

CHAPTER 2018-102

Committee Substitute for Committee Substitute for Committee Substitute for House Bill No. 1073

An act relating to the Department of Financial Services; amending s. 17.64, F.S.; providing that electronic images of warrants, vouchers, or checks in the Division of Treasury are deemed to be original records; revising the applicable medium, from film or print to electronic, in provisions relating to copies and reproductions of records and documents of the division; amending s. 20.121, F.S.; renaming the Bureau of Fire and Arson Investigations within the Division of Investigative and Forensic Services as the Bureau of Fire, Arson, and Explosives Investigations; creating the Bureau of Insurance Fraud and the Bureau of Workers' Compensation Fraud within the division; amending s. 39.6035, F.S.; requiring child transition plans to address financial literacy by providing specified information; amending s. 218.32, F.S.; providing legislative intent to create the Florida Open Financial Statement System; authorizing the Chief Financial Officer to choose contracts to build eXtensible Business Reporting language taxonomies; requiring that local governmental financial statements be filed in XBRL format; amending s. 284.40, F.S.; authorizing the department to disclose certain personal identifying information of injured or deceased employees which is exempt from disclosure under the Workers' Compensation Law to department-contracted vendors for certain purposes; amending s. 284.50, F.S.; requiring safety coordinators of state governmental departments to complete, within a certain timeframe, safety coordinator training offered by the department; requiring certain agencies to report certain return-to-work information to the department; requiring agencies to provide certain risk management program information to the Division of Risk Management for certain purposes; specifying requirements for agencies in reviewing and responding to certain information and communications provided by the division; amending s. 409.1451, F.S.; conforming a provision to changes made by the act; amending s. 414.411, F.S.; replacing the Department of Economic Opportunity with the Department of Education in a list of entities to which a public assistance recipient may be required to provide written consent for certain investigative inquiries and to which the department must report investigation results; amending s. 624.317, F.S.; authorizing the department to conduct investigations of any, rather than specified, agents subject to its jurisdiction; amending s. 624.34, F.S.; conforming a provision to changes made by the act; amending s. 624.4073, F.S.; prohibiting certain officers or directors of insolvent insurers from having direct or indirect control over certain selection or appointment of officers or directors, except under certain circumstances; amending ss. 624.4094, 624.501, 624.509, and 625.071, F.S.; conforming provisions to changes made by the act; amending s. 626.112, F.S.; requiring a managing general agent to hold a currently effective producer license rather than a managing general agent license; amending s. 626.171, F.S.; deleting

applicability of licensing provisions as to managing general agents; making a technical change; amending s. 626.202, F.S.; providing that certain applicants are not required to resubmit fingerprints to the department under certain circumstances; authorizing the department to require these applicants to file fingerprints under certain circumstances; amending s. 626.207, F.S.; conforming a provision to changes made by the act; amending s. 626.221, F.S.; adding a designation that exempts applicants for licensure as an all-lines adjuster from an examination requirement; amending s. 626.451, F.S.; deleting a requirement for law enforcement agencies and state attorney's offices to notify the department or the Office of Insurance Regulation of certain felony dispositions; deleting a requirement for the state attorney to provide the department or office a certified copy of an information or indictment against a managing general agent; conforming a provision to changes made by the act; amending s. 626.521, F.S.; revising requirements for credit and character reports secured and kept by insurers or employers appointing certain insurance representatives; providing applicability; amending s. 626.731, F.S.; deleting a certain qualification for licensure as a general lines agent; amending s. 626.7351, F.S.; revising a qualification for licensure as a customer representative; amending s. 626.744, F.S.; conforming a provision to changes made by the act; amending s. 626.745, F.S.; revising conditions under which service representatives and managing general agents may engage in certain activities; amending ss. 626.7451 and 626.7455, F.S.; conforming provisions to changes made by the act; amending s. 626.752, F.S.; revising a requirement for the Brokering Agent's Register maintained by brokering agents; revising the limit on certain personal lines risks an insurer may receive from an agent within a specified timeframe before the insurer must comply with certain reporting requirements for that agent; amending s. 626.793, F.S.; revising the limit on certain risks that certain insurers may receive from a life agent within a specified timeframe before the insurer must comply with certain reporting requirements for that agent; amending s. 626.798, F.S.; prohibiting specified life agents from modifying the life insurance coverage on the life of a person who is not a family member, except as described; prohibiting a life agent or family member of such agent from serving in specified fiduciary capacities unless such agent or family member meets certain fiduciary conditions; revising definitions; amending s. 626.837, F.S.; revising the limit on certain risks that certain insurers may receive from a health agent within a specified timeframe before the insurer must comply with certain reporting requirements for that agent; amending s. 626.8732, F.S.; deleting a requirement for a licensed nonresident public adjuster to submit a certain annual affidavit to the department; amending s. 626.8734, F.S.; deleting a requirement for a nonresident independent adjuster to submit a certain annual affidavit to the department; amending s. 626.88, F.S.; conforming a provision to changes made by the act; amending s. 626.927, F.S.; revising conditions under which an individual may be licensed as a surplus lines agent solely for the purpose of placing certain coverages with surplus lines insurers; amending s. 626.930, F.S.; revising a requirement relating to the location of a surplus lines agent's

surplus lines business records; amending s. 626.9892, F.S.; authorizing the department to pay a specified amount of rewards under the Anti-Fraud Reward Program for information leading to the arrest and conviction of persons guilty of arson; amending s. 633.302, F.S.; revising the duration of the terms of members of the Florida Fire Safety Board; amending s. 633.304, F.S.; revising circumstances under which an inactive fire equipment dealer license is void; specifying the timeframe when an inactive license must be reactivated; specifying that permittees performing certain work on fire equipment may be contracted rather than employed; revising a requirement for a certain proof-of-insurance form to be provided by the insurer rather than the State Fire Marshal; amending s. 633.314, F.S.; authorizing fire extinguisher serial numbers to be permanently affixed rather than stamped to the manufacturer's identification plate; amending s. 633.318, F.S.; revising a requirement for a certain proof-of-insurance form to be provided by the insurer rather than the State Fire Marshal; amending s. 633.408, F.S.; specifying prerequisites and retention requirements for a Special Certificate of Compliance that authorizes an individual to serve as an administrative and command head of a fire service provider; amending s. 633.444, F.S.; deleting a requirement for the Division of State Fire Marshal to develop a staffing and funding formula for the Florida State Fire College; amending s. 648.27, F.S.; revising conditions under which a managing general agent must also be licensed as a bail bond agent; conforming a provision to changes made by the act; amending s. 648.34, F.S.; providing that certain individuals applying for bail bond agent licensure are not required to resubmit fingerprints to the department under certain circumstances; authorizing the department to require such individuals to file fingerprints under certain circumstances; reenacting s. 626.8734(1)(b), F.S., relating to nonresident all-lines adjuster license qualifications, to incorporate the amendment made to s. 626.221, F.S., in a reference thereto; providing legislative findings; providing an appropriation; providing an effective date.

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

Section 1. Section 17.64, Florida Statutes, is amended to read:

17.64 Division of Treasury to make reproductions of certain warrants, records, and documents.—

(1) Electronic images, photographs, microphotographs, or reproductions on film of warrants, vouchers, or checks are shall be deemed to be original records for all purposes; and any copy or reproduction thereof ~~made from such original film~~, duly certified by the Division of Treasury as a true and correct copy or reproduction ~~made from such film~~, is shall be deemed to be a transcript, exemplification, or certified copy of the original warrant, voucher, or check such copy represents, and must shall in all cases and in all courts and places be admitted and received in evidence with the like force and effect as the original thereof might be.

(2) The Division of Treasury may electronically photograph, ~~microphotograph, or reproduce on film~~, all records and documents of the division, as the Chief Financial Officer, in his or her discretion, selects; and the division may destroy any such documents or records after they have been reproduced electronically photographed and filed and after audit of the division has been completed for the period embracing the dates of such documents and records.

(3) Electronic copies ~~Photographs or microphotographs in the form of film or prints~~ of any records made in compliance with the provisions of this section shall have the same force and effect as the originals thereof would have, and must ~~shall~~ be treated as originals for the purpose of their admissibility in evidence. Duly certified or authenticated reproductions of such electronic images must ~~photographs or microphotographs~~ shall be admitted in evidence equally with the original electronic images ~~photographs or microphotographs~~.

Section 2. Paragraph (e) of subsection (2) of section 20.121, Florida Statutes, is 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 conduct investigations 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 has or may have been violated, it shall refer any records tending to show such violation to state or federal law enforcement or prosecutorial agencies and shall provide investigative assistance to those agencies as required. The division shall include the following bureaus and office:

1. The Bureau of Forensic Services;
2. The Bureau of Fire, ~~and Arson,~~ and Explosives Investigations; ~~and~~
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.

Section 3. Subsection (1) of section 39.6035, Florida Statutes, is amended to read:

39.6035 Transition plan.—

(1) During the 180-day period after a child reaches 17 years of age, the department and the community-based care provider, in collaboration with the caregiver and any other individual whom the child would like to include, shall assist the child in developing a transition plan. The required transition plan is in addition to standard case management requirements. The transition plan must address specific options for the child to use in obtaining services, including housing, health insurance, education, financial literacy, a driver license, and workforce support and employment services. The plan must also consider establishing and maintaining naturally occurring mentoring relationships and other personal support services. The transition plan may be as detailed as the child chooses. In developing the transition plan, the department and the community-based provider shall:

(a) Provide the child with the documentation required pursuant to s. 39.701(3); ~~and~~

(b) Coordinate the transition plan with the independent living provisions in the case plan and, for a child with disabilities, the Individuals with Disabilities Education Act transition plan; ~~and~~.

(c) Provide information for the financial literacy curriculum for youth offered by the Department of Financial Services.

Section 4. Subsection (1) of section 218.32, Florida Statutes, is amended to read:

218.32 Annual financial reports; local governmental entities.—

(1)(a) Each local governmental entity that is determined to be a reporting entity, as defined by generally accepted accounting principles, and each independent special district as defined in s. 189.012, shall submit to the department a copy of its annual financial report for the previous fiscal year in a format prescribed by the department. The annual financial report must include a list of each local governmental entity included in the report and each local governmental entity that failed to provide financial information as required by paragraph (b). The chair of the governing body and the chief financial officer of each local governmental entity shall sign the annual financial report submitted pursuant to this subsection attesting to the accuracy of the information included in the report. The county annual financial report must be a single document that covers each county agency.

(b) Each component unit, as defined by generally accepted accounting principles, of a local governmental entity shall provide the local governmental entity, within a reasonable time period as established by the local governmental entity, with financial information necessary to comply with the reporting requirements contained in this section.

(c) Each regional planning council created under s. 186.504, each local government finance commission, board, or council, and each municipal power corporation created as a separate legal or administrative entity by

interlocal agreement under s. 163.01(7) shall submit to the department a copy of its audit report and an annual financial report for the previous fiscal year in a format prescribed by the department.

(d) Each local governmental entity that is required to provide for an audit under s. 218.39(1) must submit a copy of the audit report and annual financial report to the department within 45 days after the completion of the audit report but no later than 9 months after the end of the fiscal year.

(e) Each local governmental entity that is not required to provide for an audit under s. 218.39 must submit the annual financial report to the department no later than 9 months after the end of the fiscal year. The department shall consult with the Auditor General in the development of the format of annual financial reports submitted pursuant to this paragraph. The format must include balance sheet information used by the Auditor General pursuant to s. 11.45(7)(f). The department must forward the financial information contained within the annual financial reports to the Auditor General in electronic form. This paragraph does not apply to housing authorities created under chapter 421.

(f) If the department does not receive a completed annual financial report from a local governmental entity within the required period, it shall notify the Legislative Auditing Committee and the Special District Accountability Program of the Department of Economic Opportunity of the entity's failure to comply with the reporting requirements.

(g) Each local governmental entity's website must provide a link to the department's website to view the entity's annual financial report submitted to the department pursuant to this section. If the local governmental entity does not have an official website, the county government's website must provide the required link for the local governmental entity.

(h) It is the intent of the Legislature to create the Florida Open Financial Statement System, an interactive repository for governmental financial statements.

1. The Chief Financial Officer may consult with stakeholders, including the department, the Auditor General, a representative of a municipality or county, a representative of a special district, a municipal bond investor, and an information technology professional employed in the private sector, for input on the design and implementation of the Florida Open Financial Statement System.

2. The Chief Financial Officer may choose contractors to build one or more eXtensible Business Reporting Language (XBRL) taxonomies suitable for state, county, municipal, and special district financial filings and to create a software tool that enables financial statement filers to easily create XBRL documents consistent with such taxonomies. The Chief Financial Officer must recruit and select contractors through an open request for proposals process pursuant to chapter 287.

3. The Chief Financial Officer must require that all work products be completed no later than December 31, 2021.

4. If the Chief Financial Officer deems the work products adequate, all local governmental financial statements for fiscal years ending on or after September 1, 2022, must be filed in XBRL format and must meet the validation requirements of the relevant taxonomy.

5. A local government that begins filing in XBRL format may not be required to make filings in Portable Document Format.

Section 5. Section 284.40, Florida Statutes, is amended to read:

284.40 Division of Risk Management; disclosure of certain workers' compensation-related information by the Department of Financial Services.

(1) It shall be the responsibility of the Division of Risk Management of the Department of Financial Services to administer this part and the provisions of s. 287.131.

(2) The claim files maintained by the Division of Risk Management shall be confidential, shall be only for the usage by the Department of Financial Services in fulfilling its duties and responsibilities under this part, and shall be exempt from the provisions of s. 119.07(1).

(3) Upon certification by the division director or his or her designee to the custodian of any records maintained by the Department of Children and Families, Department of Health, Agency for Health Care Administration, or Department of Elderly Affairs that such records are necessary to investigate a claim against the Department of Children and Families, Department of Health, Agency for Health Care Administration, or Department of Elderly Affairs being handled by the Division of Risk Management, the records shall be released to the division subject to the provisions of subsection (2), any conflicting provisions as to the confidentiality of such records notwithstanding.

(4) Notwithstanding s. 440.1851, the Department of Financial Services may disclose the personal identifying information of an injured or deceased employee to a department-contracted vendor for the purpose of ascertaining a claimant's claims history to investigate the compensability of a claim or to identify and prevent fraud.

Section 6. Section 284.50, Florida Statutes, is amended to read:

284.50 Loss prevention program; safety coordinators; Interagency Advisory Council on Loss Prevention; employee recognition program; return-to-work programs; risk management programs.—

(1) The head of each department of state government, except the Legislature, shall designate a safety coordinator. Such safety coordinator must be an employee of the department and must hold a position which has

responsibilities comparable to those of an employee in the Senior Management System. The Department of Financial Services shall provide appropriate training to the safety coordinators to permit them to effectively perform their duties within their respective departments. Within 1 year after being appointed by his or her department head, the safety coordinator shall complete safety coordinator training offered by the Department of Financial Services. Each safety coordinator shall, at the direction of his or her department head:

- (a) Develop and implement the loss prevention program, a comprehensive departmental safety program which shall include a statement of safety policy and responsibility.
- (b) Provide for regular and periodic facility and equipment inspections.
- (c) Investigate job-related employee accidents of his or her department.
- (d) Establish a program to promote increased safety awareness among employees.

(2) There shall be an Interagency Advisory Council on Loss Prevention composed of the safety coordinators from each department and representatives designated by the Division of State Fire Marshal and the Division of Risk Management. The chair of the council ~~is shall be~~ the Director of the Division of Risk Management or his or her designee. The council shall meet at least quarterly to discuss safety problems within state government, to attempt to find solutions for these problems, and, when possible, to assist in the implementation of the solutions. If the safety coordinator of a department or office is unable to attend a council meeting, an alternate, selected by the department head or his or her designee, shall attend the meeting to represent and provide input for that department or office on the council. The council is further authorized to provide for the recognition of employees, agents, and volunteers who make exceptional contributions to the reduction and control of employment-related accidents. The necessary expenses for the administration of this program of recognition shall be considered an authorized administrative expense payable from the State Risk Management Trust Fund.

(3) The Department of Financial Services and all agencies that are provided workers' compensation insurance coverage by the State Risk Management Trust Fund and employ more than 3,000 full-time employees shall establish and maintain return-to-work programs for employees who are receiving workers' compensation benefits. The programs must ~~shall~~ have the primary goal of enabling injured workers to remain at work or return to work to perform job duties within the physical or mental functional limitations and restrictions established by the workers' treating physicians. If no limitation or restriction is established in writing by a worker's treating physician, the worker ~~is shall be~~ deemed to be able to fully perform the same work duties he or she performed before the injury. Agencies employing more than 3,000 full-time employees shall report return-to-work information to

the Department of Financial Services to support the Department of Financial Services’ mandatory reporting requirements on agency return-to-work efforts under s. 284.42(1)(b).

(4) The Division of Risk Management shall evaluate each agency’s risk management programs, including, but not limited to, return-to-work, safety, and loss prevention programs, at least once every 5 years. Reports, including, but not limited to, any recommended corrective action, resulting from such evaluations must shall be provided to the head of the agency being evaluated, the Chief Financial Officer, and the director of the Division of Risk Management. The agency head must provide to the Division of Risk Management a response to all report recommendations within 45 days and a plan to implement any corrective action to be taken as part of the response. If the agency disagrees with any final report recommendations, including, but not limited to, any recommended corrective action, or if the agency fails to implement any recommended corrective action within a reasonable time, the division shall submit the evaluation report to the legislative appropriations committees. Each agency shall provide risk management program information to the Division of Risk Management to support the Division of Risk Management’s mandatory evaluation and reporting requirements in this subsection.

(5) Each agency shall:

(a) Review information provided by the Division of Risk Management on claims and losses;

(b) Identify any discrepancies between the Division of Risk Management’s records and the agency’s records and report such discrepancies to the Division of Risk Management in writing; and

(c) Review and respond to communications from the Division of Risk Management identifying unsafe or inappropriate conditions, policies, procedures, trends, equipment, or actions or incidents that have led or may lead to accidents or claims involving the state.

Section 7. Paragraph (b) of subsection (3) of section 409.1451, Florida Statutes, is amended to read:

409.1451 The Road-to-Independence Program.—

(3) AFTERCARE SERVICES.—

(b) Aftercare services include, but are not limited to, the following:

1. Mentoring and tutoring.

2. Mental health services and substance abuse counseling.

3. Life skills classes, including credit management and preventive health activities.

4. Parenting classes.
5. Job and career skills training.
6. Counselor consultations.
7. Temporary financial assistance for necessities, including, but not limited to, education supplies, transportation expenses, security deposits for rent and utilities, furnishings, household goods, and other basic living expenses.
8. Financial literacy skills training pursuant to s. 39.6035(1)(c).

The specific services to be provided under this paragraph shall be determined by an assessment of the young adult and may be provided by the community-based care provider or through referrals in the community.

Section 8. Subsections (1) and (3) of section 414.411, Florida Statutes, are amended to read:

414.411 Public assistance fraud.—

(1) The Department of Financial Services shall investigate all public assistance provided to residents of the state or provided to others by the state. In the course of such investigation the department shall examine all records, including electronic benefits transfer records and make inquiry of all persons who may have knowledge as to any irregularity incidental to the disbursement of public moneys, food assistance, or other items or benefits authorizations to recipients. All public assistance recipients, as a condition precedent to qualification for public assistance under chapter 409, chapter 411, or this chapter, must first give in writing, to the Agency for Health Care Administration, the Department of Health, the Department of Education Economic Opportunity, and the Department of Children and Families, as appropriate, and to the Department of Financial Services, consent to make inquiry of past or present employers and records, financial or otherwise.

(3) The results of such investigation shall be reported by the Department of Financial Services to the appropriate legislative committees, the Agency for Health Care Administration, the Department of Health, the Department of Education Economic Opportunity, and the Department of Children and Families, and to such others as the department may determine.

Section 9. Subsection (1) of section 624.317, Florida Statutes, is amended to read:

624.317 Investigation of agents, adjusters, administrators, service companies, and others.—If it has reason to believe that any person has violated or is violating any provision of this code, or upon the written complaint signed by any interested person indicating that any such violation may exist:

(1) The department shall conduct such investigation as it deems necessary of the accounts, records, documents, and transactions pertaining to or affecting the insurance affairs of any ~~general agent, surplus lines agent, adjuster, managing general agent, insurance agent,~~ insurance agency, customer representative, service representative, or other person subject to its jurisdiction, subject to the requirements of s. 626.601.

Section 10. Subsection (2) of section 624.34, Florida Statutes, is amended to read:

624.34 Authority of Department of Law Enforcement to accept fingerprints of, and exchange criminal history records with respect to, certain persons.—

(2) The Department of Law Enforcement may accept fingerprints of individuals who apply for a license as an agent, customer representative, adjuster, service representative, or navigator, ~~or managing general agent~~ or the fingerprints of the majority owner, sole proprietor, partners, officers, and directors of a corporation or other legal entity that applies for licensure with the department or office under the Florida Insurance Code.

Section 11. Section 624.4073, Florida Statutes, is amended to read:

624.4073 Officers and directors of insolvent insurers.—Any person who was an officer or director of an insurer doing business in this state and who served in that capacity within the 2-year period ~~before~~ prior to the date the insurer became insolvent, for any insolvency that occurs on or after July 1, 2002, may not thereafter serve as an officer or director of an insurer authorized in this state or have direct or indirect control over the selection or appointment of an officer or director through contract, trust, or by operation of law, unless the officer or director demonstrates that his or her personal actions or omissions were not a significant contributing cause to the insolvency.

Section 12. Subsection (1) of section 624.4094, Florida Statutes, is amended to read:

624.4094 Bail bond premiums.—

(1) The Legislature finds that a significant portion of bail bond premiums is retained by the licensed bail bond agents or appointed ~~licensed~~ managing general agents. For purposes of reporting in financial statements required to be filed with the office pursuant to s. 624.424, direct written premiums for bail bonds by a domestic insurer in this state shall be reported net of any amounts retained by licensed bail bond agents or appointed ~~licensed~~ managing general agents. However, in no case shall the direct written premiums for bail bonds be less than 6.5 percent of the total consideration received by the agent for all bail bonds written by the agent. This subsection also applies to any determination of compliance with s. 624.4095.

Section 13. Paragraph (e) of subsection (19) 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:

(19) Miscellaneous services:

(e) Insurer’s registration fee for agent exchanging business more than four ~~24~~ times in a calendar year under s. 626.752, s. 626.793, or s. 626.837, registration fee per agent per year.....\$30.00

Section 14. Subsection (1) of section 624.509, Florida Statutes, is amended to read:

624.509 Premium tax; rate and computation.—

(1) In addition to the license taxes provided for in this chapter, each insurer shall also annually, and on or before March 1 in each year, except as to wet marine and transportation insurance taxed under s. 624.510, pay to the Department of Revenue a tax on insurance premiums, premiums for title insurance, or assessments, including membership fees and policy fees and gross deposits received from subscribers to reciprocal or interinsurance agreements, and on annuity premiums or considerations, received during the preceding calendar year, the amounts thereof to be determined as set forth in this section, to wit:

(a) An amount equal to 1.75 percent of the gross amount of such receipts on account of life and health insurance policies covering persons resident in this state and on account of all other types of policies and contracts, except annuity policies or contracts taxable under paragraph (b) and bail bond policies or contracts taxable under paragraph (c), covering property, subjects, or risks located, resident, or to be performed in this state, omitting premiums on reinsurance accepted, and less return premiums or assessments, but without deductions:

1. For reinsurance ceded to other insurers;
2. For moneys paid upon surrender of policies or certificates for cash surrender value;
3. For discounts or refunds for direct or prompt payment of premiums or assessments; and
4. On account of dividends of any nature or amount paid and credited or allowed to holders of insurance policies; certificates; or surety, indemnity, reciprocal, or interinsurance contracts or agreements;

(b) An amount equal to 1 percent of the gross receipts on annuity policies or contracts paid by holders thereof in this state; and

(c) An amount equal to 1.75 percent of the direct written premiums for bail bonds, excluding any amounts retained by licensed bail bond agents or appointed ~~licensed~~ managing general agents.

Section 15. Section 625.071, Florida Statutes, is amended to read:

625.071 Special reserve for bail and judicial bonds.—In lieu of the unearned premium reserve required on surety bonds under s. 625.051, the office may require any surety insurer or limited surety insurer to set up and maintain a reserve on all bail bonds or other single-premium bonds without definite expiration date, furnished in judicial proceedings, equal to the lesser of 35 percent of the bail premiums in force or \$7 per \$1,000 of bail liability. Such reserve shall be reported as a liability in financial statements required to be filed with the office. Each insurer shall file a supplementary schedule showing bail premiums in force and bail liability and the associated special reserve for bail and judicial bonds with financial statements required by s. 624.424. Bail premiums in force do not include amounts retained by licensed bail bond agents or appointed ~~licensed~~ managing general agents, but may not be less than 6.5 percent of the total consideration received for all bail bonds in force.

Section 16. Subsection (5) of section 626.112, Florida Statutes, is amended to read:

626.112 License and appointment required; agents, customer representatives, adjusters, insurance agencies, service representatives, managing general agents.—

(5) ~~A No~~ person may not ~~shall~~ be, act as, or represent or hold himself or herself out to be a managing general agent unless he or she then holds a currently effective producer license and a managing general agent ~~license~~ and appointment.

Section 17. Section 626.171, Florida Statutes, is amended to read:

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

(1) The department may not issue a license as agent, customer representative, adjuster, service representative, ~~managing general agent~~, or reinsurance intermediary to any person except upon written application filed with the department, meeting the qualifications for the license applied for as determined by the department, and payment in advance of all applicable fees. The application must be made under the oath of the applicant and be signed by the applicant. An applicant may permit a third party to complete, submit, and sign an application on the applicant's behalf, but is responsible for ensuring that the information on the application is true

and correct and is accountable for any misstatements or misrepresentations. The department shall accept the uniform application for nonresident agent licensing. The department may adopt revised versions of the uniform application by rule.

(2) In the application, the applicant shall set forth:

(a) His or her full name, age, social security number, residence address, business address, mailing address, contact telephone numbers, including a business telephone number, and e-mail address.

(b) A statement indicating the method the applicant used or is using to meet any required prelicensing education, knowledge, experience, or instructional requirements for the type of license applied for.

(c) Whether he or she has been refused or has voluntarily surrendered or has had suspended or revoked a license to solicit insurance by the department or by the supervising officials of any state.

(d) Whether any insurer or any managing general agent claims the applicant is indebted under any agency contract or otherwise and, if so, the name of the claimant, the nature of the claim, and the applicant's defense thereto, if any.

(e) Proof that the applicant meets the requirements for the type of license for which he or she is applying.

(f) The applicant's gender (male or female).

(g) The applicant's native language.

(h) The highest level of education achieved by the applicant.

(i) The applicant's race or ethnicity (African American, white, American Indian, Asian, Hispanic, or other).

(j) Such other or additional information as the department may deem proper to enable it to determine the character, experience, ability, and other qualifications of the applicant to hold himself or herself out to the public as an insurance representative.

However, the application must contain a statement that an applicant is not required to disclose his or her race or ethnicity, gender, or native language, that he or she will not be penalized for not doing so, and that the department will use this information exclusively for research and statistical purposes and to improve the quality and fairness of the examinations.

(3) Each application must shall be accompanied by payment of any applicable fee.

(4) An applicant for a license as an agent, customer representative, adjuster, service representative, ~~managing general agent~~, or reinsurance

intermediary 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 shall~~ be used to investigate the applicant's qualifications pursuant to s. 626.201. The fingerprints ~~must shall~~ 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, ~~managing general agent~~, or reinsurance intermediary if fingerprints have not been submitted.

(5) The application for license filing fee prescribed in s. 624.501 is not subject to refund.

(6) Members of the United States Armed Forces and their spouses, and veterans of the United States Armed Forces who have retired within 24 months before application for licensure, are exempt from the application filing fee prescribed in s. 624.501. Qualified individuals must provide a copy of a military identification card, military dependent identification card, military service record, military personnel file, veteran record, discharge paper, ~~or separation document~~, or a separation document that indicates such members of the United States Armed Forces are currently in good standing or were honorably discharged.

(7) Pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, each party is required to provide his or her social security number in accordance with this section. Disclosure of social security numbers obtained through this requirement ~~must shall~~ be limited to the purpose of administration of the Title IV-D program for child support enforcement.

Section 18. Section 626.202, Florida Statutes, is amended to read:

626.202 Fingerprinting requirements.—

(1) The requirements for completion and submission of fingerprints under this chapter are deemed to be met when an individual currently licensed under this chapter seeks additional licensure and has previously submitted fingerprints to the department within the past 48 months. However, the department may require the individual to file fingerprints if it has reason to believe that an applicant or licensee has been found guilty of, or pleaded guilty or nolo contendere to, a felony or a crime related to the business of insurance in this state or any other state or jurisdiction.

(2) If there is a change in ownership or control of any entity licensed under this chapter, or if a new partner, officer, or director is employed or

appointed, a set of fingerprints of the new owner, partner, officer, or director must be filed with the department or office within 30 days after the change. The acquisition of 10 percent or more of the voting securities of a licensed entity is considered a change of ownership or control. The fingerprints must be taken by a law enforcement agency or other department-approved entity and be accompanied by the fingerprint processing fee in s. 624.501.

Section 19. Subsection (9) of section 626.207, Florida Statutes, is amended to read:

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

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

Section 20. 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, 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., 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 21. Subsection (7) of section 626.451, Florida Statutes, is renumbered as subsection (6), and subsections (1) and (5) and present subsection (6) of that section are amended, to read:

626.451 Appointment of agent or other representative.—

(1) Each appointing entity or person designated by the department to administer the appointment process appointing an agent, adjuster, service representative, customer representative, or managing general agent in this state shall file the appointment with the department or office and, at the

same time, pay the applicable appointment fee and taxes. Every appointment ~~is shall be~~ subject to the prior issuance of the appropriate agent's, adjuster's, service representative's, or customer representative's, ~~or managing general agent's~~ license.

~~(5) Any law enforcement agency or state attorney's office that is aware that an agent, adjuster, service representative, customer representative, or managing general agent has pleaded guilty or nolo contendere to or has been found guilty of a felony shall notify the department or office of such fact.~~

~~(5)(6)~~ Upon the filing of an information or indictment against an agent, adjuster, service representative, or customer representative, ~~or managing general agent~~, the state attorney shall immediately furnish the department or office a certified copy of the information or indictment.

Section 22. Section 626.521, Florida Statutes, is amended to read:

626.521 Character, Credit and character reports.—

~~(1) Before appointing~~ As to each applicant who for the first time in this state ~~an is applying and qualifying for a license as agent, adjuster, service representative, customer representative, or managing general agent, the appointing insurer or employer shall its manager or general agent in this state, in the case of agents, or the appointing general lines agent, in the case of customer representatives, or the employer, in the case of service representatives and of adjusters who are not to be self-employed, shall coincidentally with such appointment or employment secure and thereafter keep on file a full detailed credit and character report made by an established and reputable independent reporting service, relative to the individual so appointed or employed. This subsection does not apply to licensees who self-appoint pursuant to s. 624.501.~~

~~(2) If requested by the department, the insurer, manager, general agent, general lines agent, or employer, as the case may be, must shall furnish to the department, on a form adopted and furnished by the department, such information as it reasonably requires relative to such individual and investigation.~~

~~(3) As to an applicant for an adjuster's or reinsurance intermediary's license who is to be self-employed, the department may secure, at the cost of the applicant, a full detailed credit and character report made by an established and reputable independent reporting service relative to the applicant.~~

~~(4) Each person who for the first time in this state is applying and qualifying for a license as a reinsurance intermediary shall file with her or his application for license a full, detailed credit and character report for the 5-year period immediately prior to the date of application for license, made by an established and reputable independent reporting service, relative to~~

~~the individual if a partnership or sole proprietorship, or the officers if a corporation or other legal entity.~~

~~(3)(5) Information contained in credit or character reports furnished to or secured by the department under this section is confidential and exempt from the provisions of s. 119.07(1).~~

Section 23. Paragraph (f) of subsection (1) of section 626.731, Florida Statutes, is amended to read:

626.731 Qualifications for general lines agent's license.—

(1) The department shall not grant or issue a license as general lines agent to any individual found by it to be untrustworthy or incompetent or who does not meet each of the following qualifications:

~~(f) The applicant is not a service representative, a managing general agent in this state, or a special agent or similar service representative of a health insurer which also transacts property, casualty, or surety insurance; except that the president, vice president, secretary, or treasurer, including a member of the board of directors, of a corporate insurer, if otherwise qualified under and meeting the requirements of this part, may be licensed and appointed as a local resident agent.~~

Section 24. Subsection (6) of section 626.7351, Florida Statutes, is amended to read:

626.7351 Qualifications for customer representative's license.—The department shall not grant or issue a license as customer representative to any individual found by it to be untrustworthy or incompetent, or who does not meet each of the following qualifications:

(6) Upon the issuance of the license applied for, the applicant is not an agent or, a service representative, ~~or a managing general agent.~~

Section 25. Section 626.744, Florida Statutes, is amended to read:

626.744 Service representatives, ~~managing general agents~~; application for license.—The application for a license as service representative must ~~or the application for a license as managing general agent shall show the applicant's name, residence address, name of employer, position or title, type of work to be performed by the applicant in this state, and any additional information which the department may reasonably require.~~

Section 26. Section 626.745, Florida Statutes, is amended to read:

626.745 Service representatives, managing general agents; managers; activities.—Individuals employed by insurers or their managers, general agents, or representatives as service representatives, and as managing general agents employed for the purpose of or engaged in assisting agents in negotiating and effecting contracts of insurance, shall engage in such

activities ~~when, and only when~~ licensed as or, accompanied by a general lines ~~an~~ agent duly licensed and appointed as ~~a resident licensee and appointee~~ under this code.

Section 27. Subsection (11) of section 626.7451, Florida Statutes, is amended to read:

626.7451 Managing general agents; required contract provisions.—No person acting in the capacity of a managing general agent shall place business with an insurer unless there is in force a written contract between the parties which sets forth the responsibility for a particular function, specifies the division of responsibilities, and contains the following minimum provisions:

(11) An appointed ~~A licensed~~ managing general agent, when placing business with an insurer under this code, may charge a per-policy fee not to exceed \$25. ~~In no instance shall~~ The aggregate of per-policy fees for a placement of business authorized under this section, when combined with any other per-policy fee charged by the insurer, may not result in per-policy fees that ~~which~~ exceed the aggregate amount of \$25. The per-policy fee must ~~shall~~ be a component of the insurer's rate filing and must ~~shall~~ be fully earned.

For the purposes of this section and ss. 626.7453 and 626.7454, the term "controlling person" or "controlling" has the meaning set forth in s. 625.012(5)(b)1., and the term "controlled person" or "controlled" has the meaning set forth in s. 625.012(5)(b)2.

Section 28. Subsection (1) of section 626.7455, Florida Statutes, is amended to read:

626.7455 Managing general agent; responsibility of insurer.—

(1) An insurer may not ~~No insurer shall~~ enter into an agreement with any person to manage the business written in this state by the general lines agents appointed by the insurer or appointed by the managing general agent on behalf of the insurer unless the person is properly licensed as an agent and appointed as a managing general agent in this state. An insurer is ~~shall~~ be responsible for the acts of its managing general agent when the agent acts within the scope of his or her authority.

Section 29. Paragraph (e) of subsection (3) and subsection (5) of section 626.752, Florida Statutes, are amended to read:

626.752 Exchange of business.—

(3)

(e) The brokering agent shall maintain an appropriate and permanent Brokering Agent's Register, which must ~~shall~~ be a permanent record of bound journal ~~in which~~ chronologically numbered transactions that ~~are~~

entered no later than the day in which the brokering agent's application bearing the same number is signed by the applicant. The numbers must shall reflect an annual aggregate through numerical sequence and be preceded by the last two digits of the current year. The initial entry must shall contain the number of the transaction, date, time, date of binder, date on which coverage commences, name and address of applicant, type of coverage desired, name of insurer binding the risk or to whom the application is to be submitted, and the amount of any premium collected therefor. By no later than the date following policy delivery, the policy number and coverage expiration date must shall be added to the register.

(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 24 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 shall 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.

Section 30. 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 24 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 shall 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.

Section 31. Section 626.798, Florida Statutes, is amended to read:

626.798 Life agent as beneficiary; prohibition.—

(1) ~~A No life agent may not place or modify shall, with respect to the placement of life insurance coverage with a life insurer covering the life of a person who is not a family member of the life agent, handle in his or her capacity as a life agent the placement of such coverage when the life agent~~

placing the coverage or a family member of the life such agent is the named beneficiary under the life insurance policy, or the modification names the life agent or a family member of the life agent the named beneficiary, unless the life agent or family member of the life agent has an insurable interest in the life of such person.

(2) A life ~~However, the~~ agent or a family member of the life such agent may not serve be designated as a trustee or guardian or accept authority to act under a be-granted power of attorney for any person the life agent conducts insurance business with, unless he or she is:

(a) A family member of the person ~~policy owner~~ or insured; or,

(b)1. Acting as a fiduciary;

2. Licensed as a certified public accountant under s. 473.308; and

3.a. Registered under s. 203 of the Investment Advisers Act of 1940 as an investment adviser, or a representative thereof, and compliant with the notice filing requirements of s. 517.1201; or

b. Registered under s. 517.12, as a dealer, investment adviser, or associated person or is a bank or trust company duly authorized to act as a fiduciary.

(3) For the purposes of this section, ~~the phrase~~

(a) ~~“not a Family member,” with respect to a life agent,~~ means an individual who is ~~not~~ related to the life agent as father, mother, son, daughter, brother, sister, grandfather, grandmother, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.

(b) ~~For the purposes of this section, the term “Insurable interest” means that the life agent or family member of the life agent has an actual, lawful, and substantial economic interest in the safety and preservation of the life of the insured or a reasonable expectation of benefit or advantage from the continued life of the insured.~~

Section 32. 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~~ 24 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 shall 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.

Section 33. Subsection (5) of section 626.8732, Florida Statutes, is amended to read:

626.8732 Nonresident public adjuster's qualifications, bond.—

~~(5) After licensure as a nonresident public adjuster, as a condition of doing business in this state, the licensee must annually on or before January 1, on a form prescribed by the department, submit an affidavit certifying that the licensee is familiar with and understands the insurance code and rules adopted thereunder and the provisions of the contracts negotiated or to be negotiated. Compliance with this filing requirement is a condition precedent to the issuance, continuation, reinstatement, or renewal of a nonresident public adjuster's appointment.~~

Section 34. Subsection (4) of section 626.8734, Florida Statutes, is amended to read:

626.8734 Nonresident all-lines adjuster license qualifications.—

~~(4) As a condition of doing business in this state as a nonresident independent adjuster, the appointee must submit an affidavit to the department certifying that the licensee is familiar with and understands the insurance laws and administrative rules of this state and the provisions of the contracts negotiated or to be negotiated. Compliance with this filing requirement is a condition precedent to the issuance, continuation, reinstatement, or renewal of a nonresident independent adjuster's appointment.~~

Section 35. Paragraph (h) of subsection (1) of section 626.88, Florida Statutes, is amended to read:

626.88 Definitions.—For the purposes of this part, the term:

(1) "Administrator" is any person who directly or indirectly solicits or effects coverage of, collects charges or premiums from, or adjusts or settles claims on residents of this state in connection with authorized commercial self-insurance funds or with insured or self-insured programs which provide life or health insurance coverage or coverage of any other expenses described in s. 624.33(1) or any person who, through a health care risk contract as defined in s. 641.234 with an insurer or health maintenance organization, provides billing and collection services to health insurers and health maintenance organizations on behalf of health care providers, other than any of the following persons:

(h) A person appointed licensed as a managing general agent in this state, whose activities are limited exclusively to the scope of activities conveyed under such appointment license.

A person who provides billing and collection services to health insurers and health maintenance organizations on behalf of health care providers shall comply with the provisions of ss. 627.6131, 641.3155, and 641.51(4).

Section 36. Section 626.927, Florida Statutes, is amended to read:

626.927 Licensing of surplus lines agent.—

~~(1) Any individual while licensed and appointed as a resident general lines agent as to property, casualty, and surety insurances, and who is deemed by the department to have had sufficient experience in the insurance business to be competent for the purpose, and who, within the 4 years immediately preceding the date the application was submitted, has a minimum of 1 year's experience working for a licensed surplus lines agent or who has successfully completed 60 class hours in surplus and excess lines in a course approved by the department, may be licensed as a surplus lines agent, upon taking and successfully passing a written examination as to surplus lines, as given by the department.~~

~~(1)(2) Any individual, while licensed as and appointed as a managing general agent as defined in s. 626.015, or service representative as defined in s. 626.015, and who otherwise possesses all of the other qualifications of a general lines agent under this code, and who has a minimum of 1 year of year's experience working for a licensed surplus lines agent or who has successfully completed 60 class hours in surplus and excess lines in a course approved by the department, may, upon taking and successfully passing a written examination as to surplus lines, as given by the department, be licensed as a surplus lines agent solely for the purpose of placing with surplus lines insurers property, marine, casualty, or surety coverages originated by general lines agents; ~~except that no examination as for a general lines agent's license shall be required of any managing general agent or service representative who held a Florida surplus lines agent's license as of January 1, 1959.~~~~

~~(2)(3) Application for the license shall be made to the department on forms as designated and furnished by it.~~

~~(3)(4) License and appointment fees in the amount specified in s. 624.501 shall be paid to the department in advance. The license and appointment of a surplus lines agent continue in force until suspended, revoked, or otherwise terminated. The appointment of a surplus lines agent continues in force until suspended, revoked, or terminated, but is subject to biennial renewal or continuation by the licensee in accordance with procedures prescribed in s. 626.381 for agents in general.~~

~~(4)~~⁽⁵⁾ Examinations as to surplus lines, as required under subsection ~~subsections (1) and (2)~~, are subject to the provisions of part I as applicable to applicants for licenses in general.

~~(5)~~⁽⁶⁾ An individual who has been licensed by the department as a surplus lines agent as provided in this section may be subsequently appointed without additional written examination if his or her application for appointment is filed with the department within 48 months after the date of cancellation or expiration of the prior appointment. The department may require an individual to take and successfully pass an examination as for original issuance of license as a condition precedent to the reinstatement or continuation of the licensee’s current license or reinstatement or continuation of the licensee’s appointment.

Section 37. Subsection (3) of section 626.930, Florida Statutes, is amended to read:

626.930 Records of surplus lines agent.—

(3) Each surplus lines agent shall maintain all surplus lines business records in his or her general lines agency office, ~~if licensed as a general lines agent, or in his or her managing general agency office, if licensed as a managing general agent or the full-time salaried employee of such general agent.~~

Section 38. 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. 440.105, s. 624.15, 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. 817.233, or s. 817.234.

Section 39. Subsection (3) of section 633.302, Florida Statutes, is amended to read:

633.302 Florida Fire Safety Board; membership; duties; meetings; officers; quorum; compensation; seal.—

(3) The State Fire Marshal’s term on the board, or that of her or his designee, shall coincide with the State Fire Marshal’s term of office. ~~Of the other six members of the board, one member shall be appointed for a term of 1 year, one member for a term of 2 years, two members for terms of 3 years, and two members for terms of 4 years. All terms are for 4 years and expire on June 30 of the last year of the term. When the term of a member expires, the State Fire Marshal shall appoint a member to fill the vacancy for a term of 4 years. The State Fire Marshal may remove any appointed member for cause. A vacancy in the membership of the board for any cause must shall be filled~~

by appointment by the State Fire Marshal for the balance of the unexpired term.

Section 40. Subsection (2), paragraph (a) of subsection (3), and paragraphs (b), (c), and (d) of subsection (4) of section 633.304, Florida Statutes, are amended to read:

633.304 Fire suppression equipment; license to install or maintain.—

(2) A person who holds a valid fire equipment dealer license may maintain such license in an inactive status during which time he or she may not engage in any work under the definition of the license held. An inactive status license ~~is shall be void after 4 years after the approval date of the inactive status application. To maintain inactive status, the inactive licensee must submit proof of continuing education and the inactive status fee before December 31 of each odd-numbered year or when the license is renewed, whichever comes first. An inactive status license may not be reactivated unless the continuing education requirements of this chapter have been fulfilled.~~

(3) Each individual actually performing the work of servicing, recharging, repairing, hydrotesting, installing, testing, or inspecting fire extinguishers or preengineered systems must possess a valid and subsisting permit issued by the division. Permittees are limited as to specific type of work performed to allow work no more extensive than the class of license held by the licensee under whom the permittee is working. Permits will be issued by the division as follows:

(a) Portable permit: “Portable permittee” means a person who is limited to performing work no more extensive than the employing or contractually related licensee in the servicing, recharging, repairing, installing, or inspecting all types of portable fire extinguishers.

Any fire equipment permittee licensed pursuant to this subsection who does not want to engage in servicing, inspecting, recharging, repairing, hydrotesting, or installing halon equipment must file an affidavit on a form provided by the division so stating. Permits will be issued by the division to show the work authorized thereunder. It is unlawful, unlicensed activity for a person or firm to falsely hold himself or herself out to perform any service, inspection, recharge, repair, hydrotest, or installation except as specifically described in the permit.

(4)

(b) After initial licensure, each licensee or permittee must successfully complete a course or courses of continuing education for fire equipment technicians of at least 16 hours. A license or permit may not be renewed unless the licensee or permittee produces documentation of the completion of at least 16 hours of continuing education for fire equipment technicians during the biennial licensure period. A person who is both a licensee and a

permittee shall ~~be required to~~ complete 16 hours of continuing education during each renewal period. Each licensee shall ensure that all permittees in his or her employment or through a contractual agreement meet their continuing education requirements. The State Fire Marshal shall adopt rules describing the continuing education requirements and shall have the authority upon reasonable belief, to audit a fire equipment dealer to determine compliance with continuing education requirements.

(c) The forms of such licenses and permits and applications therefor ~~must shall~~ be prescribed by the State Fire Marshal; in addition to such other information and data as that officer determines is appropriate and required for such forms, there ~~must shall~~ be included in such forms the following matters. Each such application must be in such form as to provide that the data and other information set forth therein shall be sworn to by the applicant or, if a corporation, by an officer thereof. An application for a permit must include the name of the licensee employing, or contractually related to, such permittee, and the permit issued in pursuance of such application must also set forth the name of such licensee. A permit is valid solely for use by the holder thereof in his or her employment by, or contractual relationship with, the licensee named in the permit.

(d) A license of any class may not be issued or renewed by the division and a license of any class does not remain operative unless:

1. The applicant has submitted to the State Fire Marshal evidence of registration as a Florida corporation or evidence of compliance with s. 865.09.

2. The State Fire Marshal or his or her designee has by inspection determined that the applicant possesses the equipment required for the class of license sought. The State Fire Marshal shall give an applicant a reasonable opportunity to correct any deficiencies discovered by inspection. To obtain such inspection, an applicant with facilities located outside this state must:

a. Provide a notarized statement from a professional engineer licensed by the applicant's state of domicile certifying that the applicant possesses the equipment required for the class of license sought and that all such equipment is operable; or

b. Allow the State Fire Marshal or her or his designee to inspect the facility. All costs associated with the State Fire Marshal's inspection ~~must shall~~ be paid by the applicant. The State Fire Marshal, in accordance with s. 120.54, may adopt rules to establish standards for the calculation and establishment of the amount of costs associated with any inspection conducted by the State Fire Marshal under this section. Such rules ~~must shall~~ include procedures for invoicing and receiving funds in advance of the inspection.

3. The applicant has submitted to the State Fire Marshal proof of insurance providing coverage for comprehensive general liability for bodily injury and property damage, products liability, completed operations, and contractual liability. The State Fire Marshal shall adopt rules providing for the amounts of such coverage, but such amounts may not be less than \$300,000 for Class A or Class D licenses, \$200,000 for Class B licenses, and \$100,000 for Class C licenses; and the total coverage for any class of license held in conjunction with a Class D license may not be less than \$300,000. The State Fire Marshal may, at any time after the issuance of a license or its renewal, require upon demand, and in no event more than 30 days after notice of such demand, the licensee to provide proof of insurance, on the insurer's a form provided by the State Fire Marshal, containing confirmation of insurance coverage as required by this chapter. Failure, for any length of time, to provide proof of insurance coverage as required ~~must~~ shall result in the immediate suspension of the license until proof of proper insurance is provided to the State Fire Marshal. An insurer ~~that~~ which provides such coverage shall notify the State Fire Marshal of any change in coverage or of any termination, cancellation, or nonrenewal of any coverage.

4. The applicant applies to the State Fire Marshal, provides proof of experience, and successfully completes a prescribed training course offered by the State Fire College or an equivalent course approved by the State Fire Marshal. This subparagraph does not apply to any holder of or applicant for a permit under paragraph (g) or to a business organization or a governmental entity seeking initial licensure or renewal of an existing license solely for the purpose of inspecting, servicing, repairing, marking, recharging, and maintaining fire extinguishers used and located on the premises of and owned by such organization or entity.

5. The applicant has a current retestor identification number that is appropriate for the license for which the applicant is applying and that is listed with the United States Department of Transportation.

6. The applicant has passed, with a grade of at least 70 percent, a written examination testing his or her knowledge of the rules and statutes governing the activities authorized by the license and demonstrating his or her knowledge and ability to perform those tasks in a competent, lawful, and safe manner. Such examination must ~~shall~~ be developed and administered by the State Fire Marshal, or his or her designee in accordance with policies and procedures of the State Fire Marshal. An applicant shall pay a nonrefundable examination fee of \$50 for each examination or reexamination scheduled. A reexamination may not be scheduled sooner than 30 days after any administration of an examination to an applicant. An applicant may not be permitted to take an examination for any level of license more than a total of four times during 1 year, regardless of the number of applications submitted. As a prerequisite to licensure of the applicant, he or she:

- a. Must be at least 18 years of age.

b. Must have 4 years of proven experience as a fire equipment permittee at a level equal to or greater than the level of license applied for or have a combination of education and experience determined to be equivalent thereto by the State Fire Marshal. Having held a permit at the appropriate level for the required period constitutes the required experience.

c. Must not have been convicted of a felony or a crime punishable by imprisonment of 1 year or more under the law of the United States or of any state thereof or under the law of any other country. “Convicted” means a finding of guilt or the acceptance of a plea of guilty or nolo contendere in any federal or state court or a court in any other country, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of the case. If an applicant has been convicted of any such felony, the applicant ~~is~~ shall be excluded from licensure for a period of 4 years after expiration of sentence or final release by the Florida Commission on Offender Review unless the applicant, before the expiration of the 4-year period, has received a full pardon or has had her or his civil rights restored.

This subparagraph does not apply to any holder of or applicant for a permit under paragraph (g) or to a business organization or a governmental entity seeking initial licensure or renewal of an existing license solely for the purpose of inspecting, servicing, repairing, marking, recharging, hydrotesting, and maintaining fire extinguishers used and located on the premises of and owned by such organization or entity.

Section 41. Subsection (2) of section 633.314, Florida Statutes, is amended to read:

633.314 Sale or use of certain types of fire extinguishers prohibited; penalty.—

(2) It is unlawful for any person, directly or through an agent, to sell, offer for sale, or give in this state any make, type, or model of fire extinguisher, either new or used, unless such make, type, or model of extinguisher has first been tested and is currently approved or listed by Underwriters Laboratories, Inc., Factory Mutual Laboratories, Inc., or another testing laboratory recognized by the State Fire Marshal as nationally recognized in accordance with procedures adopted by rule, taking into account the laboratory’s facilities, procedures, use of nationally recognized standards, and any other criteria reasonably calculated to reach an informed determination, and unless such extinguisher carries an Underwriters Laboratories, Inc., or manufacturer’s serial number. Such serial number ~~must~~ shall be permanently affixed stamped on the manufacturer’s identification and instruction plate.

Section 42. Subsection (7) of section 633.318, Florida Statutes, is amended to read:

633.318 Certificate application and issuance; permit issuance; examination and investigation of applicant.—

(7) The State Fire Marshal may, at any time subsequent to the issuance of the certificate or its renewal, require, upon demand and in no event more than 30 days after notice of the demand, the certificateholder to provide proof of insurance coverage on the insurer's a form provided by the State Fire Marshal containing confirmation of insurance coverage as required by this chapter. Failure to provide proof of insurance coverage as required, for any length of time, shall result in the immediate suspension of the certificate until proof of insurance is provided to the State Fire Marshal.

Section 43. Paragraph (b) of subsection (6) of section 633.408, Florida Statutes, is amended, and paragraph (c) is added to that subsection, to read:

633.408 Firefighter and volunteer firefighter training and certification.

(6)

(b) A Special Certificate of Compliance only authorizes an individual to serve as an administrative and command head of a fire service provider.

1. An individual employed as a fire chief, fire coordinator, fire director, or fire administrator must obtain a Special Certificate of Compliance within 1 year after beginning employment.

2. Before beginning employment as a command officer or in a position directing incident outcomes, an individual must obtain a Firefighter Certificate of Compliance or a Special Certificate of Compliance.

(c) In order to retain a Special Certificate of Compliance, every 4 years an individual must:

1. Be active as a firefighter;

2. Maintain a current and valid fire service instructor certificate, instruct at least 40 hours during the 4-year period, and provide proof of such instruction to the division, which proof must be registered in an electronic database designated by the division; or

3. Within 6 months before the 4-year period expires, successfully complete a Firefighter Retention Refresher Course consisting of a minimum of 40 hours of training as prescribed by rule.

Section 44. Paragraph (e) of subsection (1) of section 633.444, Florida Statutes, is amended to read:

633.444 Division powers and duties; Florida State Fire College.—

(1) The division, in performing its duties related to the Florida State Fire College, specified in this part, shall:

~~(e) Develop a staffing and funding formula for the Florida State Fire College. The formula must include differential funding levels for various types of programs, must be based on the number of full-time equivalent~~

~~students and information obtained from scheduled attendance counts taken the first day of each program, and must provide the basis for the legislative budget request. As used in this section, a full-time equivalent student is equal to a minimum of 900 hours in a technical certificate program and 400 hours in a degree-seeking program. The funding formula must be as prescribed pursuant to s. 1011.62, must include procedures to document daily attendance, and must require that attendance records be retained for audit purposes.~~

Section 45. Subsection (8) of section 648.27, Florida Statutes, is amended to read:

648.27 Licenses and appointments; general.—

~~(8) An application for a managing general agent's license must be made by an insurer who proposes to employ or appoint an individual, partnership, association, or corporation as a managing general agent. Such application shall contain the information required by s. 626.744, and the applicant shall pay the same fee as a managing general agent licensed pursuant to that section. An individual who is appointed as a managing general agent to supervise or manage bail bond business written in this state must also be licensed as a bail bond agent. In the case of an entity, at least one owner, officer, or director at each office location must be licensed as a bail bond agent.~~

Section 46. Present subsection (6) of section 648.34, Florida Statutes, is renumbered as subsection (7), and a new subsection (6) is added to that section, to read:

648.34 Bail bond agents; qualifications.—

(6) The requirements for completion and submission of fingerprints under this chapter are deemed to be met when an individual currently licensed under this chapter seeks additional licensure and has previously submitted fingerprints to the department in support of an application for licensure under this chapter within the past 48 months. However, the department may require the individual to file fingerprints if it has reason to believe that an applicant or licensee has been found guilty of, or pleaded guilty or nolo contendere to, a felony or a crime related to the business of insurance in this or any other state or jurisdiction.

Section 47. For the purpose of incorporating the amendment made by this act to section 626.221, Florida Statutes, in a reference thereto, paragraph (b) of subsection (1) of section 626.8734, Florida Statutes, is reenacted to read:

626.8734 Nonresident all-lines adjuster license qualifications.—

(1) The department shall issue a license to an applicant for a nonresident all-lines adjuster license upon determining that the applicant has paid the applicable license fees required under s. 624.501 and:

(b) Has passed to the satisfaction of the department a written Florida all-lines adjuster examination of the scope prescribed in s. 626.241(6); however, the requirement for the examination does not apply to:

1. An applicant who is licensed as an all-lines adjuster in his or her home state if that state has entered into a reciprocal agreement with the department;
2. An applicant who is licensed as a nonresident all-lines adjuster in a state other than his or her home state and a reciprocal agreement with the appropriate official of the state of licensure has been entered into with the department; or
3. An applicant who holds a certification set forth in s. 626.221(2)(j).

Section 48. The Legislature finds that a proper and legitimate state purpose is served when governmental financial statement data is transparent and readily accessible to members of the public. Therefore, the Legislature determines and declares that this act fulfills an important state interest.

Section 49. For the 2018-2019 fiscal year, the sum of \$500,000 in nonrecurring funds is appropriated from the Insurance Regulatory Trust Fund to the Department of Financial Services to competitively procure a contract for the enhancement of the Local Government Electronic Reporting System, to include the development of eXtensible Business Reporting Language (XBRL) taxonomies for state, county, municipal, and special district financial filings.

Section 50. This act shall take effect July 1, 2018.

Approved by the Governor March 23, 2018.

Filed in Office Secretary of State March 23, 2018.