

# CHAPTER 98-103

## Senate Bill No. 766

An act relating to insurance; creating s. 626.2816, F.S.; requiring continuing education course providers and related personnel to be approved by the Department of Insurance; providing for the adoption of rules related to continuing education; amending s. 626.601, F.S.; providing for the department to investigate alleged improper conduct by continuing education course providers and related personnel; amending s. 626.681, F.S.; authorizing the Department of Insurance to impose an administrative penalty on continuing education course providers and related personnel under certain circumstances; amending s. 627.7295, F.S.; providing that certain restrictions on issuance of private passenger motor vehicle insurance do not apply if the policy is paid by payroll deduction or by automatic electronic funds transfer; providing an effective date.

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

Section 1. Section 626.2816, Florida Statutes, is created to read:

626.2816 Regulation of continuing education for licensees, course providers, instructors, school officials and monitor groups.—

(1) Continuing education course providers, instructors, school officials and monitor groups must be approved by the department before offering continuing education courses pursuant to s. 626.2815.

(2) The department shall adopt rules establishing standards for the approval, regulation, and operation of the continuing education programs and for the discipline of licensees, course providers, instructors, school officials and monitor groups. The standards must be designed to ensure that such course providers, instructors, school officials and monitor groups have the knowledge, competence and integrity to fulfill the educational objectives of ss. 626.2815, 626.869(5), 648.385, and 648.386.

(3) The department shall adopt rules establishing a process by which compliance with the continuing education requirements of ss. 626.2815, 626.869(5), 648.385, and 648.386 can be determined, the establishment of a continuing education requirement cycle for licensees, and forms necessary to implement such a process.

Section 2. Subsection (1) of section 626.601, Florida Statutes, is amended to read:

626.601 Improper conduct; inquiry; fingerprinting.—

(1) The department may, upon its own motion, and shall, upon a written complaint signed by any interested person and filed with the department, inquire into any alleged improper conduct of any licensed agent, solicitor,

adjuster, service representative, managing general agent, continuing education course provider, instructor, school official or monitor group, or claims investigator under this code.

Section 3. Section 626.681, Florida Statutes, is amended to read:

626.681 Administrative fine in lieu of suspension, revocation, or refusal of license, ~~or appointment, or disapproval.~~—

(1) Except as to insurance agencies, if the department finds that one or more grounds exist for the suspension, revocation, or refusal to renew or continue any license or appointment issued under this chapter, or disapproval of a continuing education course provider, instructor, school official or monitor groups the department may, in its discretion, in lieu of such suspension, revocation, ~~or refusal,~~ or disapproval, and except on a second offense or when such suspension, revocation, or refusal is mandatory, impose upon the licensee, ~~or appointee,~~ course provider, instructor, school official or monitor group an administrative penalty in an amount up to \$500 or, if the department has found willful misconduct or willful violation on the part of the licensee, ~~or appointee,~~ course provider, instructor, school official or monitor group up to \$2,500. The administrative penalty may, in the discretion of the department, be augmented by an amount equal to any commissions received by or accruing to the credit of the licensee or appointee in connection with any transaction as to which the grounds for suspension, revocation, or refusal related.

(2) With respect to insurance agencies, if the department finds that one or more grounds exist for the suspension, revocation, or refusal to renew or continue any license issued under this chapter, the department may, in its discretion, in lieu of such suspension, revocation, or refusal, impose upon the licensee an administrative penalty in an amount not to exceed \$10,000 per violation. The administrative penalty may, in the discretion of the department, be augmented by an amount equal to any commissions received by or accruing to the credit of the licensee in connection with any transaction as to which the grounds for suspension, revocation, or refusal related.

(3) The department may allow the licensee, ~~or appointee,~~ or continuing education course provider, instructor, school official or monitor group a reasonable period, not to exceed 30 days, within which to pay to the department the amount of the penalty so imposed. If the licensee, ~~or appointee,~~ course provider, instructor, school official or monitor group fails to pay the penalty in its entirety to the department within the period so allowed, the license, ~~or appointments,~~ or approval of that person the licensee or appointee shall stand suspended or revoked or renewal or continuation shall be refused, as the case may be, upon expiration of such period.

Section 4. Subsection (7) of section 627.7295, Florida Statutes, is amended to read:

627.7295 Motor vehicle insurance contracts.—

(7) A policy of private passenger motor vehicle insurance or a binder for such a policy may be initially issued in this state only if the insurer or agent

has collected from the insured an amount equal to 2 months' premium. An insurer, agent, or premium finance company may not directly or indirectly take any action resulting in the insured having paid from the insured's own funds an amount less than the 2 months' premium required by this subsection. This subsection applies without regard to whether the premium is financed by a premium finance company or is paid pursuant to a periodic payment plan of an insurer or an insurance agent. This subsection does not apply if an insured or member of the insured's family is renewing or replacing a policy or a binder for such policy written by the same insurer or a member of the same insurer group. This subsection does not apply to an insurer that issues private passenger motor vehicle coverage primarily to active duty or former military personnel or their dependents. This subsection does not apply if the policy is paid pursuant to a payroll deduction plan or an automatic electronic funds transfer payment plan. This subsection and subsection (4) do not apply if an insured has had a policy in effect for at least 6 months, the insured's agent is terminated by the insurer that issued the policy, and the insured obtains coverage on the policy's renewal date with a new company through the terminated agent.

Section 5. This act shall take effect July 1, 1998.

Became a law without the Governor's approval May 22, 1998.

Filed in Office Secretary of State May 21, 1998.