs.—

(4) A claimant's representative must use the Unclaimed Property Recovery Agreement or the Unclaimed Property Purchase Agreement as the exclusive means of entering into an agreement or a contract engaging with a claimant or seller to file a claim with the department.

(6) A claimant's representative may not use or distribute any other agreement of any type, conveyed by any method, form, or other media with respect to the claimant or seller which relates, directly or indirectly, to unclaimed property accounts held by the department or the Chief Financial Officer other than the agreements authorized by this section. Any engagement, authorization, recovery, or fee agreement that is not authorized by this section is void. A claimant's representative is subject to administrative and civil enforcement under s. 717.1322 if he or she uses an agreement that is not authorized by this section. This subsection does not prohibit lawful

nonagreement, noncontractual, or advertising communications between or among the parties.

Section 72. Paragraph (a) of subsection (4) of section 843.021, Florida Statutes, is amended to read:

843.021 Unlawful possession of a concealed handcuff key.—

(4)(a) It is a defense to a charge of violating this section that the person in custody and in possession of a concealed handcuff key is:

- 1. A federal, state, or local law enforcement officer, including a reserve or auxiliary officer, a licensed security officer, or a private investigator as defined in s. 493.6101; or
- 2. A professional bail bond agent, ~~temporary bail bond agent, runner,~~ or limited surety agent as defined in s. 648.25.

Section 73. Subsection (4) of section 631.152, Florida Statutes, is amended to read:

631.152 Conduct of delinquency proceeding; foreign insurers.—

(4) Section ~~631.141(10)(b)~~ ~~631.141(9)(b)~~ applies to ancillary delinquency proceedings opened for the purpose of obtaining records necessary to adjudicate the covered claims of Florida policyholders.

Section 74. Paragraph (b) of subsection (3) of section 631.398, Florida Statutes, is amended to read:

631.398 Prevention of insolvencies.—To aid in the detection and prevention of insurer insolvencies or impairments:

(3)

(b) For an insolvency involving a domestic property insurer, the department shall:

- 1. Begin an analysis of the history and causes of the insolvency once the department is appointed by the court as receiver.
- 2. Submit an initial report analyzing the history and causes of the insolvency to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the office. The initial report must be submitted no later than 4 months after the department is appointed as receiver. The initial report shall be updated at least annually until the submission of the final report. The report may not be used as evidence in any proceeding brought by the department or others to recover assets on behalf of the receivership estate as part of its duties under ~~s. 631.141(9) s. 631.141(8)~~. The submission of a report under this subparagraph shall not be considered a waiver of any evidentiary privilege the department may assert under state or federal law.

3. Provide a special report to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the office, within 10 days upon identifying any condition or practice that may lead to insolvency in the property insurance marketplace.

4. Submit a final report analyzing the history and causes of the insolvency and the review of the Office of Insurance Regulation's regulatory oversight of the insurer to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the office within 30 days of the conclusion of the insolvency proceeding.

5. Review the Office of Insurance Regulation's regulatory oversight of the insurer.

Section 75. Subsection (2) of section 903.09, Florida Statutes, is amended to read:

903.09 Justification of sureties.—

(2) A bond agent, as defined in s. 648.25(3) ~~s. 648.25(2)~~, shall justify her or his suretyship by attaching a copy of the power of attorney issued by the company to the bond or by attaching to the bond United States currency, a United States postal money order, or a cashier's check in the amount of the bond; but the United States currency, United States postal money order, or cashier's check cannot be used to secure more than one bond. Nothing herein shall prohibit two or more qualified sureties from each posting any portion of a bond amount, and being liable for only that amount, so long as the total posted by all cosureties is equal to the amount of bond required.

Section 76. (1) The following rules are ratified for the sole and exclusive purpose of satisfying any condition on the effectiveness imposed under s. 120.541(3), Florida Statutes: Rule 69L-7.020, Florida Administrative Code, titled "Florida Workers' Compensation Health Care Provider Reimbursement Manual" as filed for adoption with the Department of State pursuant to the certification package dated October 22, 2021; Rule 69L-7.730, Florida Administrative Code, titled "Health Care Provider Medical Billing and Reporting Responsibilities" as filed for adoption with the Department of State pursuant to the certification package dated April 6, 2023; and Rule 69L-7.740, Florida Administrative Code, titled "Insurer Authorization and Medical Bill Review Responsibilities" as filed for adoption with the Department of State pursuant to the certification package dated April 6, 2023.

(2) This section serves no other purpose and may not be codified in the Florida Statutes. After this section becomes law, its enactment and effective dates shall be noted in the Florida Administrative Code, the Florida Administrative Register, or both, as appropriate. This section does not alter rulemaking additions delegated by prior law, does not constitute legislative preemption of or exception to any provision of law governing adoption or enforcement of the rule cited, and is intended to preserve the

status of any cited rule as a rule under chapter 120, Florida Statutes. This section does not cure any rulemaking defect or preempt any challenge based on a lack of authority or a violation of the legal requirements governing the adoption of any rule cited.

(3) This section takes effect July 1, 2023.

Section 77. Except as otherwise expressly provided in this act, this act shall take effect upon becoming a law.

Approved by the Governor May 25, 2023.

Filed in Office Secretary of State May 25, 2023.