

CHAPTER 2016-202

Committee Substitute for Committee Substitute for Senate Bill No. 1386

An act relating to insurance agents; amending s. 626.593, F.S.; revising a prohibition against a licensed insurance agent from receiving a specified fee or commission for examining any health insurance or any health benefit plan, rather than any group health insurance or any group health benefit plan, for certain purposes; amending s. 626.785, F.S.; revising amounts of coverage of certain life insurance policies that may be sold by specified persons; revising the version of the Annual Consumer Price Index used as a basis for calculating certain annual percentage increases in specified policies; providing an effective date.

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

Section 1. Subsection (1) of section 626.593, Florida Statutes, is amended to read:

626.593 Insurance agent; written contract for compensation.—

(1) No person licensed as an insurance agent may receive any fee or commission or any other thing of value in addition to the rates filed pursuant to chapter 627 for examining any ~~group~~ health insurance or any ~~group~~ health benefit plan for the purpose of giving or offering advice, counsel, recommendation, or information in respect to terms, conditions, benefits, coverage, or premium of any such policy or contract unless such compensation is based upon a written contract signed by the party to be charged and specifying or clearly defining the amount or extent of such compensation and informing the party to be charged that any commission received from an insurer will be rebated to the party in accordance with subsection (3). In addition, all compensation to be paid to the insurance agent must be disclosed in the contract.

Section 2. Paragraph (d) of subsection (1) and subsection (3) of section 626.785, Florida Statutes, are amended to read:

626.785 Qualifications for license.—

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

(d) Must not be a funeral director or direct disposer, or an employee or representative thereof, or have an office in, or in connection with, a funeral establishment, except that a funeral establishment may contract with a life insurance agent to sell a preneed contract as defined in s. 497.005. Notwithstanding other provisions of this chapter, such insurance agent

may sell limited policies of insurance covering the expense of final disposition or burial of an insured in the amount of ~~\$21,000~~ \$12,500, plus an annual percentage increase based on the Annual Consumer Price Index compiled by the United States Department of Labor, beginning with the Annual Consumer Price Index announced by the United States Department of Labor for the year ~~2016~~ 2003.

(3) Notwithstanding any other provisions of this chapter, a funeral director, a direct disposer, or an employee of a funeral establishment that holds a certificate of authority pursuant to s. 497.452 may obtain an agent's license to sell only policies of life insurance covering the expense of a prearrangement for funeral services or merchandise so as to provide funds at the time the services and merchandise are needed. The face amount of insurance covered by any such policy shall not exceed ~~\$21,000~~ \$12,500, plus an annual percentage increase based on the Annual Consumer Price Index compiled by the United States Department of Labor, beginning with the Annual Consumer Price Index announced by the United States Department of Labor for ~~2016~~ 2003.

Section 3. This act shall take effect upon becoming a law.

Approved by the Governor April 8, 2016.

Filed in Office Secretary of State April 8, 2016.