

## **Chapter 2 Licensing Requirements**

To qualify for a Health Insurance Agent's License, an applicant must complete each of the items below and/or meet the associated requirements, as well as sit for their state exam.

Complete an application for license with the Florida Department of Financial Services at <http://www.myfloridacfo.com> - Click on "Answer your licensing and renewal questions" under Agents and Adjusters. Click on "My Profile" under Links for Agents & Adjusters.

### **Requirements for Successful Processing of Your Application:**

Printer capabilities - You will need printer capabilities to print out materials required during the application process. Application Fees - Fees submitted to the Florida Department of Financial Services for your application are non-refundable. New license application fees are valid for 6 months. If you are not qualified for the license or pass the state examination within 6 months of the application date, you must re-apply with a new license application. Completion of your application - Your application is NOT complete until you select a method of payment. Once you log on to the system from the page link provided below, do not exit the system until you reach the page that advises that your application is complete.

Application for license may be made <http://www.myfloridacfo.com>

Must be a natural person at least 18 years of age. Be a bona fide resident of Florida. Take and pass the required life including variable annuity and health examinations. Not be an employee of the United States Department of Veterans Affairs or state service office, as referred to in Section 626.833, Florida Statutes. 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. When applicable, provide a Letter of Clearance: If licensed as a resident insurance representative (adjuster, agent, broker, etc.) in another state or province of Canada within the past 3 years, an original Letter of Clearance is required. A Letter of Clearance is an original certificate or letter of authorization from the licensing authority of the applicant's home state or province, stating that the applicant was formerly licensed to act as a resident agent, broker, adjuster, etc. (whichever the case may be). Such certificate or letter of authorization must be signed by the insurance commissioner, his deputy, or the appropriate licensing official and must reflect whether or not the former licensee has ever had any license or eligibility to hold any license declined, denied, suspended, revoked, placed on probation or administrative fine or penalty levied and, if such is the case, the reason for such action.

Be fingerprinted.

### **FINGERPRINTING REQUIREMENT**

The Department will not delay or withhold approval of a license application due to the fact that it has not received a criminal history report based on an applicant's finger prints.

**IMPORTANT:** Upon receipt of a criminal history report from the FDLE/FBI, if an applicant or licensee has failed to divulge his/her complete law enforcement record on their application for license, such failure to divulge one's complete criminal history record can result in their application being denied, or if already licensed as an insurance representative, can result in administrative action being taken by the Department.

**NOTE:** Criminal history checks are good for one (1) year. This means that if an applicant applies for an additional class of insurance license, he/she will NOT be required to file another fingerprint card unless specifically requested by the Department, or it has been over one (1) year since the Department received a set of the applicant's fingerprints for processing by the FDLE/FBI.

For nonresident agents: Only FBI-approved fingerprint cards are acceptable. An applicant's

fingerprints must be taken by a certified law enforcement officer, or by an employee of a law enforcement agency whose duty it is to perform fingerprint services for the public. The signature of the person taking the prints must be written in the space entitled "Signature of Official Taking Fingerprints." All personal information requested at the top of the fingerprint card (date of birth, place of birth, weight, height, color of eyes and hair, etc.) is required. Incomplete fingerprint cards will be returned which will delay the processing of an applicant's license application. Do NOT fold the fingerprint card.

Unless the applicant is a CLU, within four years prior to filing the application for license, satisfy the educational or experience requirements by:

- Successfully completing 40 hours of approved insurance course work for health agents; or
- Successfully completing a correspondence course approved by the Department; or
- Completing at least 3 semester hours of credit health courses from an accredited college or university; or Having held an active health insurance agent's license for one year in another state if the other state grants reciprocal treatment to licensees formerly licensed in Florida.

NOTE: Florida regulations generally combine regulations for licensing and appointment within the same regulation. The following information is redacted from regulations which address both. The wording and regulation/rule/statute number (in most cases preceded by "626") are shown in this text but are restricted only to those which apply to the subject under discussion.

## **APPOINTMENT**

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

No person may be, act as, or advertise or hold himself or herself out to be an insurance agent, unless he or she is currently licensed by the department and appointed by an appropriate appointing entity or person.

Except as provided in subsection (6) or in applicable department rules, and in addition to other conduct described in this chapter with respect to particular types of agents, a license as an insurance agent, service representative, customer representative, or limited customer representative is required in order to engage in the solicitation of insurance. For purposes of this requirement, as applicable to any of the license types described in this section, the solicitation of insurance is the attempt to persuade any person to purchase an insurance product by:

- Describing the benefits or terms of insurance coverage, including premiums or rates of return;
- Distributing an invitation to contract to prospective purchases;
- Making general or specific recommendations as to insurance products;
- Completing orders or applications for insurance products;
- Comparing insurance products, advising as to insurance matters, or interpreting policies or coverages; or
- Offering or attempting to negotiate on behalf of another person a viatical settlement contract (as defined in § 626.9911)

However, an employee leasing company licensed as such which is seeking to enter into a contract with an employer that identifies products and services offered to employees may deliver proposals for the purchase of employee leasing services to prospective clients of the employee leasing company setting forth the terms and conditions of doing business; classify employees as permitted by regulations; collect information from prospective clients and other sources as necessary to perform due diligence on the prospective client and to prepare a proposal for services; provide and receive enrollment forms, plans, and other documents; and discuss or explain in general terms the conditions, limitations, options, or exclusions of insurance benefit plans available to the client or employees of the employee leasing company were the client to contract with the employee leasing company. Any advertising materials or other documents describing specific insurance coverages must identify and be from a licensed insurer or its licensed agent or a licensed and appointed agent employed by the employee leasing company. The employee leasing company may not advise or inform the prospective business client or individual employees of specific coverage provisions, exclusions, or limitations of particular plans. As to clients for whom the employee leasing company is providing services, the employee leasing company may engage in activities permitted by regulations, subject to the restrictions so specified. If a prospective client requests more specific information concerning the insurance provided by the employee leasing company, the employee leasing company must refer the prospective business client to the insurer or its licensed agent or to a licensed and appointed agent employed by the employee leasing company.

No agent or customer representative shall solicit or otherwise transact as agent or customer representative, or represent or hold himself or herself out to be an agent or customer representative as to, any kind or kinds of insurance as to which he or she is not then licensed and appointed.

No person shall be, act as, or represent or hold himself or herself out to be a service representative unless he or she then holds a currently effective service representative license and appointment. This subsection does not apply as to similar representatives or employees of casualty insurers whose duties are restricted to health insurance.

No person shall be, act as, or represent or hold himself or herself out to be a managing general agent unless he or she then holds a currently effective managing general agent license and appointment.

No person shall be, act as, or represent or hold himself or herself out to be a managing general agent unless he or she then holds a currently effective managing general agent license and appointment.

An individual employed by a life or health insurer as an officer or other salaried representative may solicit and effect contracts of life insurance or annuities or of health insurance, without being licensed as an agent, when and only when he or she is accompanied by and solicits for and on the behalf of a licensed and appointed agent.

An individual, firm, partnership, corporation, association, or other entity shall not act in its own name or under a trade name, directly or indirectly, as an insurance agency unless it complies with s. 626.172 with respect to possessing an insurance agency license for each place of business at which it engages in an activity that may be performed only by a licensed insurance agent. However, an insurance agency that is owned and operated by a single licensed agent conducting business in his or her individual name and not employing or otherwise using the services of or appointing other licensees shall be exempt from the agency licensing requirements of this subsection.

A branch place of business that is established by a licensed agency is considered a branch agency and is not required to be licensed so long as it transacts business under the same name and

federal tax identification number as the licensed agency and has designated with the department a licensed agent in charge of the branch location as required by s. 626.0428 and the address and telephone number of the branch location have been submitted to the department for inclusion in the licensing record of the licensed agency within 30 days after insurance transactions begin at the branch location.

If an agency is required to be licensed but fails to file an application for licensure in accordance with this section, the department shall impose on the agency an administrative penalty of up to \$10,000.

The department must automatically convert the registration of an approved registered insurance agency to an insurance agency license.

No insurance agent, insurance agency, or other person licensed under the Insurance Code may pay any fee or other consideration to an unlicensed person other than an insurance agency for the referral of prospective purchasers to an insurance agent which is in any way dependent upon whether the referral results in the purchase of an insurance product.

Any person who knowingly transacts insurance or otherwise engages in insurance activities in this state without a license in violation of this section commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084. No insurance agent, insurance agency, or other person licensed under the Insurance Code may pay any fee or other consideration to an unlicensed person other than an insurance agency for the referral of prospective purchasers to an insurance agent which is in any way dependent upon whether the referral results in the purchase of an insurance product.

Any person who knowingly transacts insurance or otherwise engages in insurance activities in this state without a license in violation of this section commits a felony of the third degree, punishable as provided in existing statutes, laws of regulations.

#### **626.181 Number of applications for licensure required**

After a license as agent, customer representative, or adjuster has been issued to an individual, the same individual shall not be required to take another examination for a similar license, regardless, in the case of an agent, of the number of insurers to be represented by him or her as agent, unless:

- Specifically ordered by the department to complete a new application for license; or
- During any period of 48 months since the filing of the original license application, such individual was not appointed as an agent, customer representative, or adjuster, unless the failure to be so appointed was due to military service, in which event the period within which a new application is not required may, in the discretion of the department, be extended to 12 months following the date of discharge from military service if the military service does not exceed 3 years, but in no event to extend under this clause for a period of more than 6 years from the date of filing of the original application for license.

#### **626.311 Scope of license**

The license of a health agent covers all kinds of health insurance and such license may not be limited to a particular class of health insurance.

No agent licensee shall transact or attempt to transact under his or her license any line of insurance for which he or she does not have currently in force of record with the department an appointment by an authorized insurer.

At any time while a license is in force, an insurer may apply to the department on behalf of the licensee for an appointment. Upon receipt of the appointment application and appointment taxes

and fees, the department may issue the additional appointment without further investigation concerning the applicant.

A natural person, not a resident of this state, may be licensed and appointed to represent an authorized life insurer domiciled in this state or an authorized foreign life insurer which maintains a regional home office in this state, provided such person represents such insurer exclusively at a United States military installation located in a foreign country. The department may, upon request of the applicant and the insurer on application forms furnished by the department and upon payment of fees as prescribed in s. 624.501, issue a license and appointment to such person. By authorizing the effectuation of an appointment for a license, the insurer is thereby certifying to the department that the applicant has the necessary training to hold himself or herself out as a life insurance representative, and the insurer shall further certify that it is willing to be bound by the acts of such applicant within the scope of his or her employment. Appointments shall be continued as prescribed in s.

626.381 and upon payment of a fee as prescribed in s. 624.501, unless sooner terminated. Such fees received shall be credited to the Insurance Regulatory Trust Fund as provided for in s. 624.523.

#### **626.341 Additional appointments; general lines, life, and health agents**

At any time while a licensee's license is in force, an insurer may apply to the department or person designated by the department to administer the appointment process on behalf of a licensee for an additional appointment as general lines agent or life or health agent for an additional insurer or insurers.

The application for appointment shall set forth all information the department may require. Upon receipt of the appointment and payment of the applicable appointment taxes and fees, the department may issue the additional appointment without, in its discretion, further investigation concerning the applicant.

A life or health agent with an appointment in force may solicit applications for policies of insurance on behalf of an insurer with respect to which he or she is not an appointed life or health agent, unless otherwise provided by contract, if such agent simultaneously with the submission to such insurer of the application for insurance solicited by him or her requests the insurer to appoint him or her as agent. However, no commissions shall be paid by such insurer to the agent until such time as an additional appointment with respect to such insurer has been received by the department or person designated by the department to administer the appointment process pursuant to the provisions of subsection (1).

#### **626.342 Furnishing supplies to unlicensed agent prohibited; civil liability**

An insurer, a managing general agent, an insurance agency, or an agent, directly or through a representative, may not furnish to an agent any blank forms, applications, stationery, or other supplies to be used in soliciting, negotiating, or effecting contracts of insurance on its behalf unless such blank forms, applications, stationery, or other supplies relate to a class of business for which the agent is licensed and appointed, whether for that insurer or another insurer.

An insurer, general agent, insurance agency, or agent who furnishes any of the supplies specified in subsection (1) to an agent or prospective agent not appointed to represent the insurer and who accepts from or writes any insurance business for such agent or agency is subject to civil liability to an insured of such insurer to the same extent and manner as if such agent or prospective agent had been appointed or authorized by the insurer or such agent to act on its or his or her behalf. The provisions of this subsection do not apply to insurance risk apportionment plans under s.627.351.

#### **626.371 Payment of fees, taxes for appointment period without appointment**

All initial appointments shall be submitted to the department on a monthly basis no later than 45 days after the date of appointment and become effective on the date requested on the appointment form.

If, upon application and qualification for an initial or renewal appointment and such investigation as the department may make, it appears to the department that an individual who was formerly licensed or is currently licensed but not properly appointed to represent an insurer or employer and who has been actively engaged or is currently actively engaged as such an appointee, but without being appointed as required, the department may, if it finds that such failure to be appointed was an inadvertent error on the part of the insurer or employer so represented, nevertheless issue or authorize the issuance of the appointment as applied for but subject to the condition that, before the appointment is issued, all fees and taxes which would have been due had the applicant been so appointed during such current and prior periods, with applicable fees pursuant to s. 624.501 for such current and prior periods of appointment, shall be paid to the department.

Failure to notify the department within the required time period shall result in the appointing entity being assessed a delinquent fee of \$250 per appointee. Delinquent fees shall be paid by the appointing entity and may not be charged to the appointee.

Failure to timely renew an appointment by an appointing entity prior to the expiration date of the appointment shall result in the appointing entity being assessed late filing, continuation, and reinstatement fees as prescribed in s. 624.501. Such fees must be paid by the appointing entity and cannot be charged back to the appointee.

#### **626.381 Renewal, continuation, reinstatement, or termination of appointment**

The appointment of an appointee continues in force until suspended, revoked, or otherwise terminated, but is subject to a renewal request filed by the appointing entity in the appointee's birth month as to natural persons or the month the original appointment was issued as to entities and every 24 months thereafter, accompanied by payment of the renewal appointment fee and taxes as prescribed in s. 624.501.

Each appointing entity shall file with the department the lists, statements, and information as to appointees whose appointments are being renewed or terminated, accompanied by payment of the applicable renewal fees and taxes as prescribed in s. 624.501, by a date set forth by the department following the month during which the appointments will expire.

Renewal of an appointment which is received by the department or person designated by the department to administer the appointment process prior to the expiration of an appointment in the licensee's birth month or license issue date, whichever applies, may be renewed by the department without penalty and shall be effective as of the first day of the month succeeding the month in which the appointment would have expired.

Renewal of an appointment which is received by the department or person designated by the department to administer the appointment process after the renewal date may be accepted and effectuated by the department in its discretion if the appointment, late filing, continuation, and reinstatement fee accompanies the renewal request pursuant to s. 624.501. Late filing fees shall be paid by the appointing entity and may not be charged to the appointee.

The appointment issued to any such appointee shall remain in effect for as long as the appointment represented thereby continues in force as provided in this section.

An appointing entity may require an appointee to attend training and education programs of the appointing entity in order for the appointee to receive a new appointment or maintain an existing appointment. However, an appointing entity may not require, directly or indirectly, any appointee

to attend any training programs that are wholly or partially approved for general continuing education credit as provided in s. 626.2815.

Each appointing entity may appoint only those persons who have met the continuing education requirements of the license necessary for such appointment as provided in s. 626.2815. However, an appointing entity may not make or allow, directly or indirectly, the appointment of any appointee or potential appointee to be contingent, in whole or in part, on any appointee's attendance at any course that is approved, in whole or in part, for continuing education credit pursuant to s. 626.2815.

#### **626.431 Effect of expiration of license and appointment**

Upon the expiration of any person's appointment, as provided in s. 626.381, the person shall be without any authority conferred by the appointment and shall not engage or attempt to engage in any activity requiring an appointment.

When a licensee's last appointment for a particular class of insurance has been terminated or not renewed, the department must notify the licensee that his or her eligibility for appointment as such an appointee will expire unless he or she is appointed prior to expiration of the 48-month period referred to in subsection (3).

An individual who fails to maintain an appointment with an appointing entity writing the class of business listed on his or her license during any 48-month period shall not be granted an appointment for that class of insurance until he or she qualifies as a first-time applicant.

#### **626.441 License or appointment; transferability**

A license or appointment issued under this part is valid only as to the person named and is not transferable to another person. No licensee or appointee shall allow any other person to transact insurance by utilizing the license or appointment issued to such licensee or appointee.

#### **626.451 Appointment of agent or other representative**

Each appointing entity or person designated by the department to administer the appointment process appointing an agent, adjuster, service representative, customer representative, or managing general agent in this state shall file the appointment with the department or office and, at the same time, pay the applicable appointment fee and taxes. Every appointment shall be subject to the prior issuance of the appropriate agent's, adjuster's, service representative's, customer representative's, or managing general agent's license.

By authorizing the effectuation of an appointment for a licensee, the appointing entity is thereby certifying to the department that an investigation of the licensee has been made and that in the appointing entity's opinion and to the best of its knowledge and belief, the licensee is of good moral character and reputation, and is fit to engage in the insurance business. The appointing entity shall provide to the department any other information the department or office may reasonably require relative to the proposed appointee.

By authorizing the effectuation of the appointment of an agent, adjuster, service representative, customer representative, or managing general agent the appointing entity is thereby certifying to the department that it is willing to be bound by the acts of the agent, adjuster, service representative, customer representative, or managing general agent, within the scope of the licensee's employment or appointment.

Each appointing entity shall advise the department or office in writing within 15 days after it or its general agent, officer, or other official becomes aware that an appointee has pleaded guilty or nolo contendere to or has been found guilty of a felony after being appointed.

Any law enforcement agency or state attorney's office that is aware that an agent, adjuster,

service representative, customer representative, or managing general agent has pleaded guilty or nolo contendere to or has been found guilty of a felony shall notify the department or office of such fact.

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

Each licensee shall advise the department in writing within 30 days after having been found guilty of or having pleaded guilty or nolo contendere to a felony or a crime punishable by imprisonment of 1 year or more under the laws of the United States, any state of the United States, or any other country, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of such cases.

#### **626.461 Continuation of appointment of agent or other representative**

Subject to renewal or continuation by the appointing entity, the appointment of the agent, adjuster, service representative, customer representative, or managing general agent shall continue in effect until the person's license is revoked or otherwise terminated, unless written notice of earlier termination of the appointment is filed with the department or person designated by the department to administer the appointment process by either the appointing entity or the appointee.

#### **626.471 Termination of appointment**

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 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, addressed to the appointee at his or her last address of record with the appointing entity. Notice so mailed shall be deemed to have been given when deposited in a United States Postal Service mail depository.

As soon as possible and at all events within 30 days after terminating the appointment of an appointee, other than as to an appointment terminated by the appointing entity's failure to continue or renew it, the appointing entity shall file written notice thereof with the department, together with a statement that it has given the appointee notice thereof as provided in subsection (1) and shall file with the department the reasons and facts involved in such termination as required under s. 626.511.

Upon termination of the appointment of an appointee, whether by failure to renew or continue the appointment, the appointing entity shall:

- File with the department the information required under s. 626.511.

- Subject to the exceptions provided under subsection (1), continue the outstanding contracts transacted by an agent until the expiration date or anniversary date when the policy is a continuous policy with no expiration date. This paragraph shall not be construed to prohibit the cancellation of such contracts when not otherwise prohibited by law.

An appointee may terminate the appointment at any time by giving written or electronic notice thereof to the appointing entity, department, or person designated by the department to administer the appointment process. The department shall immediately terminate the appointment and notify the appointing entity of such termination. Such termination shall be subject to the appointee's contract rights, if any.



Upon receiving notice of termination, the department or person designated by the department to administer the appointment process shall terminate the appointment.

#### **626.511 Reasons for termination; confidential information**

Any insurer terminating the appointment of an agent; any general lines agent terminating the appointment of a customer representative or a crop hail or multiple-peril crop insurance agent; and any employer terminating the appointment of an adjuster, service representative, or managing general agent, whether such termination is by direct action of the appointing insurer, agent, or employer or by failure to renew or continue the appointment as provided, shall file with the department or office a statement of the reasons, if any, for and the facts relative to such termination. In the case of termination of the appointment of an agent, such information may be filed by the insurer or by the general agent of the insurer.

In the case of terminations by failure to renew or continue the appointment, the information required under subsection (1) shall be filed with the department or office as soon as possible, and at all events within 30 days, after the date notice of intention not to so renew or continue was filed with the department or office as required in this chapter. In all other cases, the information required under subsection (1) shall be filed with the department or office at the time, or at all events within 10 days after, notice of the termination was filed with the department or office. Any information, document, record, or statement furnished to the department or office under subsection (1) is confidential and exempt from the provisions of s. 119.07(1).

#### **626.631 Procedure for refusal, suspension, or revocation of license**

If any licensee is convicted by a court of a violation of this code or a felony, the licenses and appointments of such person shall be immediately revoked by the department. The licensee may subsequently request a hearing pursuant to §§ 120.569 and 120.57, and the department shall expedite any such requested hearing. The sole issue at such hearing shall be whether the revocation should be rescinded because such person was not in fact convicted of a violation of this code or a felony.

The papers, documents, reports, or evidence of the department relative to a hearing for revocation or suspension of a license or appointment pursuant to the provisions of this chapter and chapter 120 are confidential and exempt from the provisions of regulations (§ 119.07(1) ) until after the same have been published at the hearing. However, such papers, documents, reports, or items of evidence are subject to discovery in a hearing for revocation or suspension of a license or appointment.

#### **626.2815 Continuing education requirements**

The department may immediately terminate or refuse to renew the appointment of an agent or adjuster who has been notified by the department that his or her continuing education requirements have not been certified, unless the agent or adjuster has been granted an extension or waiver by the department. The department may not issue a new appointment of the same or similar type to a licensee who was denied a renewal appointment for failing to complete continuing education as required until the licensee completes his or her continuing education requirement.

#### **69B-211.004 Appointment Renewal Procedure**

**Purpose.** The purpose of this rule is to establish procedures for persons seeking the biennial renewal of appointments to transact insurance pursuant to the Florida Insurance Code. Additionally, this rule sets forth the fees that will be assessed to individual and entities that file appointment renewals after the time frames specified by statute and this rule.

**Scope.** This rule applies to all persons submitting a request for renewal of appointments as an agent, customer representative, adjuster, service representative, managing general agent, title

insurance agent, sales representative, reinsurance intermediary, or bail bond agent, and shall govern the renewal of appointments pursuant to the authority set forth in Sections 626.371, 626.381, 626.532, 626.843, 626.7492 and 648.383, F.S.

**Definitions.** For purposes of this rule, the following definitions shall apply.

- "Appointment" shall be as defined in Section 626.015, F.S.

- "Continuation fee" is the fee an appointing entity is charged to renew each licensee's appointment after the expiration date of the appointment, but before the licensee's appointment is cancelled.

- "Department" means the Florida Department of Financial Services.

- "License" shall be as defined in Section 626.015 and 648.279, F.S.

- "License Issue Month" means the month in which the person or entity was first licensed by the Department. The license issue month is the month during which all appointments shall expire and be subject to renewal in accordance with the Florida Insurance Code and this rule.

"Renewal" shall mean the continuation of an existing appointment for an additional period of time.

"Renewal notice" means an electronic notification sent by the Department to the appointing entity for its use in notifying the Department of persons to be renewed or not renewed.

### **Term of appointments**

In the case of natural persons, new appointments or appointments being continued, which are effectuated in a licensee's birth month, shall expire 24 months later on the last day of the licensee's birth month and shall be subject to renewal at that time by the entity for which they are appointed pursuant to the filing deadlines prescribed in subsections (6) and (7), below, and every 24 months thereafter unless suspended, revoked, or otherwise terminated at an earlier date.

In the case of entities other than natural persons, new appointments or appointments being continued, which are effectuated in the same month a licensee was first licensed as an insurance representative, shall expire 24 months later on the last day of the licensee's license issue month and shall be subject to renewal at that time by the entity for which they are appointed pursuant to the filing deadlines prescribed in subsections (6) and (7), below, and every 24 months thereafter unless suspended, revoked, or otherwise terminated at an earlier date.

Appointments effectuated during any month other than the licensee's birth month in the case of natural persons, or during the license issue month in the case of entities other than natural persons, shall be valid for not less than 24 months and no longer than 36 months, which are the minimum and maximum number of months necessary to convert the original issue month to the licensee's birth month or license issue month, whichever the case may be, and expiring the last day of the licensee's birth month or license issue month, whichever is applicable, and shall be subject to renewal at that time by the entity for which the licensee is appointed pursuant to the filing deadlines prescribed in subsections (6) and (7), below, and every 24 months thereafter unless suspended, revoked, or otherwise terminated at an earlier date.

### **Renewal Fees**

All appointment renewal fees and taxes as prescribed in Section 624.501, F.S., shall be submitted via the Department's online appointment system at <https://portal.fldfs.com/eappoint/> and paid by electronic payment prior to any appointments being renewed. However, appointments for bail

bond agents shall be submitted on a form prescribed by Rule 69B-221.115, F.A.C., and paid via a paper check. All checks shall be made payable to the "Florida Department of Financial Services."

Failure by an appointing entity to submit and pay the renewal invoice with the required renewal fees by the prescribed renewal date deadlines set forth by statute and in this rule will require the payment of an additional \$20 delinquency fee and a \$5 continuation fee by the appointing entity for each person listed on the renewal notice. The appointing entity shall have 45 days from the last day of the renewal period to renew a licensee's appointment late and pursuant to payment of the normal appointment fee, the delinquency fee and the continuation fee. Otherwise the licensee's appointment will be cancelled.

### **Filing dates**

The Department shall send an electronic notification to the appointing entity to the email address on record with the Department at least 90 days prior to the expiration date of an appointment. Simultaneously, the renewal notice shall be sent to the appointing entity's account in the Department's online appointment system.

The Department shall send an electronic notification to the appointing entity to the email address on record with the Department on the first day of the appointment renewal month letting the appointing entity know it can submit and pay the amount indicated on the renewal invoice. The appointing entity shall have from the first day of the renewal month to the last day of the renewal month to submit and pay for the renewal invoice without being assessed the delinquency fee and continuation fee. For example, on March 1, appointing entities may be notified they have until March 31 to submit and pay for renewal invoices without being assessed the delinquency fee and continuation fee.

If an appointing entity fails to renew an appointment during the renewal month, the Department shall send an electronic notification to the appointing entity to the email address on record with the Department on the first day of the month following an appointment expiration date informing the appointing entity it has 45 days to renew the appointment. If a renewal invoice is paid during this 45-day period, the appointing entity shall pay, in addition to the normal appointment fee, a delinquency fee and a continuation fee per appointment. For example, on April 1, appointing entities who failed to submit and pay for their March renewal invoice shall be notified by the Department that they have 45 days to renew appointments with a March 31 expiration date by paying a delinquency fee and a continuation fee per appointment.

If an appointing entity fails to renew an appointment during the renewal month or in the 45-day late renewal period immediately following the renewal month, the Department shall send an electronic notification to the appointing entity to the email address on record with the Department on the first day after the 45-day late renewal period informing the appointing entity that the appointment was not renewed and has been cancelled. The licensee whose appointment was cancelled shall also receive such electronic notification at the email address on record with the Department. If the appointing entity desires to re-appoint the licensee, the appointing entity must submit a new appointment via the Department's online appointment system. New appointments shall be dated effective when services are first provided by the appointee to the appointing entity or the first day after cancellation of a prior appointment if services have been continuously provided by the appointee. If the new appointment's requested effective date is more than 45 days earlier than the date it is submitted to the Department, the appointing entity will be assessed a \$250 original appointment delinquency fee per appointment. For example, on May 16, appointing entities who failed to submit and pay their March renewal invoice during the month of March or during the 45-day late renewal period ending May 15, shall be sent an electronic notification by the Department informing them they must submit new appointments if they desire to appoint their licensees whose appointments expired March 31.

During the periods described in paragraphs (a), (b) and (c) above, an appointing entity may elect

to not renew an appointment. During the same periods, in order to renew a licensee's appointment the licensee's email, home, business and mailing addresses must be valid in the Department's records. If the licensee is indicated on the renewal invoice as having invalid addresses on record with the Department, the licensee must update the invalid addresses in order for the appointing entity to renew the licensee's appointment.

Notification procedures. The renewal notice sent to the appointing entity must be completed in its entirety. The certification shall be signed by the appropriate official for the appointing entity.

#### **69B-211.005 Fees**

The Department is authorized to charge certain fees payable by applicants and others, in amounts sufficient to cover the actual cost of the service provided. The Department has determined the costs of the following services:

- Fingerprint processing fee for each fingerprint card submitted \$64
- Exam fee for each exam scheduled \$56

The fees listed in subsection (1), above, shall be made payable to the "Florida Department of Financial Services." The fees are payable in advance of the service provided and are not refundable.

#### **69B-211.007 Effective Date of Termination of Appointment**

When an appointing entity terminates the appointment of an appointee in accordance with Section 626.471(4), Florida Statutes, and files written notice of such termination with the Department in accordance with Section 626.471(4), Florida Statutes, the Department shall terminate the appointment in accordance with Section 626.471(5), Florida Statutes. The date of such termination on Department records shall be the effective date of such termination as indicated by the appointing entity in its filing with the Department or, if no date is indicated, the date on which the Department received the filing.

When an appointee terminates the appointment with an appointing entity in accordance with Section 626.471(4), Florida Statutes, and files written notice of such termination with the Department in accordance with Section 626.471(4), Florida Statutes, the Department shall terminate the appointment in accordance with Section 626.471(5), Florida Statutes. The date of such termination on Department records shall be the effective date of such termination as indicated by the appointee on their filing with the Department or, if no date is indicated, the date on which the Department received the filing.

With respect to contracts currently in force the provisions of this rule shall be subject to the appointee's contract rights.

### **Insurance Agency Licensing**

#### **626.015 Definitions**

As used in this part:

"Agent" means a general lines agent, life agent, health agent, or title agent, or all such agents, as indicated by context. The term "agent" includes an insurance producer or producer, but does not include a customer representative, limited customer representative, or service representative.

"Appointment" means the authority given by an insurer or employer to a licensee to transact insurance or adjust claims on behalf of an insurer or employer.

"Home state" means the District of Columbia and any state or territory of the United States

in which an agent or adjuster maintains his or her principal place of residence or principal place of business and is licensed to act as an insurance agent or adjuster.

"Insurance agency" means a business location at which an individual, firm, partnership, corporation, association, or other entity, other than an employee of the individual, firm, partnership, corporation, association, or other entity and other than an insurer as defined by s. 624.03 or an adjuster as defined by subsection (1), engages in any activity or employs individuals to engage in any activity which by law may be performed only by a licensed insurance agent.

"License" means a document issued by the department or office authorizing a person to be appointed to transact insurance or adjust claims for the kind, line, or class of insurance identified in the document.

"Line of authority" means a kind, line, or class of insurance an agent is authorized to transact."

"Resident" means an individual whose home state is the State of Florida.

"Uniform application" means the uniform application of the National Association of Insurance Commissioners for nonresident agent licensing or subsequent versions adopted by rule by the department.

### **626.172 Insurance Agency Licensing**

The department may issue a license as an insurance agency to any person only after such person files a written application with the department and qualifies for such license.

An application for an insurance agency license shall be signed by the owner or owners of the agency. If the agency is incorporated, the application shall be signed by the president and secretary of the corporation. The application for an insurance agency license shall include:

- The name of each majority owner, partner, officer, and director of the insurance agency.
- The residence address of each person required to be listed in the application under paragraph (a).
- The name of the insurance agency and its principal business address.
- The location of each agency office and the name under which each agency office conducts or will conduct business.
- The name of each agent to be in full-time charge of an agency office and specification of which office.
- The fingerprints of each of the following:
  - A sole proprietor;
  - Each partner;
  - Each owner of an unincorporated agency;
  - Each owner who directs or participates in the management or control of an incorporated agency whose shares are not traded on a securities exchange;
  - The president, senior vice presidents, treasurer, secretary, and directors of the agency; and
  - Any other person who directs or participates in the management or control of the agency, whether through the ownership of voting securities, by contract, or otherwise.

-Such additional information as the department requires by rule to ascertain the trustworthiness and competence of persons required to be listed on the application and to ascertain that such persons meet the requirements of this code. However, the department may not require that credit or character reports be submitted for persons required to be listed on the application.

Fingerprints must be taken by a law enforcement agency or other entity approved by the department and must be accompanied by the fingerprint processing fee and fingerprints shall be processed in accordance with existing regulations. However, fingerprints need not be filed for any individual who is currently licensed and appointed under this chapter. This paragraph does not apply to corporations whose voting shares are traded on a securities exchange.

**The licensure.** The department may adopt by rule revised versions of the uniform application. The department must accept the uniform application for nonresident agency 4. The department must issue a license to each agency upon approval of the application, and each agency location must display the license prominently in a manner that makes it clearly visible to any customer or potential customer who enters the agency location.

#### **626.602 Insurance agency names; disapproval**

The department may disapprove the use of any true or fictitious name, other than the bona fide natural name of an individual, by any insurance agency on any of the following grounds:

- The name interferes with or is too similar to a name already filed and in use by another agency or insurer.
- The use of the name may mislead the public in any respect.
- The name states or implies that the agency is an insurer, motor club, hospital service plan, state or federal agency, charitable organization, or entity that primarily provides advice and counsel rather than sells or solicits insurance, or is entitled to engage in insurance activities not permitted under licenses held or applied for. This provision does not prohibit the use of the word "state" or "states" in the name of the agency. The use of the word "state" or "states" in the name of an agency does not in and of itself imply that the agency is a state agency.

#### **626.747 Branch agencies**

Each branch place of business established by an agent or agency, firm, corporation, or association shall be in the active full-time charge of a licensed general lines agent or life or health agent who is appointed to represent one or more insurers. Any agent or agency, firm, corporation, or association which has established one or more branch places of business shall be required to have at least one licensed general lines agent who is appointed to represent one or more insurers at each location of the agency including its headquarters location.

Notwithstanding paragraph (a), the licensed agent in charge of an insurance agency may also be the agent in charge of additional branch office locations of the agency if insurance activities requiring licensure as an insurance agent do not occur at any location when the agent is not physically present and unlicensed employees at the location do not engage in any insurance activities requiring licensure as an insurance agent or customer service representative.

If the agent or agency establishes places of business in more than one county, additional county tax is payable as provided in s. 624.505.

#### **Division of Insurance Agents and Agency Services - HB 633**

House Bill 633 amends the insurance agency licensure law. Among other changes, the bill:

- Eliminates the insurance agency licensing requirement for agencies owned and operated by a single licensed agent under certain conditions. Allows third parties to sign agency applications. Specifies circumstances under which branch agencies do not have to be licensed. Repeals provision allowing insurance agencies to obtain a registration in lieu of a license; converts all agency registrations to licenses; eliminates the three-year expiration period for agency licenses.
- Repeals current law governing branch agencies, creates s. 626.0428(4), F.S., to define agent in charge and specifies responsibilities. Provides for agency licenses to automatically expire if the agency does not designate a new agent in charge with the Department of Financial Services (DFS) within 90 days after the agent in charge on record has left the agency.
- Creates a new type of insurance agent, an unaffiliated insurance agent, and specifies the scope of the license. Requires DFS to immediately suspend the license or appointment of licensees charged with crimes that would preclude them from applying for licensure from DFS. Bars applicants for licensure with sealed or expunged criminal history records from denying or failing to acknowledge arrests covered by these records.
- Exempts members of the United States Armed Forces, their spouses, and veterans who have retired within 24 months from the application filing fee for specified licenses. Requires agents who recommend the surrender of an annuity or life insurance policy to provide financial information to the consumer.
- Amends eligibility requirements for mediators under alternative dispute resolution programs administered by DFS; requires DFS to deny an application to be a mediator or neutral evaluator (sinkhole claims) or revoke or suspend a mediator or neutral evaluator in certain circumstances.
- Authorizes DFS to investigate improper conduct of mediators, neutral evaluators, and navigators. In all cases, permits DFS to share investigative information with any regulatory agency. Amends requirements for licensure as a nonresident surplus lines agent.
- Authorizes additional methods for service of process in certain administrative actions.
- Deletes requirement that applicants who take a licensure examination in Spanish must pay all associated costs.

## **TRANSFER, SURRENDER AND TERMINATION OF LICENSING**

### **626.292 Transfer of license from another state**

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.

To qualify for a license transfer, an individual applicant must meet the following requirements:

- The individual must become a resident of this state.
- 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.
- The individual must submit a completed application for 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:

- 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.
- A set of the applicant's fingerprints in accordance with s. 626.171(4).
- 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.
- The individual must satisfy the examination requirement under s. 626.221, unless exempted.

An applicant satisfying the requirements for a license transfer under subsection (2) shall be approved for licensure in 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.

#### **626.641 Duration of suspension or revocation**

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 such license or appointment, specify the period during which the suspension is to be in effect; but such period shall not exceed 2 years. The license, appointment, or eligibility 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, prior to expiration of the suspension period. A license, appointment, or eligibility that has been suspended shall not be reinstated except upon the filing and approval of an application for reinstatement and, in the case of a second suspension, completion of continuing education courses prescribed and approved by the department; but the department shall not approve an application for reinstatement if it finds that the circumstance or circumstances for which the license, appointment, or eligibility was suspended still exist or are likely to recur. In addition, an application for reinstatement is subject to denial and subject to a waiting period prior to approval on the same grounds that apply to applications for licensure (§§ 626.207, 626.611, 626.621, and 626.8698).

No person or appointee under any license or appointment revoked by the department, nor any person whose eligibility to hold same has been revoked by the department, shall have the right to apply for another license or appointment under this code within 2 years from the effective date of such revocation or, if judicial review of such revocation is sought, within 2 years from the date of final court order or decree affirming the revocation. An applicant for another license or appointment pursuant to this subsection must apply and qualify for licensure in the same manner as a first-time applicant, and the application may be denied on the same grounds that apply to first-time applicants for licensure (§§ 626.207, 626.611, 626.621). In addition, the department shall not grant a new license or appointment or reinstate eligibility to hold such license or appointment if it finds that the circumstance or circumstances for which the eligibility was revoked or for which the previous license or appointment was revoked still exist or are likely to recur; if an individual's license as agent or customer representative or eligibility to hold same has been revoked upon specific regulations (§ 611(12)), the department shall refuse to grant or issue any



new license or appointment so applied for.

If licenses as agent or customer representative, or the eligibility to hold same, as to the same individual have been revoked at two separate times, the department shall not thereafter grant or issue any license under this code as to such individual.

During the period of suspension or revocation of the license or appointment, the former licensee or appointee shall not engage in or attempt or profess to engage in any transaction or business for which a license or appointment is required under this code or directly or indirectly own, control, or be employed in any manner by any insurance agent or agency or adjuster or adjusting firm.

#### **626.661 Surrender of license**

Though issued to a licensee, all licenses issued under this chapter are at all times the property of the State of Florida; and, upon notice of any suspension, revocation, refusal to renew, failure to renew, expiration, or other termination of the license, such license shall no longer be in force and effect.

This section shall not be deemed to require the surrender to the department of any license unless such surrender has been requested by the department.

#### **Contact Information**

##### **626.541 Firm, corporate, and business names; officers; associates; notice of changes**

Any licensed agent or adjuster doing business under a firm or corporate name or under any business name other than his or her own individual name shall, within 30 days after the initial transaction of insurance under such business name, file with the department, on forms adopted and furnished by the department, a written statement of the firm, corporate, or business name being so used, the address of any office or offices or places of business making use of such name, and the name and social security number of each officer and director of the corporation and of each individual associated in such firm or corporation as to the insurance transactions thereof or in the use of such business name.

In the event of any change of such name, or of any of the officers and directors, or of any of such addresses, or in the personnel so associated, written notice of such change must be filed with the department within 30 days by or on behalf of those licensees terminating any such firm, corporate, or business name or continuing to operate thereunder.

Any licensed insurance agency shall, within 30 days after a change, notify the department of any change in the information contained in the application filed pursuant to s. 626.172.

##### **626.551 Notice of change of address, name**

A licensee must notify the department, in writing, within 30 days after a change of name, residence address, principal business street address, mailing address, contact telephone numbers, including a business telephone number, or e-mail address. A licensee who has moved his or her principal place of residence and principal place of business from this state shall have his or her license and all appointments immediately terminated by the department. Failure to notify the department within the required time shall result in a fine not to exceed \$250 for the first offense and a fine of at least \$500 or suspension or revocation of the license pursuant to s. 626.611, s. 626.6115, s. 626.621, or s. 626.6215 for a subsequent offense.

#### **NONRESIDENT**

A nonresident who must complete continuing education requirements in his or her home state may use the home state requirements to meet this state's continuing education requirements as well, if the resident's state recognizes reciprocity with this state's continuing education requirements. A nonresident whose home state does not have a continuing education requirement

but is licensed for the same class of business in another state which does have a continuing education requirement may comply with this section by furnishing proof of compliance with the other state's requirement if that state has a reciprocal agreement with this state relative to continuing education. A nonresident whose home state does not have such continuing education requirements, and who is not licensed as a nonresident agent in a state that has continuing education requirements and reciprocates with this state, must meet the continuing education requirements of this state.

## **DUTIES OF LICENSED VS. UNLICENSED PERSONNEL**

### **626.0428 Agency personnel powers, duties, and limitations**

An individual employed by an agent or agency on salary who devotes full time to clerical work, with incidental taking of insurance applications or quoting or receiving premiums on incoming inquiries in the office of the agent or agency, is not deemed to be an agent or customer representative if his or her compensation does not include in whole or in part any commissions on such business and is not related to the production of applications, insurance, or premiums.

An employee of an agent or agency may not bind insurance coverage unless licensed and appointed as an agent or customer representative.

An employee of an agent or agency may not initiate contact with any person for the purpose of soliciting insurance unless licensed and appointed as an agent or customer representative. As to title insurance, an employee of an agent or agency may not initiate contact with any individual proposed insured for the purpose of soliciting title insurance unless licensed as a title insurance agent or exempt from such licensure pursuant to s. 626.8417(4).

### **626.8305 Prohibition against the unlicensed transaction of health insurance**

Except as provided in s. 626.112(6), with respect to any line of authority specified in s. 626.015(6), no individual shall, unless licensed as a health agent:

- Solicit insurance or procure applications; or

- In this state, engage or hold himself or herself out as engaging in the business of analyzing or abstracting insurance policies or of counseling or advising or giving opinions to persons relative to insurance contracts other than: a. As a consulting actuary advising insurers; or b. As to the counseling and advising of labor unions, associations, trustees, employers, or other business entities, the subsidiaries and affiliates of each, relative to their interests and those of their members or employees under insurance benefit plans.

### **626.838 Unlawful payment or sharing of commissions**

No health insurer or licensed health agent shall pay directly or indirectly any commission or other valuable consideration to any person for services as a health insurance agent within this state, unless such person holds a currently valid license and appointment to act as a health insurance agent as required by the laws of this state; except that a health insurer may pay such commission or other valuable consideration to, and a licensed and appointed health insurance agent may share any commission or other valuable consideration with, an incorporated insurance agency in which all employees, stockholders, directors, or officers who solicit, negotiate, or effectuate health insurance contracts are qualified health insurance agents holding currently valid licenses and appointments.

No person other than a licensed and appointed health agent shall accept any such commission or other valuable consideration, except as provided in subsection

This section shall not prevent the payment or receipt of renewal or other deferred commissions or pensions to or by any person solely because such person has ceased to hold a license or

appointment to act as a health insurance agent and shall not prevent the payment of renewal or other deferred commissions to any incorporated insurance agency solely because any of its stockholders has ceased to hold a license or appointment to act as a health insurance agent.

Section 624.11(a), Florida Statutes, states, "No person shall transact insurance in this state, or relative to a subject of insurance resident, located, or to be performed in this state, without complying with the applicable provisions of [the] code."

Section 626.112(1)(a) Florida Statutes states, "No person may be, act as, or advertise or hold himself or herself out to be an insurance agent ... unless he or she is currently licensed by the department and appointed by an appropriate appointing entity or person. ..."

Section 626.112(1)(b) Florida Statutes states in part, "the solicitation of insurance is the attempt to persuade any person to purchase an insurance product by:

- Describing the benefits or terms of insurance coverage, including premiums or rates of return;
- Distributing an invitation to contract to prospective purchasers;
- Making general or specific recommendations as to insurance products;
- Completing orders or applications for insurance products;
- Comparing insurance products, advising as to insurance matters, or interpreting policies or coverages;

Section 626.112(9) states, "Any person who knowingly transacts insurance or otherwise engages in insurance activities in this state without a license in violation of this section commits a felony of the third degree. ..."

#### **Qualifications for license (§ 626.785)**

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

- Must be a natural person of at least 18 years of age.
- 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.
- Must not be an employee of the United States Department of Veterans Affairs or state service office.
- Must take and pass any examination for license required (under § 626.221).

#### **Examination requirement; exemptions (§ 626.221)**

The department shall not issue any license as agent, 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 § 626.241).

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

- An applicant for renewal of appointment as an agent, unless the department determines that an examination is necessary to establish the competence or trustworthiness of the

applicant.

-An applicant for a limited license as agent for travel insurance, motor vehicle rental insurance, credit insurance, in-transit and storage personal property insurance, or portable electronics insurance (per § 626.321 discussed below).

Application for license as an agent, customer representative, service representative, managing general agent, or reinsurance intermediary (§ 626.171)

An applicant for a license as an agent, customer representative, service representative, managing general agent, or reinsurance intermediary must submit a set of the individual applicant's fingerprints, or, if the applicant is not an individual, a set of the fingerprints of the sole proprietor, majority owner, partners, officers, and directors, to the department and must Pay the fingerprint processing shall only apply to the officers and directors of the entity submitting the application. Obtain a license for each office, branch office, or place of business making use of the entity's business name by applying to the department for the license on a simplified application form developed by rule of the department for this purpose.

Pay the applicable fees for a license, be appointed, and pay the prescribed appointment fee. A licensed and appointed entity shall be directly responsible and accountable for all acts of the licensee's employees.

The limitations of any license issued under this section shall be expressed therein. The licensee shall have a separate and additional appointment as to each insurer represented.

Except as otherwise expressly provided, a person applying for or holding a limited license is subject to the same applicable requirements and responsibilities that apply to general lines agents in general if licensed as to motor vehicle physical damage and mechanical breakdown insurance, industrial fire insurance or burglary insurance, motor vehicle rental insurance, credit insurance, crop hail and multiple-peril crop insurance, in-transit and storage personal property insurance, or portable electronics insurance; or as apply to health agents in general, as applicable, if licensed as to travel insurance.

Nothing in this section shall permit the sale of an insurance policy or certificate for any limited class of business in a category identified under subsection (1) by a person or entity other than an insurance policy or certificate offered by an authorized insurer in this state or an eligible surplus lines insurer in this state.

### **REINSTATEMENT OF LICENSE**

A reinstatement of a license will be approved provided In the discretion of the department, an applicant for reinstatement of license or appointment as an agent, whose license has been suspended within the 4 years before the date of application or written request for reinstatement. An applicant who, within the 4 years before application for license and appointment as an agent, was a full-time salaried employee of the department who had responsible insurance duties for at least 2 continuous years and who had been a licensee within the 4 years before employment by the department with the same class of license as that being applied for.

An applicant for a temporary license, except as otherwise provided in this code. An applicant for a license as a life or health agent who has received the designation of chartered life underwriter (CLU) from the American College of Life Underwriters and has been engaged in the insurance business within the past 4 years, except that the applicant may be examined on pertinent provisions of this code. An applicant qualifying for a license may transfer under § 626.292 [transfer of license from another state] if the applicant: Has successfully completed the prelicensing examination requirements in the applicant's previous home state which are substantially equivalent to the examination requirements in this state, as determined by the

department; or

An applicant for a license as a nonresident agent if the applicant:

- Has successfully completed prelicensing examination requirements in the applicant's home state which are substantially equivalent to the examination requirements in this state, as determined by the department, as a requirement for obtaining a resident license in his or her home state;
- Held a health agent license before a written examination was required; or
- An individual who is already licensed as a customer representative shall not be licensed as a general lines agent without application and examination for such license.

An individual who is qualified as to knowledge, experience, or instruction in the business of insurance and meet the requirements relative thereto (provided in § 626.7851) may be licensed.'

### **Purpose of Health Insurance license**

The purpose of a license issued under this code to a health agent is to authorize and enable the licensee actively and in good faith to engage in the insurance business as such an agent with respect to the general public and to facilitate the public supervision of such activities in the public interest, and not for the purpose of enabling the licensee to receive an unlawful rebate of premium in the form of commission or other compensation as an agent or enabling the licensee to receive commissions or other compensation based upon insurance solicited or procured by or through the licensee upon his or her own interests or upon those of other persons with whom he or she is closely associated in capacities other than as an insurance agent.

The department shall not grant, renew, continue, or permit to exist any license or appointment as a health agent as to any applicant therefore or licensee or appointee thereunder if it finds that the license or appointment has been or is being or will be used by the applicant, licensee, or appointee not for the purpose of holding himself or herself out to the general public as a health agent, but principally for the purpose of soliciting, negotiating, handling or procuring "controlled business," that is, health insurance covering himself or herself or family members; the officers, directors, stockholders, partners, employees, or debtors of a partnership, association, or corporation of which he or she or a family member is an officer, director, stockholder, partner, or employee; or members of an association of which he or she is a director, officer, or employee.

A violation of this section shall be deemed to exist or be probable if the department finds that during a 12-month period the premium writings represented by such controlled business insurance contracts signed, countersigned, issued, or sold by the licensee have been, or in the case of an applicant for appointment, probably will be under circumstances found by the department to exist, in excess of premium writings during the same period by the appointee or proposed appointee as represented by health insurance contracts to the general public other than the classes of persons above classified as controlled business.

(This section shall not be deemed to prohibit the licensing and appointing of any person employed by or associated with a lending or financing institution, with respect to insurance only, under or disability insurance policies of borrowers from such institution or creditor.)

A Health Insurance Agent license shall not be issued or renewed if the applicant is guilty of Willful failure to comply with, or willful violation of, any proper order or rule of the department or willful violation of any provision of this code. Having been found guilty of or having pleaded guilty or nolo contendere to a felony or a crime punishable by imprisonment of 1 year or more under the law of the United States of America or of any state thereof or under the law of any other country which

involves moral turpitude, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of such cases.

Fraudulent or dishonest practice in submitting or aiding or abetting any person in the submission of an application for workers' compensation coverage under chapter 440 containing false or misleading information as to employee payroll or classification for the purpose of avoiding or reducing the amount of premium due for such coverage. Sale of an unregistered security that was required to be registered, pursuant to chapter 517.

### **GROUND FOR COMPULSORY/DISCRETIONARY REFUSAL, SUSPENSION, OR REVOCATION OF INSURANCE LICENSE/AGENCY LICENSE/APPOINTMENT**

626.611 Grounds for compulsory refusal, suspension, or revocation of agent's, title agency's, adjuster's, customer representative's, service representative's, or managing general agent's license or appointment

The department shall deny an application for, suspend, revoke, or refuse to renew or continue the license or appointment of any applicant, agent, title agency, customer representative, service representative, or managing general agent, and it shall suspend or revoke the eligibility to hold a license or appointment of any such person, if it finds that as to the applicant, licensee, or appointee any one or more of the following applicable grounds exist:

- Lack of one or more of the qualifications for the license or appointment as specified in this code.
- Material misstatement, misrepresentation, or fraud in obtaining the license or appointment or in attempting to obtain the license or appointment.
- Failure to pass to the satisfaction of the department any examination required under this code.
- If the license or appointment is willfully used, or to be used, to circumvent any of the requirements or prohibitions of this code.
- Willful misrepresentation of any insurance policy or annuity contract or willful deception with regard to any such policy or contract, done either in person or by any form of dissemination of information or advertising.
- Demonstrated lack of fitness or trustworthiness to engage in the business of insurance.
- Demonstrated lack of reasonably adequate knowledge and technical competence to engage in the transactions authorized by the license or appointment.
- Fraudulent or dishonest practices in the conduct of business under the license or appointment.
- Misappropriation, conversion, or unlawful withholding of moneys belonging to insurers or insureds or beneficiaries or to others and received in conduct of business under the license or appointment.
- Unlawfully rebating, attempting to unlawfully rebate, or unlawfully dividing or offering to divide his or her commission with another.
- Having obtained or attempted to obtain, or having used or using, a license or appointment as agent or customer representative for the purpose of soliciting or handling "controlled

business" as defined in these regulation, § 626.730 with respect to general lines agents, § 626.784 with respect to life agents, and § 626.830 with respect to health agents.

- Willful failure to comply with, or willful violation of, any proper order or rule of the department or willful violation of any provision of this code.

- Having been found guilty of or having pleaded guilty or nolo contendere to a felony or a crime punishable by imprisonment of 1 year or more under the law of the United States of America or of any state thereof or under the law of any other country which involves moral turpitude, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of such cases.

- Fraudulent or dishonest practice in submitting or aiding or abetting any person in the submission of an application for workers' compensation coverage under chapter 440 containing false or misleading information as to employee payroll or classification for the purpose of avoiding or reducing the amount of premium due for such coverage.

- Sale of an unregistered security that was required to be registered, pursuant to chapter 517.

#### **626.6115 Grounds for compulsory refusal, suspension, or revocation of insurance agency license**

The department shall 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 agency, that any of the following applicable grounds exist:

- Lack by the agency of one or more of the qualifications for the license as specified in this code.

- Material misstatement, misrepresentation, or fraud in obtaining the license or in attempting to obtain the license.

- Denial, suspension, or revocation of a license to practice or conduct any regulated profession, business, or vocation relating to the business of insurance by this state, any other state, any nation, any possession or district of the United States, any court, or any lawful agency thereof. However, the existence of grounds for administrative action against a licensed agency does not constitute grounds for action against any other licensed agency, including an agency that owns, is under common ownership with, or is owned by, in whole or in part, the agency for which grounds for administrative action exist.

#### **626.621 Grounds for discretionary refusal, suspension, or revocation of agent's, customer representative's, service representative's, or managing general agent's license or appointment**

The department may, in its discretion, deny an application for, suspend, revoke, or refuse to renew or continue the license or appointment of any applicant, agent, customer representative, service representative, or managing general agent, and it may suspend or revoke the eligibility to hold a license or appointment of any such person, if it finds that as to the applicant, licensee, or appointee any one or more of the following applicable grounds exist under circumstances for which such denial, suspension, revocation, or refusal is not mandatory under § 626.611:

- Any cause for which issuance of the license or appointment could have been refused had it then existed and been known to the department.

- Violation of any provision of this code or of any other law applicable to the business of insurance in the course of dealing under the license or appointment.
- Violation of any lawful order or rule of the department, commission, or office.
- Failure or refusal, upon demand, to pay over to any insurer he or she represents or has represented any money coming into his or her hands belonging to the insurer.
- Violation of the provision against twisting.
- In the conduct of business under the license or appointment, engaging in unfair methods of competition or in unfair or deceptive acts or practices, as prohibited under part IX of this chapter, or having otherwise shown himself or herself to be a source of injury or loss to the public.
- Willful overinsurance of any health insurance risk.
- Having been found guilty of or having pleaded guilty or nolo contendere to a felony or a crime punishable by imprisonment of 1 year or more under the law of the United States of America or of any state thereof or under the law of any other country, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of such cases.
- If a Health agent, violation of the code of ethics.
- Cheating on an examination required for licensure or violating test center or examination procedures published orally, in writing, or electronically at the test site by authorized representatives of the examination program administrator. Communication of test center and examination procedures must be clearly established and documented.
- Failure to inform the department in writing within 30 days after pleading guilty or nolo contendere to, or being convicted or found guilty of, any felony or a crime punishable by imprisonment of 1 year or more under the law of the United States or of any state thereof, or under the law of any other country without regard to whether a judgment of conviction has been entered by the court having jurisdiction of the case.
- Knowingly aiding, assisting, procuring, advising, or abetting any person in the violation of or to violate a provision of the insurance code or any order or rule of the department, commission, or office.
- Has been the subject of or has had a license, permit, appointment, registration, or other authority to conduct business subject to any decision, finding, injunction, suspension, prohibition, revocation, denial, judgment, final agency action, or administrative order by any court or competent jurisdiction, administrative law proceeding, state agency, federal agency, national securities, commodities, or option exchange, or national securities, commodities, or option association involving a violation of any federal or state securities or commodities law or any rule or regulation adopted thereunder, or a violation of any rules or regulation of any national securities, commodities or options exchange or national securities, commodities, or options association.
- Failure to comply with any civil, criminal, or administrative action taken by the child support enforcement program under Title IV-D of the Social Security Act, 43 U.S.C. ss. 651 et seq., to determine paternity or to establish, modify, enforce or collect support.

## **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:

- Any cause for which issuance of the license could have been refused had it then existed and been known to the department.
- If the license is used, or to be used, to circumvent any of the requirements or prohibitions of this code.
- Having been found guilty of, or having pleaded guilty or nolo contendere to, a felony in this state or any other state relating to the business of insurance or an insurance agency, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of such cases.
- Knowingly employing any individual in a managerial capacity or in a capacity dealing with the public who is under an order of revocation or suspension issued by the department.
- Committing any of the following acts with such frequency as to have made the operation of the agency hazardous to the insurance-buying public or other persons:
  - Misappropriation, conversion, or unlawful withholding of moneys belonging to insurers or insureds or beneficiaries or to others and received in the conduct of business under the license.
  - Unlawfully rebating, attempting to unlawfully rebate, or unlawfully dividing or offering to divide commissions with another.
  - Misrepresentation of any insurance policy or annuity contract, or deception with regard to any such policy or contract, done either in person or by any form of dissemination of information or advertising.
  - Violation of any provision of this code or of any other law applicable to the business of insurance in the course of dealing under the license.
  - Violation of any lawful order or rule of the department.
  - Failure or refusal, upon demand, to pay over to any insurer he or she represents or has represented any money coming into his or her hands belonging to the insurer.
  - Violation of the provision against twisting as defined in § 626.9541(1)(l). In the conduct of business under the license, engaging in unfair methods of competition or in unfair or deceptive acts or practices as prohibited under part IX of this chapter.
  - Fraudulent or dishonest practices in the conduct of business arising out of activities related to insurance or the insurance agency.
  - Demonstrated lack of fitness or trustworthiness to engage in the business of insurance arising out of activities related to insurance or the insurance agency.

Failure to take corrective action or report a violation to the department within 30 days after an individual licensee's violation is known or should have been known by one or more of the

partners, officers, or managers acting on behalf of the agency. However, the existence of grounds for administrative action against a licensed agency does not constitute grounds for action against any other licensed agency, including an agency that owns, is under common ownership with, or is owned by, in whole or in part, the agency for which grounds for administrative action exist.

#### **626.681 Administrative fine in lieu of or in addition to suspension, revocation, or refusal of license, appointment, or disapproval**

Except as to insurance agencies, if the department finds that one or more grounds exist for the suspension, revocation, or refusal to issue, renew, or continue any license or appointment issued under this chapter, or disapproval of a continuing education course provider, instructor, school official, or monitor groups, the department may, in its discretion, in lieu of or in addition to such suspension or revocation, or in lieu of such refusal, or disapproval, and except on a second offense or when such suspension, revocation, or refusal is mandatory, impose upon the licensee, appointee, course provider, instructor, school official, or monitor group an administrative penalty in an amount up to \$500 or, if the department has found willful misconduct or willful violation on the part of the licensee, appointee, course provider, instructor, school official, or monitor group up to \$3,500. The administrative penalty may, in the discretion of the department, be augmented by an amount equal to any commissions received by or accruing to the credit of the licensee or appointee in connection with any transaction as to which the grounds for suspension, revocation, or refusal related.

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

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

#### **626.691 Probation**

If the department finds that one or more grounds exist for the suspension, revocation, or refusal to renew or continue any license or appointment issued under this part, the department may, in its discretion, except when an administrative fine is not permissible under s. 626.681 or when such suspension, revocation, or refusal is mandatory, in lieu of or in addition to such suspension or revocation, or in lieu of such refusal, or in connection with any administrative monetary penalty imposed under s. 626.681, place the offending licensee or appointee on probation for a period, not to exceed 2 years, as specified by the department in its order.

As a condition to such probation or in connection therewith, the department may specify in its order reasonable terms and conditions to be fulfilled by the probationer during the probation period. If during the probation period the department has good cause to believe that the probationer has violated a term or condition, it shall suspend, revoke, or refuse to issue, renew, or continue the license or appointment of the probationer, as upon the original grounds referred to in subsection (1).

#### **626.692 Restitution**

If any ground exists for the suspension, revocation, or refusal of a license or appointment, the

department may, in addition to any other penalty authorized under this chapter, order the licensee to pay restitution to any person who has been deprived of money by the licensee's misappropriation, conversion, or unlawful withholding of moneys belonging to insurers, insureds, beneficiaries, or others. In no instance shall the amount of restitution required to be paid under this section exceed the amount of money misappropriated, converted, or unlawfully withheld. Nothing in this section limits or restricts a person's right to seek other remedies as provided for by law.