BILL 2024

1	A bill to be entitled
2	An act relating to the elimination of pre-licensing
3	requirements in the Department of Financial Services;
4	amending s. 626.171, F.S, repealing s. 626.221, F.S.,
5	amending s. 626.231, F.S., repealing s. 626.2817, F.S.,
6	amending s. 626.292, F.S., repealing s. 626.681, F.S.,
7	amending s. 626.731, F.S., repealing s. 626.7351, F.S.,
8	amending s.626.785, F.S., repealing s. 626.7851, F.S.,
9	amending s. 626.831, F.S., repealing s. 626.8311, F.S.,
10	amending s. 626.8417, F.S., repealing s. 626.865, F.S.,
11	repealing s. 626.927, F.S., amending s. 648.385, F.S., and
12	amending s. 648.386, F.S.; providing an effective date.
13	
14	Be It Enacted by the Legislature of the State of Florida:
15	
16	Section 1. Subsection (2) or section 626.171, Florida
17	Statutes, is amended to read:
18	Section 626.171 Application for license as an agent,
19	customer representative, adjuster, service representative,
20	managing general agent, or reinsurance intermediary.—
21	(2) In the application, the applicant shall set forth:
22	(a) His or her full name, age, social security number,
23	residence address, business address, mailing address, contact
24	telephone numbers, including a business telephone number, and e-
25	mail address.
26	(b) A statement indicating the method the applicant used or
27	is using to meet any required prelicensing education, knowledge, Page 1 of 21

CODING: Words stricken are deletions; words underlined are additions.

BILL 2024

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.
  - (e) (f) The applicant's gender (male or female).
  - (f) (g)—The applicant's native language.
- (g) (h)—The highest level of education achieved by the applicant.
- (h)  $\overline{\text{(i)}}$  The applicant's race or ethnicity (African American, white, American Indian, Asian, Hispanic, or other).
- (i) (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

BILL 2024

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.

- Section 2. Section 626.221, Florida Statutes, is repealed.
- Section 3. Section 626.231, Florida Statutes, is amended to read:
  - 626.231 Eligibility; application for examination.-
  - (1) No person shall be permitted to take an examination for license until his or her application for examination or application for the license has been approved and the required fees have been received by the department or a person designated by the department to administer the examination.
  - (2) A person required to take an examination for a license may take an examination before submitting an application for licensure pursuant to s. 626.171 by submitting an application for examination through the department's Internet website or the website of a person designated by the department to administer the examination. The department may require the applicant to provide the following information as part of the application:
  - (a) His or her full name, date of birth, social security number, e-mail address, residence address, business address, and mailing address.
  - (b) The type of license which the applicant intends to apply for.
  - (c) The name of any required prelicensing course he or she has completed or is in the process of completing.

Page 3 of 21

BILL 2024

81	(d) The method by which the applicant intends to qualify
82	for the type of license if other than by completing a
83	prelicensing course.
84	$\underline{\text{(c)}}$ The applicant's gender.
85	$\underline{\text{(d)}}$ The applicant's native language.
86	$\underline{\text{(e)}}$ The highest level of education achieved by the
87	applicant.
88	(f)(h) The applicant's race or ethnicity.
89	However, the application form must contain a statement that an
90	applicant is not required to disclose his or her race or
91	ethnicity, gender, or native language, that he or she will not
92	be penalized for not doing so, and that the department will use
93	this information exclusively for research and statistical
94	purposes and to improve the quality and fairness of the
95	examinations.
96	(3) Each application shall be accompanied by payment of the
97	applicable examination fee.
98	Section 4. Section 626.2817, Florida Statutes, is repealed.
99	626.2817—Regulation of course providers, instructors, school
100	officials, and monitor groups involved in prelicensure education
101	for insurance agents and other licensees
102	(1)—Any course provider, instructor, school official, or
103	monitor group must be approved by and registered with the
104	department before offering prelicensure education courses for
105	insurance agents and other licensees.
106	(2) The department shall adopt rules establishing standards

Page 4 of 21

registration, discipline, or removal from

BILL 2024

registration of course providers, instructors, school officials, and monitor groups. The standards must be designed to ensure that such persons have the knowledge, competence, and integrity to fulfill the educational objectives of the prelicensure requirements of this chapter and chapter 648 and to assure that insurance agents and licensees are competent to engage in the activities authorized under the license.

(3) The department shall adopt rules to establish a process for determining compliance with the prelicensure requirements of this chapter and chapter 648. The department shall adopt rules prescribing the forms necessary to administer the prelicensure requirements.

Section 5. Section 626.292, Florida Statutes, is amended to read:

626.292 Transfer of license from another state.-

- (1) An individual licensed in good standing in another state may apply to the department to have the license transferred to this state to obtain a resident agent or all-lines adjuster license for the same lines of authority covered by the license in the other state.
- (2) To qualify for a license transfer, an individual applicant must meet the following requirements:
  - (a) The individual must become a resident of this state.
- (b) The individual must have been licensed in another state for a minimum of 1 year immediately preceding the date the individual became a resident of this state.
  - (c) The individual must submit a completed application for Page 5 of 21

BILL 2024

this state which is received by the department within 90 days after the date the individual became a resident of this state, along with payment of the applicable fees set forth in s. 624.501 and submission of the following documents:

135

136

137

138 139

140

141

142

143

144

145

146

147

148

149

150

151

152

153

154

155

156

157

158

159

160

161

- 1. A certification issued by the appropriate official of the applicant's home state identifying the type of license and lines of authority under the license and stating that, at the time the license from the home state was canceled, the applicant was in good standing in that state or that the state's Producer Database records, maintained by the National Association of Insurance Commissioners, its affiliates, or subsidiaries, indicate that the agent or all-lines adjuster is or was licensed in good standing for the line of authority requested.
- 2. A set of the applicant's fingerprints in accordance with s. 626.171(4).
- (d) The individual must satisfy prelicensing education requirements in this state, unless the completion of prelicensing education requirements was a prerequisite for licensure in the other state and the prelicensing education requirements in the other state are substantially equivalent to the prelicensing requirements of this state as determined by the department. This paragraph does not apply to all-lines adjusters.
- (d) (e) The individual must satisfy the examination requirement under s. 626.221, unless exempted.
- (3) An applicant satisfying the requirements for a license transfer under subsection (2) shall be approved for licensure in

Page 6 of 21

BILL 2024

this state unless the department finds that grounds exist under s. 626.611 or s. 626.621 for refusal, suspension, or revocation of a license.

Section 6. Section 626.681, Florida Statutes, is repealed. Section 7. 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:
- (a) The applicant is a natural person at least 18 years of age.
- (b) The applicant is a United States citizen or legal alien who possesses work authorization from the United States Bureau of Citizenship and Immigration Services and is a bona fide resident of this state. An individual who is a bona fide resident of this state shall be deemed to meet the residence requirement of this paragraph, notwithstanding the existence at the time of application for license of a license in his or her name on the records of another state as a resident licensee of such other state, if the applicant furnishes a letter of clearance satisfactory to the department that the resident licenses have been canceled or changed to a nonresident basis and that he or she is in good standing.
- (c) The applicant's place of business will be located in this state and he or she will be actively engaged in the

Page 7 of 21

BILL 2024

business of insurance and will maintain a place of business, the location of which is identifiable by and accessible to the public.

(d) The license is not being sought for the purpose of writing or handling controlled business, in violation of s. 626.730.

- (e) The applicant is qualified as to knowledge, experience, or instruction in the business of insurance and meets the requirements provided in s. 626.732.
- (e)(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.
- $\underline{\text{(f)}}$  The applicant has passed any required examination for license required under s. 626.221.
- (2) The department shall not grant, continue, renew, or permit to exist the license or appointment of a general lines agent unless the agent meets the requirements of subsection (1).
- Section 8. Section 626.7351, Florida Statutes, is amended to read:
- 214 626.7351 Qualifications for customer representative's
  215 license.—The department shall not grant or issue a license as

  Page 8 of 21

CODING: Words stricken are deletions; words underlined are additions.

BILL 2024

customer representative to any individual found by it to be untrustworthy or incompetent, or who does not meet each of the following qualifications:

- (1) The applicant is a natural person at least 18 years of age.
- (2) (a) The applicant is a United States citizen or legal alien who possesses work authorization from the United States Bureau of Citizenship and Immigration Services and is a bona fide resident of this state and will actually reside in the state at least 6 months out of the year. An individual who is a bona fide resident of this state shall be deemed to meet the residence requirements of this subsection, notwithstanding the existence at the time of application for license of a license in his or her name on the records of another state as a resident licensee of the other state, if the applicant furnishes a letter of clearance satisfactory to the department that the resident licenses have been canceled or changed to a nonresident basis and that he or she is in good standing.
- (b) The applicant is a resident of another state sharing a common boundary with this state and has been employed in this state for a period of not less than 6 months by a Florida resident general lines agent licensed and appointed under this chapter. The applicant licensed under this subsection must meet all other requirements as described in this chapter and must, under the direct supervision of a licensed and appointed Florida resident general lines agent, conduct business solely within the confines of the office of the agent or agency whom he or she

BILL 2024

243 represents in this state.

(3) Within the 2 years next preceding the date the application for license was filed with the department, the applicant has completed a course in insurance, 3 hours of which shall be on the subject matter of ethics, approved by the department or has had at least 6 months' experience in responsible insurance duties as a substantially full-time employee. Courses must include instruction on the subject matter of unauthorized entities engaging in the business of insurance. The scope of the topic of unauthorized entities shall include the Florida Nonprofit Multiple-Employer Welfare Arrangement Act and the Employee Retirement Income Security Act, 29 U.S.C. ss. 1001 et seq., as such acts relate to the provision of health insurance by employers and the regulation of such insurance.

 $\underline{(3)}$  (4) The license is not being sought for the purpose of writing or handling controlled business in violation of s. 626.730.

(4)(5) The applicant will be employed by only one agent or agency and the agency will appoint one designated agent within the agency who will supervise the work of the applicant and his or her conduct in the insurance business, and the applicant will spend all of his or her business time in the employment of the agent or agency and will be domiciled in the office of the appointing agent or agency as provided in s. 626.7352.

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

BILL 2024

 $\underline{(6)}$  The applicant has passed any required examination 271 for license required under s. 626.221.

Section 9. Section 626.785, Florida Statutes, is amended to read:

626.785 Qualifications for license.-

2.81

- (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:
  - (a) Must be a natural person of at least 18 years of age.
- (b) Must be a United States citizen or legal alien who possesses work authorization from the United States Bureau of Citizenship and Immigration Services and a bona fide resident of this state.
- (c) Must not be an employee of the United States Department of Veterans Affairs or state service office, as referred to in s. 626.788.
- (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 \$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

Page 11 of 21

BILL 2024

Index announced by the United States Department of Labor for the year 2003.

- (e) Must take and pass any examination for license required under s. 626.221.
- (f) Must be qualified as to knowledge, experience, or instruction in the business of insurance and meet the requirements relative thereto provided in s. 626.7851.
- (2) An individual who is a bona fide resident of this state shall be deemed to meet the residence requirement of paragraph (1)(b), notwithstanding the existence at the time of application for license of a license in his or her name on the records of another state as a resident licensee of such other state, if the applicant furnishes a letter of clearance satisfactory to the department that the resident licenses have been canceled or changed to a nonresident basis and that he or she is in good standing.
- (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 \$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

Page 12 of 21

BILL 2024

324 United States Department of Labor for 2003.

Section 10. Section 626.7851, Florida Statutes, is repealed.

626.7851 Requirement as to knowledge, experience, or instruction.—No applicant for a license as a life agent, except for a chartered life underwriter (CLU), shall be qualified or licensed unless within the 4 years immediately preceding the date the application for a license is filed with the department he or she has:

(1) Successfully completed 40 hours of classroom courses in insurance, 3 hours of which shall be on the subject matter of ethics, satisfactory to the department at a school or college, or extension division thereof, or other authorized course of study, approved by the department. Courses must include instruction on the subject matter of unauthorized entities engaging in the business of insurance, to include the Florida Nonprofit Multiple-Employer Welfare Arrangement Act and the Employee Retirement Income Security Act, 29 U.S.C. ss. 1001 et seq., as it relates to the provision of life insurance by employers to their employees and the regulation thereof;

(2) Successfully completed a correspondence course in insurance, 3 hours of which shall be on the subject matter of ethics, satisfactory to the department and regularly offered by accredited institutions of higher learning in this state or by independent programs of study, approved by the department.

Courses must include instruction on the subject matter of unauthorized entities engaging in the business of insurance, to

Page 13 of 21

BILL 2024

include the Florida Nonprofit Multiple-Employer Welfare
Arrangement Act and the Employee Retirement Income Security Act,
29 U.S.C. ss. 1001 et seq., as it relates to the provision of
life insurance by employers to their employees and the
regulation thereof;

- (3) Held an active license in life, or life and health, insurance in another state. This provision may not be utilized unless the other state grants reciprocal treatment to licensees formerly licensed in Florida; or
- (4) Been employed by the department or office for at least 1 year, full time in life or life and health insurance regulatory matters and who was not terminated for cause, and application for examination is made within 90 days after the date of termination of his or her employment with the department or office.
- Section 11. Section 626.831, Florida Statutes, is amended to read:
  - 626.831 Qualifications for license.-

- (1) The department shall not grant or issue a license as health agent as to any individual found by it to be untrustworthy or incompetent, or who does not meet the following qualifications:
  - (a) Must be a natural person of at least 18 years of age.
- (b) Must be a United States citizen or legal alien who possesses work authorization from the United States Bureau of Citizenship and Immigration Services and a bona fide resident of this state.

Page 14 of 21

BILL 2024

(c) Must not be an employee of the United States Department of Veterans Affairs or state service office, as referred to in s. 626.833.

- (d) Must take and pass any examination for license required under s. 626.221.
- (e) Must be qualified as to knowledge, experience, or instruction in the business of insurance and meet the requirements relative thereto provided in s. 626.8311.
- (2) An individual who is a bona fide resident of this state shall be deemed to meet the residence requirement of paragraph (1)(b), notwithstanding the existence at the time of application for license of a license in his or her name on the records of another state as a resident licensee of such other state, if the applicant furnishes a letter of clearance satisfactory to the department that the resident licenses have been canceled or changed to a nonresident basis and that he or she is in good standing.

Section 12. Section 626.8311, Florida Statutes, is repealed.

626.8311 Requirement as to knowledge, experience, or instruction. No applicant for a license as a health agent, except for a chartered life underwriter (CLU), shall be qualified or licensed unless within the 4 years immediately preceding the date the application for license is filed with the department he or she has:

(1) Successfully completed 40 hours of classroom courses in insurance, 3 hours of which shall be on the subject matter of

Page 15 of 21

BILL 2024

405 ethics, satisfactory to the department at a school or college, or extension division thereof, or other authorized course of 406 study, approved by the department. Courses must include 407 408 instruction on the subject matter of unauthorized entities 409 engaging in the business of insurance, to include the Florida 410 Nonprofit Multiple-Employer Welfare Arrangement Act and the Employee Retirement Income Security Act, 29 U.S.C. ss. 1001 et 411 412 seq., as it relates to the provision of health insurance by 413 employers to their employees and the regulation thereof; 414 (2) Successfully completed a correspondence course in insurance, 3 hours of which shall be on the subject matter of 415 416 ethics, satisfactory to the department and regularly offered by 417 accredited institutions of higher learning in this state or by 418 independent programs of study, approved by the department. 419 Courses must include instruction on the subject matter of 420 unauthorized entities engaging in the business of insurance, to 421 include the Florida Nonprofit Multiple-Employer Welfare 422 Arrangement Act and the Employee Retirement Income Security Act, 423 29 U.S.C. ss. 1001 et seq., as it relates to the provision of 424 health insurance by employers to their employees and the 425 regulation thereof; 426 (3) Held an active license in health, or life and health, 427 insurance in another state. This provision may not be utilized 428 unless the other state grants reciprocal treatment to licensees 429 formerly licensed in Florida; or 430 (4) Been employed by the department or office for at least 431 1 year, full time in health insurance regulatory matters and who

Page 16 of 21

BILL 2024

was not terminated for cause, and application for examination is made within 90 days after the date of termination of his or her employment with the department or office.

Section 13. Section 626.8417, Florida Statutes, is amended to read:

626.8417 Title insurance agent licensure; exemptions.-

- (1) A person may not act as a title insurance agent as defined in s. 626.841 until a valid title insurance agent's license has been issued to that person by the department.
- (2) An application for license as a title insurance agent shall be filed with the department on printed forms furnished by the department.
- (3) The department shall not grant or issue a license as title agent to any individual found by it to be untrustworthy or incompetent, who does not meet the qualifications for examination specified in s. 626.8414, or who does not meet the following qualifications:
- (a) Within the 4 years immediately preceding the date of the application for license, the applicant must have completed a 40-hour classroom course in title insurance, 3 hours of which shall be on the subject matter of ethics, as approved by the department, or must have had at least 12 months of experience in responsible title insurance duties, while working in the title insurance business as a substantially full-time, bona fide employee of a title agency, title agent, title insurer, or attorney who conducts real estate closing transactions and issues title insurance policies but who is exempt from licensure

Page 17 of 21

BILL 2024

pursuant to paragraph (4)(a). If an applicant's qualifications are based upon the periods of employment at responsible title insurance duties, the applicant must submit, with the application for license on a form prescribed by the department, the affidavit of the applicant and of the employer setting forth the period of such employment, that the employment was substantially full time, and giving a brief abstract of the nature of the duties performed by the applicant.

- $\underline{\text{(a)}}$  The applicant must have passed any examination for licensure required under s. 626.221.
- (4)(a) Title insurers or attorneys duly admitted to practice law in this state and in good standing with The Florida Bar are exempt from the provisions of this chapter with regard to title insurance licensing and appointment requirements.
- (b) An insurer may designate a corporate officer of the insurer to occasionally issue and countersign binders, commitments, title insurance policies, or guarantees of title. A designated officer is exempt from the provisions of this chapter with regard to title insurance licensing and appointment requirements while the officer is acting within the scope of the designation.
- (c) If an attorney or attorneys own a corporation or other legal entity which is doing business as a title insurance agency other than an entity engaged in the active practice of law, the agency must be licensed and appointed as a title insurance agent.

Section 14. Sections 626.865, 626.927, and 648.385 Florida Page 18 of 21

BILL 2024

486	Statutes, are repealed.
487	Section 15. Section 648.386, Florida Statutes, is amended
488	to read:
489	648.386 Qualifications for prelicensing and continuing
490	education schools and instructors.—
491	(1) SCHOOLS AND CURRICULUM FOR PRELICENSING SCHOOLS. In order to
492	be considered for approval and certification as an approved
493	limited surety agent and professional bail bond agent
494	prelicensing school, such entity must:
495	(a)1. Offer a minimum of two 120-hour classroom-instruction
496	basic certification courses in the criminal justice system per
497	calendar year unless a reduced number of course offerings per
498	calendar year is warranted in accordance with rules promulgated
499	<del>by the department; or</del>
500	2. Offer a department-approved correspondence course
501	pursuant to department rules.
502	(b) Submit a prelicensing course curriculum to the
503	department for approval.
504	(c) If applicable, offer prelicensing classes which are
505	taught by instructors approved by the department.
506	$\overline{(1)}$ SCHOOLS AND CURRICULUM FOR CONTINUING EDUCATION
507	SCHOOLS.—In order to be considered for approval and
508	certification as an approved limited surety agent and
509	professional bail bond agent continuing education school, such
510	entity must:
511	(a) Provide a minimum of three continuing education classes
512	per calendar year.

BILL 2024

- 513 (b) Submit a course curriculum to the department for approval.
  - (c) Offer continuing education classes which are comprised of a minimum of 2 hours of approved coursework and are taught by an approved supervising instructor or guest lecturer approved by the entity or the supervising instructor.
  - (2)(3) GEOGRAPHIC REQUIREMENTS.—Any provider approved under this section by the department to offer prelicensing courses or continuing education courses shall be required to offer such courses in at least two geographic areas of the state until such time that the department determines that there are adequate providers statewide to provide these courses to applicants and licensees.
    - (3) (4) INSTRUCTOR'S DUTIES AND QUALIFICATIONS.-
  - (a) Each course must have a supervising instructor who is approved by the department. The supervising instructor shall be present at all classes. The supervising instructor is responsible for:
    - 1. All course instructors.
    - 2. All quest lecturers.

515

516

517

518

519

520

521

522

523

524

525

526

527

528

529

530

531

532

533

534

535

536

- 3. The course outlines and curriculum.
- 4. Certification of each attending limited surety agent or professional bail bond agent.
  - 5. Completion of all required forms.
- 6. Assuring that the course is approved.
- Either the entity or the supervising instructor may approve guest lecturers.

Page 20 of 21

BILL 2024

(b) In order to obtain department approval as a supervising instructor, the following qualifications must be met:

- 1. During the past 15 years, the person must have had at least 10 years' experience as a manager or officer of a managing general agent in this state as prescribed in s. 648.388;
- 2. During the past 15 years, the person must have had at least 10 years' experience as a manager or officer of an insurance company authorized to and actively engaged in underwriting bail in this state, provided there is a showing that the manager's or officer's experience is directly related to the bail bond industry; or
- 3. The person has been a licensed bail bond agent in this state for at least 10 years.
- (c) In order to obtain department approval as an instructor or guest lecturer, the person must be qualified by education or experience in the specific area of instruction as prescribed by department rules.
- (d) A person teaching any approved course of instruction or lecturing at any approved seminar and attending the entire course or seminar shall qualify for the same number of classroom hours as would be granted to a person taking and successfully completing such course, seminar, or program. Credit shall be limited to the number of hours actually taught unless a person attends the entire course or seminar.
- (e) The department shall adopt rules necessary to carry out the duties conferred upon it under this section.
  - Section 16. This act shall take effect on July 1, 2024.

Page 21 of 21