

## CHAPTER 2019-140

### Committee Substitute for Committee Substitute for Committee Substitute for House Bill No. 1393

An act relating to the Department of Financial Services; amending s. 17.56, F.S.; requiring the Division of Treasury to maintain certain warrants rather than turning them over to the Division of Accounting and Auditing; amending s. 497.263, F.S.; revising the requirements for cemetery companies licenses; amending s. 497.266, F.S.; conforming provisions to changes made by the act; amending s. 497.376, F.S.; providing requirements for a combination license as funeral director and embalmer; amending s. 497.377, F.S.; revising the requirements for combination funeral director and embalmer internships; amending s. 497.380, F.S.; revising the requirements for a funeral establishment and the requirements and responsibilities of a funeral director in charge; amending s. 497.385, F.S.; revising the requirements for a licensed embalming facility; amending s. 497.452, F.S.; revising the applicability of specified provisions related to cemeteries; amending s. 497.453, F.S.; providing reporting requirements for certain preneed licensees; amending s. 497.458, F.S.; revising the requirements for the disposition of proceeds received on preneed contracts; amending s. 497.459, F.S.; requiring preneed licensees, under certain circumstances, to provide certain persons with a written notice of intent to distribute funds under the preneed contract; specifying how and where such notice must be sent; providing that funds held in trust must be distributed in accordance with the contract terms if certain persons fail to respond to the notice within a certain timeframe; providing construction; providing rulemaking authority; amending s. 497.464, F.S.; revising the requirements of certain preneed contracts; amending s. 497.604, F.S.; revising the requirements for a direct disposal establishment; amending s. 497.606, F.S.; revising the requirements for a cinerator facility; creating s. 553.7921, F.S.; requiring a contractor to file a fire alarm permit application and receive the permit under certain circumstances; providing requirements for the application; amending s. 626.175, F.S.; revising the requirements for a specified nonrenewable temporary license; revising the types of nonrenewable temporary licenses issued by the Department of Financial Services; amending s. 626.207, F.S.; authorizing disqualified persons meeting specified requirements to reapply for relicensure; amending s. 626.221, F.S.; revising the language relating to an exemption from examination for specified license applicants under certain circumstances; amending s. 626.2815, F.S.; deleting provisions requiring certain licensed customer representatives and insurance agents to complete continuation education courses; amending s. 626.321, F.S.; revising the requirements for certain lines insurance licenses; prohibiting issuance or reinstatement of certain lines insurance licenses beginning on a specified date; amending s. 626.471, F.S.; revising the method of delivery of certain notice; amending s. 626.536, F.S.; deleting provisions relating to reporting administrative actions taken against an

insurance agency; amending s. 626.6215, F.S.; providing additional grounds for which the department may take specified action against the license of an insurance agency; amending s. 626.729, F.S.; redefining the term “industrial fire insurance”; amending ss. 626.8437 and 626.844, F.S.; specifying grounds for certain administrative actions against licenses or appointments of specified insurance agents or agencies; amending s. 626.8732, F.S.; revising the requirements for nonresident public adjuster’s licenses; amending s. 627.7015, F.S.; requiring mediators to report mediation settlements and settlement amounts to all parties at the close of mediation; amending s. 633.218, F.S.; deleting a provision that requires the identification of specified buildings or space for firesafety purposes; amending s. 633.306, F.S.; providing standards for fire equipment installation; amending s. 633.312, F.S.; specifying the delivery methods of a firesafety inspection report; requiring the State Fire Marshal to adopt rules; amending s. 633.520, F.S.; requiring the Division of State Fire Marshal to adopt rules to establish cancer prevention best practices; amending s. 648.49, F.S.; requiring the department to meet certain requirements when suspending a person’s eligibility to apply for a license or appointment; revising methods for reinstatement of a license, an appointment, or certain eligibility; amending s. 717.124, F.S.; providing disbursement processes for unclaimed property claims; providing rule-making authority; repealing ss. 626.521 and 626.7355, F.S., relating to credit and character reports and to a temporary license as customer representative pending examination, respectively; amending ss. 626.022, 626.025, and 633.216, F.S.; conforming cross-references; providing legislative findings; establishing the Florida Blockchain Task Force within the department; requiring the task force to develop a specified master plan; specifying the composition of the task force; specifying duties and procedures of the task force; providing that task force members shall serve without compensation and are not entitled to certain reimbursement; requiring the task force to submit a specified report to the Governor and the Legislature and to make presentations; providing that the task force is entitled to assistance and services of state governmental entities; requiring the department to provide support staff and other assistance to the task force; providing for termination of the task force; providing effective dates.

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

Section 1. Section 17.56, Florida Statutes, is amended to read:

17.56 Division of Treasury to maintain ~~turn over to the Division of Accounting and Auditing~~ all warrants paid.—The Division of Treasury shall maintain ~~turn over to the Division of Accounting and Auditing~~ all warrants drawn by the Chief Financial Officer or the Comptroller and paid by the Division of Treasury for 10 years after the date on which a warrant was presented for payment. ~~The warrants shall be turned over as soon as the Division of Treasury shall have recorded such warrants and charged the same against the accounts upon which such warrants are drawn.~~

Section 2. Paragraph (a) of subsection (3) of section 497.263, Florida Statutes, is amended to read:

497.263 Cemetery companies; license required; licensure requirements and procedures.—

(3) ACTION CONCERNING APPLICATIONS.—If the licensing authority finds that the applicant meets the criteria established in subsection (2), the applicant shall be notified that a license will be issued when all of the following conditions are satisfied:

(a) The establishment of a care and maintenance trust fund containing not less than \$50,000 has been certified by a trust company ~~operating pursuant to chapter 660~~, a state or national bank holding trust powers, or a savings and loan association holding trust powers as provided in s. 497.458, pursuant to a trust agreement approved by the licensing authority. The \$50,000 required for the care and maintenance trust fund shall be over and above the \$50,000 net worth required by subsection (2).

Section 3. Subsection (1) of section 497.266, Florida Statutes, is amended to read:

497.266 Care and maintenance trust fund; remedy of department for noncompliance.—

(1) A ~~No~~ cemetery company may not establish a cemetery, or operate a cemetery if already established, without providing for the future care and maintenance of the cemetery, for which a care and maintenance trust fund shall be established, to be known as “the care and maintenance trust fund of .....” The trust fund shall be established with a trust company ~~operating pursuant to chapter 660~~, with a state or national bank holding trust powers, or with a federal or state savings and loan association holding trust powers. Trust funds which are with a state or national bank or savings and loan association licensed in this state on October 1, 1993, shall remain in force; however, when the amount of any such trust fund exceeds the amount that is insured by an agency of the Federal Government, the cemetery company shall transfer that trust fund to a trust company ~~operating pursuant to chapter 660~~, to a state or national bank holding trust powers, or to a federal or state savings and loan association holding trust powers.

Section 4. Section 497.376, Florida Statutes, is amended to read:

497.376 License as funeral director and embalmer permitted.—

(1) This chapter does not prohibit a person from holding a license as an embalmer and a license as a funeral director at the same time. There may be issued and renewed by the licensing authority a combination license as both funeral director and embalmer to persons meeting the separate requirements for both licenses as set forth in this chapter. The licensing authority may adopt rules providing procedures for applying for and renewing such combination license. The licensing authority may by rule establish

application, renewal, and other fees for such combination license, which fees ~~may shall~~ not exceed the sum of the maximum fees for the separate funeral director and embalmer license categories as provided in this chapter. A person ~~Persons~~ holding a combination license as a funeral director and an embalmer ~~is shall~~ be subject to regulation under this chapter both as a funeral director and an embalmer.

(2) Except as provided in s. 497.377, an applicant for a combination license as both a funeral director and an embalmer must hold the educational credentials required for licensure of a funeral director under s. 497.373(1)(d).

Section 5. Section 497.377, Florida Statutes, is amended to read:

497.377 Combination funeral directors and embalmers; Concurrent internships.—

(1) The internship requirements requirement for a combination license as both funeral director and embalmer embalmers and funeral directors may be served concurrently pursuant to rules adopted by the licensing authority.

(2)(a) An applicant who has not completed the educational credentials required for a combination license as both funeral director and embalmer is eligible for licensure as a combination funeral director and embalmer intern if the applicant:

1. Is currently enrolled in and attending a college accredited by the American Board of Funeral Service Education (ABFSE) in a course of study in mortuary science accredited by ABFSE.

2. Has completed at least 75 percent of the course of study in mortuary science as certified by the college in which the applicant is currently enrolled.

3. Has taken and received a passing grade in a college credit course in mortuary law or funeral service law and has taken and received a passing grade in a college credit course in ethics.

(b) An application for a combination funeral director and embalmer intern license must include the name and address of the funeral director licensed under s. 497.373 or s. 497.374(1) and the embalmer licensed under s. 497.368 or s. 497.369 under whose supervision the intern will receive training and the name of the licensed funeral establishment at which the training will be conducted.

(c) A combination funeral director and embalmer intern may perform only the tasks, functions, and duties relating to funeral directing and embalming which are performed under the direct supervision of a licensed funeral director who has an active, valid license under s. 497.373 or s. 497.374(1) and an embalmer who has an active, valid license under s. 497.368 or s. 497.369. However, a combination funeral director and

embalmer intern may perform such tasks, functions, and duties under the general supervision of a licensed funeral director and embalmer upon graduation from a college accredited by ABFSE with a degree as specified in s. 497.373(1)(d) and upon passage of the examination required under s. 497.373(2)(b) if the funeral director in charge of the internship training establishment, after 6 months of direct supervision, certifies to the licensing authority that the intern is competent to complete the internship under general supervision.

(d)1. A combination funeral director and embalmer intern license expires 1 year after issuance and, except as provided in subparagraph 2., may not be renewed.

2. The licensing authority may adopt rules that allow a combination funeral director and embalmer intern to renew her or his combination funeral director and embalmer intern license for an additional 1 year if the combination funeral director and embalmer intern demonstrates her or his failure to complete the internship before expiration of the license due to illness, personal injury, or other substantial hardship beyond her or his reasonable control or demonstrates that she or he has completed the requirements for licensure as a combination funeral director and embalmer but is awaiting the results of a licensure examination.

Section 6. Subsection (7) of section 497.380, Florida Statutes, is amended to read:

497.380 Funeral establishment; licensure; display of license.—

(7) Each licensed funeral establishment shall have a ~~one~~ full-time funeral director in charge and shall have a licensed funeral director reasonably available to the public during normal business hours for the establishment. The full-time funeral director in charge is responsible for ensuring that the facility, its operation, and all persons employed in the facility comply with all applicable state and federal laws and rules. A funeral director in charge, with appropriate, active licenses, may serve as a funeral director in charge for not more than a total of two of the following: funeral establishments, centralized embalming facilities, direct disposal establishments, or cinerator facilities, as long as the two locations are not more than 75 miles apart as measured in a straight line ~~The full-time funeral director in charge must have an active license and may not be the full-time funeral director in charge of any other funeral establishment or of any other direct disposal establishment. Effective October 1, 2010, The full-time funeral director in charge must hold an active, valid funeral director license and an active, valid embalmer license, or combination license as a funeral director and an embalmer. However, a funeral director may serve as funeral director in charge without an embalmer license or combination license if the establishment does not have an embalming room on site or may continue as the full-time funeral director in charge without an embalmer or combination license if, as of September 30, 2010:~~

(a) The funeral establishment and the funeral director both have active, valid licenses.

(b) The funeral director is currently the full-time funeral director in charge of the funeral establishment.

(c) The name of the funeral director was included, as required in subsection (4), in the funeral establishment's most recent application for issuance or renewal of its license or was included in the establishment's report of change provided under paragraph (12)(c).

Section 7. Paragraph (b) of subsection (2) of section 497.385, Florida Statutes, is amended to read:

497.385 Removal services; refrigeration facilities; centralized embalming facilities.—In order to ensure that the removal, refrigeration, and embalming of all dead human bodies is conducted in a manner that properly protects the public's health and safety, the licensing authority shall adopt rules to provide for the licensure of removal services, refrigeration facilities, and centralized embalming facilities operated independently of funeral establishments, direct disposal establishments, and cinerator facilities.

(2) CENTRALIZED EMBALMING FACILITIES.—In order to ensure that all funeral establishments have access to embalming facilities that comply with all applicable health and safety requirements, the licensing authority shall adopt rules to provide for the licensure and operation of centralized embalming facilities and shall require, at a minimum, the following:

(b) Each licensed centralized embalming facility shall have at least one ~~full-time~~ embalmer in charge. ~~The full-time embalmer in charge must have an active, valid embalmer license or combination license as a funeral director and embalmer and may not be the full-time embalmer in charge, full-time funeral director in charge, or full-time direct disposer in charge of any other establishment licensed under this chapter. A funeral director in charge, with appropriate, active licenses, may serve as a funeral director in charge for not more than a total of two of the following: funeral establishments, centralized embalming facilities, direct disposal establishments, or cinerator facilities, as long as the two locations are not more than 75 miles apart as measured in a straight line.~~

Section 8. Paragraph (b) of subsection (2) of section 497.452, Florida Statutes, is amended, and paragraph (a) of that subsection is republished, to read:

497.452 Preneed license required.—

(2)(a) No person may receive any funds for payment on a preneed contract who does not hold a valid preneed license.

(b) ~~The provisions of Paragraph (a) does~~ do not apply to a trust company operating pursuant to ~~chapter 660~~, to a national or state bank holding trust powers, or to a federal or state savings and loan association having trust powers which company, bank, or association receives any money in trust pursuant to the sale of a preneed contract.

Section 9. Subsection (8) of section 497.453, Florida Statutes, is amended to read:

497.453 Application for preneed license, procedures and criteria; renewal; reports.—

(8) ANNUAL TRUST REPORTS.—

(a) On or before April 1 of each year, the preneed licensee shall file in the form prescribed by rule a full and true statement as to the activities of any trust established by it pursuant to this part for the preceding calendar year.

(b) Any preneed licensee or group of preneed licensees under common control that in aggregate sold in this state 15,000 or more preneed contracts in the preceding year shall additionally comply with this paragraph.

1. As to each year, which is referred to in this paragraph as “Year 1,” in which any preneed licensee or group of preneed licensees under common control in aggregate sell in this state 15,000 or more preneed contracts, the licensee or licensees shall, during the following year, which is referred to in this paragraph as “Year 2”:

a. Prepare in regard to each such licensee a report of preneed operations in this state in Year 1, on a form prescribed by department rule;

b. Cause and pay for the report to be audited by an independent certified public accounting firm concerning the accuracy and fairness of the presentation of the data provided in the report; and

c. By December 31 of Year 2, provide the report to the division, along with a written and signed opinion of the certified public accounting firm concerning the accuracy and fairness of the presentation of the data reported in the report.

2. The report required under subparagraph 1. shall be prepared and submitted using forms and procedures specified by department rule. The department may adopt rules specifying the format of, and procedures for, the report and the information to be included in the report.

Section 10. Paragraph (c) of subsection (1) of section 497.458, Florida Statutes, is amended to read:

497.458 Disposition of proceeds received on contracts.—

(1)

(c) Such deposits shall be made within 30 days after the end of the calendar month in which payment is received, under the terms of a revocable trust instrument entered into with a trust company ~~operating pursuant to chapter 660~~, with a national or state bank holding trust powers, or with a federal or state savings and loan association holding trust powers.

Section 11. Subsection (7) is added to section 497.459, Florida Statutes, to read:

497.459 Cancellation of, or default on, preneed contracts; required notice.—

(7) NOTICE TO PURCHASER OR LEGALLY AUTHORIZED PERSON.

(a) To ensure the performance of unfulfilled preneed contracts, upon the occurrence of the earliest of any of the following events, a preneed licensee shall provide to the purchaser or to the beneficiary's legally authorized person written notice of the preneed licensee's intent to distribute funds in accordance with the terms of the preneed contract, if any obligation of the preneed licensee remains to be fulfilled under the contract:

1. Fifty years after the date of execution of the preneed contract by the purchaser.

2. The beneficiary of the preneed contract attains the age of 105 years of age or older.

3. The social security number of the beneficiary of the preneed contract, as shown on the contract, is contained within the United States Social Security Administration Death Master File.

(b)1. The notice in paragraph (a) must be provided by certified mail, registered mail, or permitted delivery service, return receipt requested, to the last known mailing address of the purchaser or the beneficiary's legally authorized person, whichever is applicable, as provided to the preneed licensee. If the notice is returned as undeliverable within 30 calendar days after the preneed licensee sent the notice, the trustee shall perform a diligent search and inquiry to obtain a different address for the purchaser or the beneficiary's legally authorized person, whichever is applicable. For purposes of this subparagraph, any address known and used by the purchaser or the beneficiary's legally authorized person, whichever is applicable, for sending regular mailings or other communications from the purchaser or the beneficiary's legally authorized person, whichever is applicable, to the preneed licensee or any address produced through a current address service or searchable database shall be included with other addresses produced from the diligent search and inquiry, if any. If the trustee's diligent search and inquiry produces an address different from the notice address, the trustee shall mail a copy of the notice by certified mail, registered mail, or permitted delivery service, return receipt requested, to any and all addresses produced as a result of the diligent search and inquiry.



2. If the purchaser or the beneficiary’s legally authorized person, whichever is applicable, fails to respond to such notice within 120 days after delivery of the last mailed notice under subparagraph 1., the funds held in trust must be distributed in accordance with the terms of the preneed contract, the trust agreement, and any applicable provisions of chapter 717.

(c) This subsection does not affect a purchaser’s rights to cancel the preneed contract and receive a refund or a preneed licensee’s obligations to refund established by this chapter.

(d) The licensing authority shall have authority to adopt rules for the review and approval of notice forms used by preneed licensees to provide notice under this subsection.

Section 12. Subsection (2) of section 497.464, Florida Statutes, is amended to read:

497.464 Alternative preneed contracts.—

(2) The contract must require that a trust be established by the preneed licensee on behalf of, and for the use, benefit, and protection of, the purchaser and that the trustee must be a trust company ~~operating pursuant to chapter 660,~~ a national or state bank holding trust powers, or a federal or state savings and loan association holding trust powers.

Section 13. Subsection (8) of section 497.604, Florida Statutes, is amended to read:

497.604 Direct disposal establishments, license required; licensing procedures and criteria; license renewal; regulation; display of license.—

(8) SUPERVISION OF FACILITIES.—

~~(a) Effective October 1, 2010,~~ Each direct disposal establishment shall have ~~a one full-time licensed funeral director acting as the direct disposer in charge, subject to s. 497.380(7).~~ However, a licensed direct disposer may continue acting as the direct disposer in charge, if, as of September 30, 2010:

1. The direct disposal establishment and the licensed direct disposer both have active, valid licenses.

2. The licensed direct disposer is currently acting as the direct disposer in charge of the direct disposal establishment.

3. The name of the licensed direct disposer was included, as required in paragraph (2)(c), in the direct disposal establishment’s most recent application for issuance or renewal of its license or was included in the establishment’s notice of change provided under subsection (7).

(b) The licensed funeral director in charge or licensed direct disposer in charge of a direct disposal establishment must be reasonably available to the

public during normal business hours for the establishment ~~and may be in charge of only one direct disposal establishment~~. The licensed funeral director in charge or licensed direct disposer in charge of the establishment is responsible for making sure the facility, its operations, and all persons employed in the facility comply with all applicable state and federal laws and rules. A funeral director in charge, with appropriate, active licenses, may serve as a funeral director in charge for not more than a total of two of the following: funeral establishments, centralized embalming facilities, direct disposal establishments, or cinerator facilities, as long as the two locations are not more than 75 miles apart as measured in a straight line.

Section 14. Subsection (8) of section 497.606, Florida Statutes, is amended to read:

497.606 Cinerator facility, licensure required; licensing procedures and criteria; license renewal; regulation.—

(8) SUPERVISION OF FACILITIES.—Each cinerator facility shall have ~~a one full-time licensed direct disposer in charge or a licensed funeral director in charge for that facility. Such person may be in charge of only one facility.~~ Such licensed funeral director in charge or licensed direct disposer in charge shall be responsible for making sure the facility, its operations, and all persons employed in the facility comply with all applicable state and federal laws and rules. A funeral director in charge, with appropriate, active licenses, may serve as a funeral director in charge for not more than a total of two of the following: funeral establishments, centralized embalming facilities, direct disposal establishments, or cinerator facilities, as long as the two locations are not more than 75 miles apart as measured in a straight line.

Section 15. Section 553.7921, Florida Statutes, is created to read:

553.7921 Fire alarm permit application to local enforcement agency.—

(1) A contractor must file a Uniform Fire Alarm Permit Application as provided in subsection (2) with the local enforcement agency and must receive the fire alarm permit before:

(a) Installing or replacing a fire alarm if the local enforcement agency requires a plan review for the installation or replacement; or

(b) Repairing an existing alarm system that was previously permitted by the local enforcement agency if the local enforcement agency requires a fire alarm permit for the repair.

(2) A Uniform Fire Alarm Permit Application must be submitted with any drawing, plan, and supporting documentation required by a local enforcement agency for a project for which a plan review or fire alarm permit is required under subsection (1). The application may be submitted electronically or by facsimile and must be signed by the owner, or the owner's authorized representative, and the contractor, or the contractor's

agent. The application must contain the following information, in a substantially similar form:

UNIFORM FIRE ALARM PERMIT APPLICATION

Tax Folio No. .... Application No. ....

Owner's or Representative's Name .....

Property Address .....

City..... State..... Zip.....

Phone Number .....

Fee Simple Titleholder's Name (if other than owner) .....

Fee Simple Titleholder's Address (if other than owner) .....

Description of Work .....

New Install..... Replacement..... Addition..... Other.....

Construction Type .....

Proposed Use .....

Alarm Contractor's Name .....

Alarm Contractor's Address .....

City..... State..... Zip.....

Phone Number .....

Alarm Contractor's License Number .....

Application is hereby made to obtain a permit to do the work or installation as indicated. I certify that no work or installation has commenced before the filing of this permit application and that all of the foregoing information is true and accurate.

Signature of Owner or Owner's Representative

Printed Name .....

Signature of Contractor or Agent

Printed Name .....

Section 16. Subsection (1) of section 626.175, Florida Statutes, is amended to read:

626.175 Temporary licensing.—

(1) The department may issue a nonrenewable temporary license for a period not to exceed 6 months authorizing appointment of a general lines insurance agent, ~~or a life agent, or a personal lines an industrial fire or burglary agent,~~ subject to the conditions described in this section. The fees paid for a temporary license and appointment shall be as specified in s. 624.501. Fees paid are ~~shall~~ not be refunded after a temporary license has been issued.

(a) An applicant for a temporary license must be:

- 1. A natural person at least 18 years of age.
- 2. A United States citizen or legal alien who possesses work authorization from the United States Bureau of Citizenship and Immigration Services.

(b)1. In the case of a general lines agent, the department may issue a temporary license to an employee, a family member, a business associate, or a personal representative of a licensed general lines agent for the purpose of continuing or winding up the business affairs of the agent or agency in the event the licensed agent has died or become unable to perform his or her duties because of military service or illness or other physical or mental disability, subject to the following conditions:

a. No other individual connected with the agent’s business may be licensed as a general lines agent.

b. The proposed temporary licensee shall be qualified for a regular general lines agent license under this code except as to residence, examination, education, or experience.

c. Application for the temporary license shall have been made by the applicant upon statements and affidavit filed with the department on forms prescribed and furnished by the department.

d. Under a temporary license and appointment, the licensee may ~~shall~~ not represent any insurer not last represented by the agent being replaced and may ~~shall~~ not be licensed or appointed as to any additional kind, line, or class of insurance other than those covered by the last existing agency appointments of the replaced agent. If an insurer withdraws from the agency during the temporary license period, the temporary licensee may be

appointed by another similar insurer but only for the period remaining under the temporary license.

2. A regular general lines agent license may be issued to a temporary licensee upon meeting the qualifications for a general lines agent license under s. 626.731.

(c) In the case of a life agent, the department may issue a temporary license:

1. To the executor or administrator of the estate of a deceased individual licensed and appointed as a life agent at the time of death;

2. To a surviving next of kin of the deceased individual, if no administrator or executor has been appointed and qualified; however, any license and appointment under this subparagraph shall be canceled upon issuance of a license to an executor or administrator under subparagraph 1.; or

3. To an individual otherwise qualified to be licensed as an agent who has completed the educational or training requirements prescribed in s. 626.7851 and who is appointed ~~has successfully sat for the required examination prior to termination of such 6-month period.~~ The department may issue this temporary license only in the case of a life agent to represent an insurer of the industrial or ordinary-combination class solely for the purpose of collecting premiums and servicing in-force policies. Such licensee may not directly or indirectly solicit, negotiate, or effect contracts of insurance.

(d) In the case of a personal lines limited license ~~authorizing appointment as an industrial fire or burglary agent,~~ the department may issue a temporary license:

1. To the executor or administrator of the estate of a deceased individual licensed and appointed as a personal lines agent at the time of death;

2. To a surviving next of kin of the deceased individual, if no administrator or executor has been appointed and qualified. Any license and appointment under this subparagraph shall be canceled upon issuance of a license to an executor or administrator under subparagraph 1.; or

3. To an individual otherwise qualified to be licensed as an agent who has completed the educational or training requirements prescribed in s. 626.732 and who is appointed to represent an insurer of the industrial or ordinary-combination class solely for the purpose of collecting premiums and servicing in-force policies. Such licensee may not directly or indirectly solicit, negotiate, or effect contracts of insurance ~~has successfully sat for the required examination prior to termination of the 6-month period.~~

Section 17. Paragraph (b) of subsection (3) of section 626.207, Florida Statutes, is amended to read:

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

(3) An applicant who has been found guilty of or has pleaded guilty or nolo contendere to a crime not included in subsection (2), regardless of adjudication, is subject to:

(b) A 7-year disqualifying period for all felonies to which neither the permanent bar in subsection (2) nor the 15-year disqualifying period in paragraph (a) applies. Notwithstanding subsection (4), an applicant who served at least half of the disqualifying period may reapply for a license if, during that time, the applicant has not been found guilty of or has not pleaded guilty or nolo contendere to a crime. The department may issue the applicant a license on a probationary basis for the remainder of the disqualifying period. The applicant's probationary period ends at the end of the disqualifying period.

Section 18. Subsection (1) and paragraph (e) of subsection (2) of section 626.221, Florida Statutes, are amended to read:

626.221 Examination requirement; exemptions.—

(1) The department may ~~shall~~ not issue any license as agent or adjuster to any individual who has not qualified for, taken, and passed to the satisfaction of the department a written examination of the scope prescribed in s. 626.241.

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

(e) An applicant who has been licensed as an all-lines adjuster and appointed as an independent adjuster or company employee adjuster and who files if an application for an all-lines adjuster license licensure is filed with the department within 48 months after following the date of cancellation or expiration of the prior appointment.

Section 19. Paragraph (d) of subsection (3) of section 626.2815, Florida Statutes, is amended to read:

626.2815 Continuing education requirements.—

(3) Each licensee except a title insurance agent must complete a 5-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.

(d) An individual who holds a license as a customer representative, ~~limited customer representative, motor vehicle physical damage and mechanical breakdown insurance agent, or an industrial fire insurance or burglary insurance agent~~ and who is not a licensed life or health agent, must also complete a minimum of 5 hours of continuing education courses every 2 years.

Section 20. Paragraphs (b) and (f) of subsection (1) of section 626.321, Florida Statutes, are amended to read:

626.321 Limited licenses.—

(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:

(b) Industrial fire insurance or burglary insurance.—License covering only industrial fire insurance or burglary insurance. ~~The applicant for such a license must pass a written examination covering such 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.

(f) Crop hail and multiple-peril crop insurance.—License for insurance covering crops subject to unfavorable weather conditions, fire or lightning lightning, flood, hail, insect infestation, disease, or other yield-reducing conditions or perils which is provided by the private insurance market, or which is subsidized by the Federal Group Insurance Corporation including multi-peril crop insurance. Notwithstanding any other provision of law, the limited license may be issued to a bona fide salaried employee of an association chartered under the Farm Credit Act of 1971, 12 U.S.C. ss. 2001 et seq., ~~who satisfactorily completes the examination prescribed by the department pursuant to s. 626.241(5).~~ The agent must be appointed by, and his or her limited license requested by, a licensed general lines agent. All business transacted by the agent must be on behalf of, in the name of, and countersigned by the agent by whom he or she is appointed. Sections 626.561 and 626.748, relating to records, apply to all business written pursuant to this section. The licensee may be appointed by and licensed for only one general lines agent or agency.

Section 21. Subsection (1) of section 626.471, Florida Statutes, is amended to read:

626.471 Termination of appointment.—

(1) Subject to an appointee's contract rights, an appointing entity may terminate its appointment of any appointee at any time. Except when termination is upon a ground that ~~which~~ would subject the appointee to suspension or revocation of his or her license and appointment under s. 626.611 or s. 626.621, and except as provided by contract between the appointing entity and the appointee, the appointing entity shall give at least 60 days' advance written notice of its intention to terminate such appointment to the appointee, ~~either by delivery thereof to the appointee in person, or by mailing it, postage prepaid, or by e-mail. If delivery is by mail or e-mail,~~ the notice must be addressed to the appointee at his or her last mailing or e-mail address of record with the appointing entity. Notice is so mailed shall be deemed to have been given when deposited in a United States Postal Service mail depository or when the e-mail is sent, as applicable.

Section 22. Section 626.536, Florida Statutes, is amended to read:

626.536 Reporting of administrative actions.—Within 30 days after the final disposition of an administrative action taken against a licensee ~~or insurance agency~~ by a governmental agency or other regulatory agency in this or any other state or jurisdiction relating to the business of insurance, the sale of securities, or activity involving fraud, dishonesty, trustworthiness, or breach of a fiduciary duty, the licensee ~~or insurance agency~~ must submit a copy of the order, consent to order, or other relevant legal documents to the department. The department may adopt rules to administer this section.

Section 23. Subsection (7) is added to section 626.6215, Florida Statutes, to read:

626.6215 Grounds for discretionary refusal, suspension, or revocation of insurance agency license.—The department may, in its discretion, deny, suspend, revoke, or refuse to continue the license of any insurance agency if it finds, as to any insurance agency or as to any majority owner, partner, manager, director, officer, or other person who manages or controls such insurance agency, that any one or more of the following applicable grounds exist:

(7) A denial, suspension, or revocation of, or any other adverse administrative action against, a license to practice or conduct any regulated profession, business, or vocation by this state, any other state, any nation, any possession or district of the United States, or any court or any lawful agency thereof.

Section 24. Section 626.729, Florida Statutes, is amended to read:



626.729 “Industrial fire insurance” defined.—~~As used in For the~~ purposes of this code, the term “industrial fire insurance” means: is

- (1) Insurance against loss by fire of either buildings and other structures or contents, which may include extended coverage;
- (2) Windstorm insurance;
- (3) Basic limits owners, landlords, or tenants liability insurance with single limits of \$25,000;
- (4) Comprehensive personal liability insurance with a single limit of \$25,000; or
- (5) Burglary insurance, under which the premiums are collected quarterly or more often and the face amount of the insurance provided by the policy on one risk is not more than \$50,000, including the contents of such buildings and other structures, ~~and the insurer issuing such policy is operating under a system of collecting a debit by its agents. A temporary license for an industrial fire or burglary agent issued pursuant to s. 626.175 shall be solely for the purpose of collecting premiums and servicing in force policies, and such licensee shall not directly or indirectly solicit, negotiate, or effect contracts of insurance.~~

Section 25. Subsection (9) of section 626.8437, Florida Statutes, is amended 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:

- (9) Willful failure to comply with, or willful violation of, any proper order or rule of the department or willful violation of any provision of the Florida Insurance Code ~~this act~~.

Section 26. Subsection (2) of section 626.844, Florida Statutes, is amended 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:

(2) Violation of any provision of the Florida Insurance Code ~~this act~~ in the course of dealing under the license or appointment.

Section 27. Paragraph (e) of subsection (1) and paragraphs (b) and (c) of subsection (2) of section 626.8732, Florida Statutes, are amended to read:

626.8732 Nonresident public adjuster's qualifications, bond.—

(1) The department shall, upon application therefor, issue a license to an applicant for a nonresident public adjuster's license upon determining that the applicant has paid the applicable license fees required under s. 624.501 and:

(e) Has been licensed and employed as a public adjuster in the applicant's state of residence on a continual basis for the past 6 months year, or, if the applicant's state of residence does not issue licenses to individuals who act as public adjusters, the applicant has been licensed and employed as a resident insurance company ~~adjuster~~, a public adjuster, or an independent adjuster in his or her state of residence or any other state on a continual basis for the past 6 months year.

(2) The applicant shall furnish the following with his or her application:

(b) If currently licensed as a resident public adjuster in the applicant's state of residence, a certificate or letter of authorization from the licensing authority of the applicant's state of residence, stating that the applicant holds a current or comparable license to act as a public adjuster and has held the license continuously for the past 6 months year. The certificate or letter of authorization must be signed by the insurance commissioner or his or her deputy or the appropriate licensing official and must disclose whether the adjuster has ever had any license or eligibility to hold any license declined, denied, suspended, revoked, or placed on probation or whether an administrative fine or penalty has been levied against the adjuster and, if so, the reason for the action.

(c) If the applicant's state of residence does not require licensure as a public adjuster and the applicant has been licensed as a resident insurance adjuster in his or her state of residence or any other state, a certificate or letter of authorization from the licensing authority stating that the applicant holds or has held a license to act as such an insurance adjuster and has held the license continuously for the past 6 months year. The certificate or letter of authorization must be signed by the insurance commissioner or his or her deputy or the appropriate licensing official and must disclose whether or not the adjuster has ever had any license or eligibility to hold any license declined, denied, suspended, revoked, or placed on probation or whether an administrative fine or penalty has been levied against the adjuster and, if so, the reason for the action.

Section 28. Subsection (6) of section 627.7015, Florida Statutes, is amended to read:

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

(6)(a) Mediation is nonbinding; however, if a written settlement is reached, the policyholder has 3 business days within which the policyholder may rescind the settlement unless the policyholder has cashed or deposited any check or draft disbursed to the policyholder for the disputed matters as a result of the conference. If a settlement agreement is reached and is not rescinded, it is binding and acts as a release of all specific claims that were presented in that mediation conference.

(b) At the conclusion of the mediation, the mediator shall provide a written report of the results of mediation, including any settlement amount, to the insurer, the policyholder, and the policyholder’s representative if the policyholder is represented at the mediation.

Section 29. Paragraph (f) of subsection (1) of section 633.218, Florida Statutes, is amended, and paragraphs (a) through (e) of that subsection are republished, to read:

633.218 Inspections of state buildings and premises; tests of firesafety equipment; building plans to be approved.—

(1)(a) It is the duty of the State Fire Marshal and her or his agents to inspect, or cause to be inspected, each state-owned building on a recurring basis established by rule, and to ensure that high-hazard occupancies are inspected at least annually, for the purpose of ascertaining and causing to be corrected any conditions liable to cause fire or endanger life from fire and any violation of the firesafety standards for state-owned buildings, this chapter, or the rules adopted pursuant hereto. The State Fire Marshal shall, within 7 days following an inspection, submit a report of such inspection to the head of the state agency responsible for the building.

(b) Except as provided in s. 255.45, the department head is responsible for ensuring that deficiencies noted in the inspection are corrected as soon as practicable.

(c) Each department shall, in its annual budget proposal, include requests for sufficient funds to correct any firesafety deficiencies noted by the State Fire Marshal.

(d) Each department shall, in its annual budget proposal and for all proposals for new construction or renovations to existing structures, include requests for sufficient funds to pay for any charges or fees imposed by the State Fire Marshal for review of plans, renovations, occupancy, or inspections, whether recurring or high hazard.

(e) For purposes of this section:

1.a. The term “high-hazard occupancy” means any building or structure:

- (I) That contains combustible or explosive matter or flammable conditions dangerous to the safety of life or property;
- (II) At which persons receive educational instruction;
- (III) At which persons reside, excluding private dwellings; or
- (IV) Containing three or more floor levels.

b. As used in this subparagraph, the phrase “building or structure”:

(I) Includes, but is not limited to, all hospitals and residential health care facilities, nursing homes and other adult care facilities, correctional or detention facilities, public schools, public lodging establishments, migrant labor camps, residential child care facilities, and self-service gasoline stations.

(II) Does not include any residential condominium where the declaration of condominium or the bylaws provide that the rental of units shall not be permitted for less than 90 days.

2. The term “state-owned building” includes private correctional facilities as defined under s. 944.710(3).

~~(f) A state-owned building or state-leased building or space shall be identified through use of the United States National Grid Coordinate System.~~

Section 30. Paragraph (c) of subsection (1) of section 633.306, Florida Statutes, is amended to read:

633.306 Requirements for installation, inspection, and maintenance of fire suppression equipment.—

(1) The requirements for installation of fire extinguishers and preengineered systems are as follows:

(c) Equipment shall be installed in accordance with the applicable standards of the National Fire Protection Association and the manufacturer’s drawings and specifications, using only components and parts specified by the manufacturer or listed as equal parts by a nationally recognized testing laboratory, such as Underwriters Laboratories, Inc., or Factory Mutual Laboratories, Inc.

Section 31. Subsections (4) and (5) of section 633.312, Florida Statutes, are renumbered as subsections (5) and (6), respectively, subsection (3) is amended, and a new subsection (4) is added to that section, to read:

633.312 Inspection of fire control systems, fire hydrants, and fire protection systems.—

(3)(a) The inspecting contractor shall provide to the building owner or hydrant owner and the local authority having jurisdiction a copy of the applicable uniform summary inspection report established under this chapter. The local authority having jurisdiction may accept uniform summary inspection reports by United States mail, by hand delivery, by electronic submission, or through a third-party vendor that collects the reports on behalf of the local authority having jurisdiction.

(b) The State Fire Marshal shall adopt rules to implement a uniform summary inspection report and submission procedures to be used by all third-party vendors and local authorities having jurisdiction. For purposes of this section, a uniform summary inspection report must record the address where the fire protection system or hydrant is located, the company and person conducting the inspection and their license number, the date of the inspection, and the fire protection system or hydrant inspection status, including a brief summary of each deficiency, critical deficiency, noncritical deficiency, or impairment found. A contractor's detailed inspection report is not required to follow the uniform summary inspection report format. The State Fire Marshal shall establish by rule a submission procedure for each means provided under paragraph (a) by which a local authority having jurisdiction may accept uniform summary inspection reports. Each of the submission procedures must allow a contractor to attach additional documents with the submission of a uniform summary inspection report, including a physical copy of the contractor's detailed inspection report. A submission procedure may not require a contractor to submit information contained within the detailed inspection report unless the information is required to be included in the uniform summary inspection report.

(4) The maintenance of fire hydrant and fire protection systems as well as corrective actions on deficient systems is the responsibility of the owner of the system or hydrant. Equipment requiring periodic testing or operation to ensure its maintenance shall be tested or operated as specified in the Fire Prevention Code, Life Safety Code, National Fire Protection Association standards, or as directed by the appropriate authority, provided that such appropriate authority may not require a sprinkler system not required by the Fire Prevention Code, Life Safety Code, or National Fire Protection Association standards to be removed regardless of its condition. This section does not prohibit governmental entities from inspecting and enforcing firesafety codes.

Section 32. Section 633.520, Florida Statutes, is amended to read:

633.520 Safety; firefighter employer responsibilities.—

(1) Each ~~Every~~ firefighter employer shall furnish and use safety devices and safeguards, adopt and use methods and processes reasonably adequate to render such an employment and place of employment safe, and do every other thing reasonably necessary to protect the lives, health, and safety of such firefighter employees. As used in this section, the terms “safe” and “safety,” as applied to any employment or place of employment, mean such

freedom from danger as is reasonably necessary for the protection of the lives, health, and safety of firefighter employees, including conditions and methods of sanitation and hygiene. Safety devices and safeguards required to be furnished by the firefighter employer by this section or by the division under authority of this section do not include personal apparel and protective devices that replace personal apparel normally worn by firefighter employees during regular working hours.

(2) The division shall adopt rules to establish employers' cancer prevention best practices related to personal protective equipment, decontamination, fire suppression equipment, and fire stations.

Section 33. Subsection (1) of section 648.49, Florida Statutes, is amended to read:

648.49 Duration of suspension or revocation.—

(1) The department shall, in its order suspending a license or appointment or in its order suspending the eligibility of a person to hold or apply for a license or appointment, specify the period during which the suspension is to be in effect, but such period may not exceed 2 years. The license, ~~or~~ appointment, or and eligibility to hold or apply for a license or appointment remains shall remain suspended during the period so specified, subject, however, to any rescission or modification of the order by the department, or modification or reversal thereof by the court, ~~before the prior to~~ expiration of the suspension period. A license or appointment ~~that which~~ has been suspended may not be reinstated, nor shall the eligibility to hold such license or appointment be reinstated, except upon the filing and approval of an application request for such reinstatement, but the department may not approve an application for grant such reinstatement if it finds that the circumstances for which the license or appointment was suspended still exist or are likely to recur. In each case involving suspension, the department has the discretion to require the former licensee to successfully complete a basic certification course in the criminal justice system, consisting of not less than 80 hours approved by the department.

Section 34. Subsection (8) of section 717.124, Florida Statutes, is renumbered as subsection (11), and a new subsection (8) and subsections (9) and (10) are added to that section, to read:

717.124 Unclaimed property claims.—

(8) Notwithstanding any other provision of this chapter, the department may develop and implement an identification verification and disbursement process by which an account valued at \$2,000 or less, after being received by the department and added to the unclaimed property database, may be disbursed to an apparent owner after the department has verified that the apparent owner is living and that the apparent owner's current address is correct. The department shall include with the payment a notification and explanation of the dollar amount, the source, and the property type of each

account included in the disbursement. The department shall adopt rules to implement this subsection.

(9)(a) Notwithstanding any other provision of this chapter, the department may develop and implement a verification and disbursement process by which an account, after being received by the department and added to the unclaimed property database, for which the apparent owner entity is:

- 1. A state agency in this state or a subdivision or successor agency thereof;
- 2. A county government in this state or a subdivision thereof;
- 3. A public school district in this state or a subdivision thereof;
- 4. A municipality in this state or a subdivision thereof; or
- 5. A special taxing district or authority in this state,

may be disbursed to the apparent owner entity or successor entity. The department shall include with the payment a notification and explanation of the dollar amount, the source, and the property type of each account included in the disbursement.

(b) The department may adopt rules to implement this subsection.

(10) Notwithstanding any other provision of this chapter, the department may develop a process by which a registered claimant’s representative or a buyer of unclaimed property may electronically submit to the department an electronic image of a completed claim and claims-related documents pursuant to this chapter, including a limited power of attorney or purchase agreement that has been manually signed and dated by a claimant or seller pursuant to s. 717.135 or s. 717.1351, after the claimant’s representative or the buyer of unclaimed property receives the original documents provided by the claimant or the seller for any claim. Each claim filed by a registered claimant’s representative or a buyer of unclaimed property must include a statement by the claimant’s representative or the buyer of unclaimed property attesting that all documents are true copies of the original documents and that all original documents are physically in the possession of the claimant’s representative or the buyer of unclaimed property. All original documents must be kept in the original form, by claim number, under the secure control of the claimant’s representative or the buyer of unclaimed property and must be available for inspection by the department in accordance with s. 717.1315. The department may adopt rules to implement this subsection.

Section 35. Section 626.521, Florida Statutes, is repealed.

Section 36. Section 626.7355, Florida Statutes, is repealed.

Section 37. Paragraph (a) of subsection (1) of section 626.022, Florida Statutes, is amended to read:

626.022 Scope of part.—

(1) This part applies as to insurance agents, service representatives, adjusters, and insurance agencies; as to any and all kinds of insurance; and as to stock insurers, mutual insurers, reciprocal insurers, and all other types of insurers, except that:

(a) It does not apply as to reinsurance, except that ss. 626.011-626.022, ss. 626.112-626.181, ss. 626.191-626.211, ss. 626.291-626.301, s. 626.331, ss. 626.342-626.511 ~~ss. 626.342-626.521~~, ss. 626.541-626.591, and ss. 626.601-626.711 shall apply as to reinsurance intermediaries as defined in s. 626.7492.

Section 38. Subsection (4) of section 626.025, Florida Statutes, is amended to read:

626.025 Consumer protections.—To transact insurance, agents shall comply with consumer protection laws, including the following, as applicable:

(4) The submission of credit and character reports, as required by s. 626.171 ~~or s. 626.521~~.

Section 39. Subsection (1) of section 633.216, Florida Statutes, is amended to read:

633.216 Inspection of buildings and equipment; orders; firesafety inspection training requirements; certification; disciplinary action.—The State Fire Marshal and her or his agents or persons authorized to enforce laws and rules of the State Fire Marshal shall, at any reasonable hour, when the State Fire Marshal has reasonable cause to believe that a violation of this chapter or s. 509.215, or a rule adopted thereunder, or a minimum firesafety code adopted by the State Fire Marshal or a local authority, may exist, inspect any and all buildings and structures which are subject to the requirements of this chapter or s. 509.215 and rules adopted thereunder. The authority to inspect shall extend to all equipment, vehicles, and chemicals which are located on or within the premises of any such building or structure.

(1) Each county, municipality, and special district that has firesafety enforcement responsibilities shall employ or contract with a firesafety inspector. Except as provided in s. 633.312(2), ~~and (3)~~, and (4), the firesafety inspector must conduct all firesafety inspections that are required by law. The governing body of a county, municipality, or special district that has firesafety enforcement responsibilities may provide a schedule of fees to pay only the costs of inspections conducted pursuant to this subsection and related administrative expenses. Two or more counties, municipalities, or



special districts that have firesafety enforcement responsibilities may jointly employ or contract with a firesafety inspector.

Section 40. (1) The Legislature finds that:

(a) Blockchain technology and distributed ledger technology allow the secure recording of transactions through cryptographic algorithms and distributed record sharing, and such technology has reached a point where the opportunities for efficiency, cost savings, and cybersecurity deserve study.

(b) Blockchain technology is a promising way to facilitate more efficient government service delivery models and economies of scale, including facilitating safe paperless transactions and recordkeeping that are nearly impervious to cyberattacks and data destruction.

(c) Blockchain technology can reduce the prevalence of disparate government computer systems, databases, and custom-built software interfaces; reduce costs associated with maintenance and implementation; streamline information sharing; and allow more areas of the state to electronically participate in government services.

(d) Nations, other states, and municipalities across the world are studying and implementing governmental reforms that bolster trust and reduce bureaucracy through verifiable open source blockchain technology in a variety of areas, including, but not limited to, medical and health records, land records, banking, tax and fee payments, smart contracts, professional accrediting, and property auctions.

(e) It is in the public interest to establish a Florida Blockchain Task Force comprised of government and industry representatives to study the ways in which state, county, and municipal governments can benefit from a transition to a blockchain-based system for recordkeeping, security, and service delivery and to develop and submit recommendations to the Governor and the Legislature concerning the potential for implementation of blockchain-based systems that promote government efficiencies, better services for citizens, economic development, and safer cyber-secure interaction between government and the public.

(2) The Florida Blockchain Task Force, a task force as defined in s. 20.03, Florida Statutes, is established within the Department of Financial Services to explore and develop a master plan for fostering the expansion of the blockchain industry in the state, to recommend policies and state investments to help make this state a leader in blockchain technology, and to issue a report to the Governor and the Legislature. The task force shall study if and how state, county, and municipal governments can benefit from a transition to a blockchain-based system for recordkeeping, data security, financial transactions, and service delivery and identify ways to improve government interaction with businesses and the public.

(a) The master plan shall:

1. Identify the economic growth and development opportunities presented by blockchain technology.

2. Assess the existing blockchain industry in the state.

3. Identify innovative and successful blockchain applications currently used by industry and other governments to determine viability for state applications.

4. Review workforce needs and academic programs required to build blockchain technology expertise across all relevant industries.

5. Make recommendations to the Governor and the Legislature that will promote innovation and economic growth by reducing barriers to and expediting the expansion of the state's blockchain industry.

(b) The task force shall consist of 13 members. Membership shall be as follows:

1. Three agency heads or executive directors of cabinet agencies, or their designees, appointed by the Governor.

2. Four members of the public or private sector with knowledge and experience in blockchain technology, appointed by the Governor.

3. Three members from the public or private sector with knowledge and experience in blockchain technology, appointed by the Chief Financial Officer.

4. One member from the private sector with knowledge and experience in blockchain technology, appointed by the President of the Senate.

5. One member from the private sector with knowledge and experience in blockchain technology, appointed by the Speaker of the House of Representatives.

6. One certified public accountant licensed pursuant to chapter 473 with knowledge and experience in blockchain technology, appointed by the Governor.

Members of the task force shall reflect the ethnic diversity of the state.

(c) Within 90 days after the effective date of this act, a majority of the members of the task force must be appointed and the task force shall hold its first meeting. The task force shall elect one of its members to serve as chair. Members of the task force shall serve for the duration of the existence of the task force. Any vacancy that occurs shall be filled in the same manner as the original appointment. Task force members shall serve without compensation, and are not entitled to reimbursement for per diem or travel expenses.

(d) The task force shall study blockchain technology, including, but not limited to, the following:

1. Opportunities and risks associated with using blockchain and distributed ledger technology for state and local governments.

2. Different types of blockchains, both public and private, and different consensus algorithms.

3. Projects and cases currently under development in other states and local governments, and how these cases could be applied in this state.

4. Ways the Legislature can modify general law to support secure paperless recordkeeping, increase cybersecurity, improve interactions with citizens, and encourage blockchain innovation for businesses in the state.

5. Identifying potential economic incentives for companies investing in blockchain technologies in collaboration with the state.

6. Recommending projects for potential blockchain solutions, including, but not limited to, use cases for state agencies that would improve services for citizens or businesses.

7. Identifying the technical skills necessary to develop blockchain technology and ensuring that instruction in such skills is available at secondary and postsecondary educational institutions in this state.

(3) The task force shall submit a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives and present its findings to the appropriate legislative committees in each house of the Legislature within 180 days after the initial meeting of the task force. The report must include:

(a) A general description of the costs and benefits of state and local government agencies using blockchain technology.

(b) Recommendations concerning the feasibility of implementing blockchain technology in the state and the best approach to finance the cost of implementation.

(c) Recommendations for specific implementations to be developed by relevant state agencies.

(d) Any draft legislation the task force deems appropriate to implement such blockchain technologies.

(e) Identification of one pilot project that may be implemented in the state.

(f) Any other information deemed relevant by the task force.

(4) The task force is entitled to the assistance and services of any state agency, board, bureau, or commission as necessary and available for the purposes of this section.

(5) The Department of Financial Services shall provide support staff for the task force and any relevant studies, data, and materials in its possession to assist the task force in the performance of its duties.

(6) The task force shall terminate upon submission of the report and the presentation of findings.

(7) This section shall take effect upon this act becoming a law.

Section 41. Except as otherwise expressly provided in this act and except for this section, which shall take effect upon this act becoming a law, this act shall take effect July 1, 2019.

Approved by the Governor June 25, 2019.

Filed in Office Secretary of State June 25, 2019.