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1
2 An act relating to the Department of Financial
3 Services; amending s. 48.151, F.S.; authorizing the
4 department to create an Internet-based transmission
5 system to accept service of process; amending s.
6 110.1315, F.S.; removing a requirement that the
7 Executive Office of the Governor review and approve a
8 certain alternative retirement income security program
9 provided by the department; amending s. 112.215, F.S.;
10 authorizing the Chief Financial Officer, with the
11 approval of the State Board of Administration, to
12 include specified employees other than state employees
13 in a deferred compensation plan; conforming a
14 provision to a change made by the act; amending s.
15 137.09, F.S.; removing a requirement that the
16 department approve certain bonds of county officers;
17 amending s. 215.555, F.S.; extending the repeal date
18 of an exemption for medical malpractice insurance
19 premiums from certain emergency assessments levied by
20 the Office of Insurance Regulation for the Florida
21 Hurricane Catastrophe Fund; revising applicability;
22 amending s. 215.97, F.S.; revising and providing
23 definitions; increasing the amount of a certain audit
24 threshold; revising applicability to remove for-profit
25 organizations; exempting specified higher education
26 entities from certain audit requirements; revising the



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

27 requirements for state-funded contracts or agreements
28 between a state awarding agency and a higher education
29 entity; providing an exception; providing
30 applicability; conforming provisions to changes made
31 by the act; amending s. 322.142, F.S.; authorizing the
32 Department of Highway Safety and Motor Vehicles to
33 provide certain driver license images to the
34 department for the purpose of investigating
35 allegations of violations of the insurance code;
36 amending s. 374.983, F.S.; naming the Board of
37 Commissioners of the Florida Inland Navigation
38 District, rather than the Chief Financial Officer, as
39 the entity that receives and approves certain surety
40 bonds of commissioners; amending s. 509.211, F.S.;
41 revising certain standards for carbon monoxide
42 detector devices in specified spaces or rooms of
43 public lodging establishments; providing that the
44 local fire official, or his or her designee, rather
45 than the State Fire Marshal, may exempt a device from
46 such standards; providing an alternative installation
47 method for such devices; amending s. 624.307, F.S.;
48 conforming provisions to changes made by the act;
49 specifying requirements for the Chief Financial
50 Officer in providing notice of electronic transmission
51 of process documents; amending s. 624.423, F.S.;
52 authorizing service of process by specified means;



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CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

53 | reenacting and amending s. 624.502, F.S.; providing
54 | that a party requesting service of process shall pay a
55 | specified fee to the department or Office of Insurance
56 | Regulation for such service; amending s. 626.854,
57 | F.S.; revising applicability of the definition of the
58 | term "public adjuster"; amending s. 626.907, F.S.;
59 | requiring a service of process fee for certain service
60 | of process made by the Chief Financial Officer;
61 | revising methods by which copies of the service of
62 | process may be provided to a defendant; specifying the
63 | determination of a defendant's last known principal
64 | place of business; amending s. 626.921, F.S.; revising
65 | membership requirements of the Florida Surplus Lines
66 | Service Office board of governors; amending s.
67 | 626.931, F.S.; limiting a requirement for the
68 | quarterly filing of a certain affidavit with the
69 | Florida Surplus Lines Service Office to specified
70 | surplus lines agents; amending s. 626.9892, F.S.;
71 | revising criteria for the Anti-Fraud Reward Program;
72 | amending s. 627.7074, F.S.; providing an additional
73 | ground for disqualifying a neutral evaluator for
74 | disputed sinkhole insurance claims; amending s.
75 | 633.102, F.S.; redefining the term "fire service
76 | provider"; creating s. 633.107, F.S.; authorizing the
77 | department to grant exemptions from disqualification
78 | for licensure or certification by the Division of



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

79 State Fire Marshal under certain circumstances;
80 specifying the information an applicant must provide;
81 providing the manner in which the department must
82 render its decision to grant or deny an exemption;
83 providing procedures for an applicant to contest the
84 decision; providing an exception from certain
85 requirements; authorizing the division to adopt rules;
86 creating s. 633.135, F.S.; establishing the
87 Firefighter Assistance Program for certain purposes;
88 requiring the division to administer the program and
89 annually award grants to qualifying fire departments;
90 defining the term "combination fire department";
91 providing eligibility requirements; requiring the
92 State Fire Marshal to adopt rules and procedures;
93 providing program requirements; amending s. 633.208,
94 F.S.; revising applicability of the Life Safety Code
95 to exclude one-family and two-family dwellings, rather
96 than only such dwellings that are newly constructed;
97 amending s. 633.408, F.S.; revising firefighter and
98 volunteer firefighter certification requirements;
99 specifying the duration of certain firefighter
100 certifications; amending s. 633.412, F.S.; deleting a
101 requirement that the division suspend or revoke all
102 issued certificates if an individual's certificate is
103 suspended or revoked; amending s. 633.414, F.S.;
104 conforming provisions to changes made by the act;



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

105 | revising alternative requirements for renewing
 106 | specified certifications; providing grounds for denial
 107 | of, or disciplinary action against, certifications for
 108 | a firefighter or volunteer firefighter; amending s.
 109 | 633.426, F.S.; revising a definition; providing a date
 110 | after which an individual is subject to revocation of
 111 | certification under specified circumstances; amending
 112 | s. 717.138, F.S.; providing applicability of the
 113 | department's rulemaking authority relating to the
 114 | disposition of unclaimed property; amending s.
 115 | 627.062, F.S.; adding specified travel insurance to a
 116 | list of insurance and risks to which certain rate
 117 | filing requirements do not apply; amending s.
 118 | 627.0645, F.S.; adding specified travel insurance to a
 119 | list of insurance exempted from a certain annual base
 120 | rate filing requirement; providing an appropriation
 121 | and authorizing a position; providing an effective
 122 | date.

123 |

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

125 |

126 | Section 1. Subsection (3) of section 48.151, Florida
 127 | Statutes, is amended to read:

128 | 48.151 Service on statutory agents for certain persons.—

129 | (3) The Chief Financial Officer or his or her assistant or
 130 | deputy or another person in charge of the office is the agent



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CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

131 for service of process on all insurers applying for authority to
 132 transact insurance in this state, all licensed nonresident
 133 insurance agents, all nonresident disability insurance agents
 134 licensed pursuant to s. 626.835, any unauthorized insurer under
 135 s. 626.906 or s. 626.937, domestic reciprocal insurers,
 136 fraternal benefit societies under chapter 632, warranty
 137 associations under chapter 634, prepaid limited health service
 138 organizations under chapter 636, and persons required to file
 139 statements under s. 628.461. As an alternative to service of
 140 process made by mail or personal service on the Chief Financial
 141 Officer, on his or her assistant or deputy, or on another person
 142 in charge of the office, the Department of Financial Services
 143 may create an Internet-based transmission system to accept
 144 service of process by electronic transmission of documents.

145 Section 2. Subsection (1) of section 110.1315, Florida
 146 Statutes, is amended to read:

147 110.1315 Alternative retirement benefits; other-personal-
 148 services employees.—

149 ~~(1) Upon review and approval by the Executive Office of~~
 150 ~~the Governor,~~ The Department of Financial Services shall provide
 151 an alternative retirement income security program for eligible
 152 temporary and seasonal employees of the state who are
 153 compensated from appropriations for other personal services. The
 154 Department of Financial Services may contract with a private
 155 vendor or vendors to administer the program under a defined-
 156 contribution plan under ss. 401(a) and 403(b) or s. 457 of the



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

157 Internal Revenue Code, and the program must provide retirement
158 benefits as required under s. 3121(b)(7)(F) of the Internal
159 Revenue Code. The Department of Financial Services may develop a
160 request for proposals and solicit qualified vendors to compete
161 for the award of the contract. A vendor shall be selected on the
162 basis of the plan that best serves the interest of the
163 participating employees and the state. The proposal must comply
164 with all necessary federal and state laws and rules.

165 Section 3. Paragraph (a) of subsection (4) and subsection
166 (12) of section 112.215, Florida Statutes, are amended to read:

167 112.215 Government employees; deferred compensation
168 program.—

169 (4) (a) The Chief Financial Officer, with the approval of
170 the State Board of Administration, shall establish such plan or
171 plans of deferred compensation for state employees and may
172 include persons employed by a state university as defined in s.
173 1000.21, a special district as defined in s. 189.012, or a water
174 management district as defined in s. 189.012, including all such
175 investment vehicles or products incident thereto, as may be
176 available through, or offered by, qualified companies or
177 persons, and may approve one or more such plans for
178 implementation by and on behalf of the state and its agencies
179 and employees.

180 (12) The Chief Financial Officer may adopt any rule
181 necessary to administer and implement this act with respect to
182 deferred compensation plans for state employees and persons



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

183 employed by a state university as defined in s. 1000.21, a
184 special district as defined in s. 189.012, or a water management
185 district as defined in s. 189.012.

186 Section 4. Section 137.09, Florida Statutes, is amended to
187 read:

188 137.09 Justification and approval of bonds.—Each surety
189 upon every bond of any county officer shall make affidavit that
190 he or she is a resident of the county for which the officer is
191 to be commissioned, and that he or she has sufficient visible
192 property therein unencumbered and not exempt from sale under
193 legal process to make good his or her bond. Every such bond
194 shall be approved by the board of county commissioners ~~and by~~
195 ~~the Department of Financial Services~~ when the board is ~~they~~ and
196 ~~it~~ are satisfied in its ~~their~~ judgment that the bond ~~same~~ is
197 legal, sufficient, and proper to be approved.

198 Section 5. Paragraph (b) of subsection (6) of section
199 215.555, Florida Statutes, is amended to read:

200 215.555 Florida Hurricane Catastrophe Fund.—

201 (6) REVENUE BONDS.—

202 (b) *Emergency assessments.*—

203 1. If the board determines that the amount of revenue
204 produced under subsection (5) is insufficient to fund the
205 obligations, costs, and expenses of the fund and the
206 corporation, including repayment of revenue bonds and that
207 portion of the debt service coverage not met by reimbursement
208 premiums, the board shall direct the Office of Insurance



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

209 Regulation to levy, by order, an emergency assessment on direct
210 premiums for all property and casualty lines of business in this
211 state, including property and casualty business of surplus lines
212 insurers regulated under part VIII of chapter 626, but not
213 including any workers' compensation premiums or medical
214 malpractice premiums. As used in this subsection, the term
215 "property and casualty business" includes all lines of business
216 identified on Form 2, Exhibit of Premiums and Losses, in the
217 annual statement required of authorized insurers by s. 624.424
218 and any rule adopted under this section, except for those lines
219 identified as accident and health insurance and except for
220 policies written under the National Flood Insurance Program. The
221 assessment shall be specified as a percentage of direct written
222 premium and is subject to annual adjustments by the board in
223 order to meet debt obligations. The same percentage applies to
224 all policies in lines of business subject to the assessment
225 issued or renewed during the 12-month period beginning on the
226 effective date of the assessment.

227 2. A premium is not subject to an annual assessment under
228 this paragraph in excess of 6 percent of premium with respect to
229 obligations arising out of losses attributable to any one
230 contract year, and a premium is not subject to an aggregate
231 annual assessment under this paragraph in excess of 10 percent
232 of premium. An annual assessment under this paragraph continues
233 as long as the revenue bonds issued with respect to which the
234 assessment was imposed are outstanding, including any bonds the



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

235 | proceeds of which were used to refund the revenue bonds, unless
236 | adequate provision has been made for the payment of the bonds
237 | under the documents authorizing issuance of the bonds.

238 | 3. Emergency assessments shall be collected from
239 | policyholders. Emergency assessments shall be remitted by
240 | insurers as a percentage of direct written premium for the
241 | preceding calendar quarter as specified in the order from the
242 | Office of Insurance Regulation. The office shall verify the
243 | accurate and timely collection and remittance of emergency
244 | assessments and shall report the information to the board in a
245 | form and at a time specified by the board. Each insurer
246 | collecting assessments shall provide the information with
247 | respect to premiums and collections as may be required by the
248 | office to enable the office to monitor and verify compliance
249 | with this paragraph.

250 | 4. With respect to assessments of surplus lines premiums,
251 | each surplus lines agent shall collect the assessment at the
252 | same time as the agent collects the surplus lines tax required
253 | by s. 626.932, and the surplus lines agent shall remit the
254 | assessment to the Florida Surplus Lines Service Office created
255 | by s. 626.921 at the same time as the agent remits the surplus
256 | lines tax to the Florida Surplus Lines Service Office. The
257 | emergency assessment on each insured procuring coverage and
258 | filing under s. 626.938 shall be remitted by the insured to the
259 | Florida Surplus Lines Service Office at the time the insured
260 | pays the surplus lines tax to the Florida Surplus Lines Service



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

261 Office. The Florida Surplus Lines Service Office shall remit the
262 collected assessments to the fund or corporation as provided in
263 the order levied by the Office of Insurance Regulation. The
264 Florida Surplus Lines Service Office shall verify the proper
265 application of such emergency assessments and shall assist the
266 board in ensuring the accurate and timely collection and
267 remittance of assessments as required by the board. The Florida
268 Surplus Lines Service Office shall annually calculate the
269 aggregate written premium on property and casualty business,
270 other than workers' compensation and medical malpractice,
271 procured through surplus lines agents and insureds procuring
272 coverage and filing under s. 626.938 and shall report the
273 information to the board in a form and at a time specified by
274 the board.

275 5. Any assessment authority not used for a particular
276 contract year may be used for a subsequent contract year. If,
277 for a subsequent contract year, the board determines that the
278 amount of revenue produced under subsection (5) is insufficient
279 to fund the obligations, costs, and expenses of the fund and the
280 corporation, including repayment of revenue bonds and that
281 portion of the debt service coverage not met by reimbursement
282 premiums, the board shall direct the Office of Insurance
283 Regulation to levy an emergency assessment up to an amount not
284 exceeding the amount of unused assessment authority from a
285 previous contract year or years, plus an additional 4 percent
286 provided that the assessments in the aggregate do not exceed the



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

287 | limits specified in subparagraph 2.

288 | 6. The assessments otherwise payable to the corporation
289 | under this paragraph shall be paid to the fund unless the Office
290 | of Insurance Regulation and the Florida Surplus Lines Service
291 | Office received a notice from the corporation and the fund,
292 | which shall be conclusive and upon which they may rely without
293 | further inquiry, that the corporation has issued bonds and the
294 | fund has no agreements in effect with local governments under
295 | paragraph (c). On or after the date of the notice and until the
296 | date the corporation has no bonds outstanding, the fund shall
297 | have no right, title, or interest in or to the assessments,
298 | except as provided in the fund's agreement with the corporation.

299 | 7. Emergency assessments are not premium and are not
300 | subject to the premium tax, to the surplus lines tax, to any
301 | fees, or to any commissions. An insurer is liable for all
302 | assessments that it collects and must treat the failure of an
303 | insured to pay an assessment as a failure to pay the premium. An
304 | insurer is not liable for uncollectible assessments.

305 | 8. If an insurer is required to return an unearned
306 | premium, it shall also return any collected assessment
307 | attributable to the unearned premium. A credit adjustment to the
308 | collected assessment may be made by the insurer with regard to
309 | future remittances that are payable to the fund or corporation,
310 | but the insurer is not entitled to a refund.

311 | 9. If a surplus lines insured or an insured who has
312 | procured coverage and filed under s. 626.938 is entitled to the



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

313 | return of an unearned premium, the Florida Surplus Lines Service
 314 | Office shall provide a credit or refund to the agent or such
 315 | insured for the collected assessment attributable to the
 316 | unearned premium before remitting the emergency assessment
 317 | collected to the fund or corporation.

318 | 10. The exemption of medical malpractice insurance
 319 | premiums from emergency assessments under this paragraph is
 320 | repealed May 31, 2019 ~~2016~~, and medical malpractice insurance
 321 | premiums shall be subject to emergency assessments attributable
 322 | to loss events occurring in the contract years commencing on
 323 | June 1, 2019 ~~2016~~.

324 | Section 6. Paragraphs (h) through (y) of subsection (2) of
 325 | section 215.97, Florida Statutes, are redesignated as paragraphs
 326 | (i) through (z), respectively, a new paragraph (h) is added to
 327 | that subsection, present paragraphs (a), (m), and (v) of that
 328 | subsection and paragraph (o) of subsection (8) are amended,
 329 | subsections (9), (10), and (11) are renumbered as subsections
 330 | (10), (11), and (12), respectively, and a new subsection (9) is
 331 | added to that section, to read:

332 | 215.97 Florida Single Audit Act.—

333 | (2) ~~Definitions~~; As used in this section, the term:

334 | (a) "Audit threshold" means the threshold amount used to
 335 | determine when a state single audit or project-specific audit of
 336 | a nonstate entity shall be conducted in accordance with this
 337 | section. Each nonstate entity that expends a total amount of
 338 | state financial assistance equal to or in excess of \$750,000



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

339 | ~~\$500,000~~ in any fiscal year of such nonstate entity shall be
 340 | required to have a state single audit, or a project-specific
 341 | audit, for such fiscal year in accordance with the requirements
 342 | of this section. Every 2 years the Auditor General, after
 343 | consulting with the Executive Office of the Governor, the
 344 | Department of Financial Services, and all state awarding
 345 | agencies, shall review the threshold amount for requiring audits
 346 | under this section and may adjust such threshold amount
 347 | consistent with the purposes of this section.

348 | (h) "Higher education entity" means a Florida College
 349 | System institution or a state university, as those terms are
 350 | defined in s. 1000.21.

351 | (n) ~~(m)~~ "Nonstate entity" means a local governmental
 352 | entity, higher education entity, nonprofit organization, or for-
 353 | profit organization that receives state financial assistance.

354 | (w) ~~(v)~~ "State project-specific audit" means an audit of
 355 | one state project performed in accordance with the requirements
 356 | of subsection (11) ~~(10)~~.

357 | (8) Each recipient or subrecipient of state financial
 358 | assistance shall comply with the following:

359 | (o) A higher education entity is exempt from the
 360 | requirements of paragraph (2) (a) and this subsection ~~A contract~~
 361 | ~~involving the State University System or the Florida College~~
 362 | ~~System funded by state financial assistance may be in the form~~
 363 | ~~of:~~

364 | ~~1. A fixed-price contract that entitles the provider to~~



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

365 ~~receive full compensation for the fixed contract amount upon~~
366 ~~completion of all contract deliverables;~~

367 ~~2. A fixed rate per unit contract that entitles the~~
368 ~~provider to receive compensation for each contract deliverable~~
369 ~~provided;~~

370 ~~3. A cost-reimbursable contract that entitles the provider~~
371 ~~to receive compensation for actual allowable costs incurred in~~
372 ~~performing contract deliverables; or~~

373 ~~4. A combination of the contract forms described in~~
374 ~~subparagraphs 1., 2., and 3.~~

375 (9) This subsection applies to any contract or agreement
376 between a state awarding agency and a higher education entity
377 that is funded by state financial assistance.

378 (a) The contract or agreement must comply with ss.
379 215.971(1) and 216.3475 and must be in the form of one or a
380 combination of the following:

381 1. A fixed-price contract that entitles the provider to
382 receive compensation for the fixed contract amount upon
383 completion of all contract deliverables.

384 2. A fixed-rate-per-unit contract that entitles the
385 provider to receive compensation for each contract deliverable
386 provided.

387 3. A cost-reimbursable contract that entitles the provider
388 to receive compensation for actual allowable costs incurred in
389 performing contract deliverables.

390 (b) If a higher education entity has extremely limited or



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

391 no required activities related to the administration of a state
392 project and acts only as a conduit of state financial
393 assistance, none of the requirements of this section apply to
394 the conduit higher education entity. However, the subrecipient
395 that is provided state financial assistance by the conduit
396 higher education entity is subject to the requirements of
397 subsection (8) and this subsection.

398 (c) Regardless of the amount of the state financial
399 assistance, this subsection does not exempt a higher education
400 entity from compliance with provisions of law that relate to
401 maintaining records concerning state financial assistance to the
402 higher education entity or that allow access and examination of
403 those records by the state awarding agency, the higher education
404 entity, the Department of Financial Services, or the Auditor
405 General.

406 (d) This subsection does not prohibit the state awarding
407 agency from including terms and conditions in the contract or
408 agreement which require additional assurances that the state
409 financial assistance meets the applicable requirements of laws,
410 regulations, and other compliance rules.

411 Section 7. Paragraph (j) of subsection (4) of section
412 322.142, Florida Statutes, is amended to read:

413 322.142 Color photographic or digital imaged licenses.—

414 (4) The department may maintain a film negative or print
415 file. The department shall maintain a record of the digital
416 image and signature of the licensees, together with other data



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

417 required by the department for identification and retrieval.
418 Reproductions from the file or digital record are exempt from
419 the provisions of s. 119.07(1) and may be made and issued only:

420 (j) To the Department of Financial Services pursuant to an
421 interagency agreement to facilitate the location of owners of
422 unclaimed property, the validation of unclaimed property claims,
423 ~~and~~ the identification of fraudulent or false claims, and the
424 investigation of allegations of violations of the insurance code
425 by licensees and unlicensed persons;

426 Section 8. Subsection (2) of section 374.983, Florida
427 Statutes, is amended to read:

428 374.983 Governing body.—

429 (2) The present board of commissioners of the district
430 shall continue to hold office until their respective terms shall
431 expire. Thereafter the members of the board shall continue to be
432 appointed by the Governor for a term of 4 years and until their
433 successors shall be duly appointed. Specifically, commencing on
434 January 10, 1997, the Governor shall appoint the commissioners
435 from Broward, Indian River, Martin, St. Johns, and Volusia
436 Counties and on January 10, 1999, the Governor shall appoint the
437 commissioners from Brevard, Miami-Dade, Duval, Flagler, Palm
438 Beach, and St. Lucie Counties. The Governor shall appoint the
439 commissioner from Nassau County for an initial term that
440 coincides with the period remaining in the current terms of the
441 commissioners from Broward, Indian River, Martin, St. Johns, and
442 Volusia Counties. Thereafter, the commissioner from Nassau



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

443 County shall be appointed to a 4-year term. Each new appointee
444 must be confirmed by the Senate. Whenever a vacancy occurs among
445 the commissioners, the person appointed to fill such vacancy
446 shall hold office for the unexpired portion of the term of the
447 commissioner whose place he or she is selected to fill. Each
448 commissioner under this act before he or she assumes office
449 shall be required to give a good and sufficient surety bond in
450 the sum of \$10,000 payable to the Governor and his or her
451 successors in office, conditioned upon the faithful performance
452 of the duties of his or her office, such bond to be approved by
453 and filed with the board of commissioners of the district ~~Chief~~
454 ~~Financial Officer~~. Any and all premiums upon such surety bonds
455 shall be paid by the board of commissioners of such district as
456 a necessary expense of the district.

457 Section 9. Subsection (4) of section 509.211, Florida
458 Statutes, is amended to read:

459 509.211 Safety regulations.—

460 (4) Every enclosed space or room that contains a boiler
461 regulated under chapter 554 which is fired by the direct
462 application of energy from the combustion of fuels and that is
463 located in any portion of a public lodging establishment that
464 also contains sleeping rooms shall be equipped with one or more
465 carbon monoxide detector ~~sensor~~ devices that are listed as
466 complying with the American National Standards
467 Institute/Underwriters Laboratories, Inc., "Standard for Gas and
468 Vapor Detectors and Sensors," ANSI/UL 2075, by a nationally



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

469 recognized testing laboratory accredited by the Occupational
470 Safety and Health Administration ~~bear the label of a nationally~~
471 ~~recognized testing laboratory and have been tested and listed as~~
472 ~~complying with the most recent Underwriters Laboratories, Inc.,~~
473 ~~Standard 2034, or its equivalent,~~ unless it is determined that
474 carbon monoxide hazards have otherwise been adequately mitigated
475 as determined by the local fire official or his or her designee
476 ~~Division of State Fire Marshal of the Department of Financial~~
477 ~~Services~~. Such devices shall be integrated with the public
478 lodging establishment's fire detection system. Any such
479 installation ~~or determination~~ shall be made in accordance with
480 rules adopted by the Division of State Fire Marshal. In lieu of
481 connecting the carbon monoxide detector device to the fire
482 detection system as described in this subsection, the device may
483 be connected to a control unit that is listed as complying with
484 the Underwriters Laboratories, Inc., "Standard for General-
485 Purpose Signaling Devices and Systems," UL 2017, or a
486 combination system that is listed as complying with the National
487 Fire Protection Association "Standard for the Installation of
488 Carbon Monoxide (CO) Detection and Warning Equipment," NFPA 720.
489 The control unit or combination system must be connected to the
490 boiler safety circuit in such a manner that the boiler is
491 prevented from operating when carbon monoxide is detected until
492 it is reset manually.

493 Section 10. Subsection (9) of section 624.307, Florida
494 Statutes, is amended to read:



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

495 | 624.307 General powers; duties.—

496 | (9) Upon receiving service of legal process issued in any
497 | civil action or proceeding in this state against any regulated
498 | person or any unauthorized insurer under s. 626.906 or s.
499 | 626.937 which is required to appoint the Chief Financial Officer
500 | as its attorney to receive service of all legal process, the
501 | Chief Financial Officer, as attorney, may, in lieu of sending
502 | the process by registered or certified mail, send the process or
503 | make it available by any other verifiable means, including, but
504 | not limited to, making the documents available by electronic
505 | transmission from a secure website established by the department
506 | to the person last designated by the regulated person or the
507 | unauthorized insurer to receive the process. When process
508 | documents are made available electronically, the Chief Financial
509 | Officer shall send a notice of receipt of service of process to
510 | the person last designated by the regulated person or
511 | unauthorized insurer to receive legal process. The notice must
512 | state the date and manner in which the copy of the process was
513 | made available to the regulated person or unauthorized insurer
514 | being served and contain the uniform resource locator (URL) for
515 | a hyperlink to access files and information on the department's
516 | website to obtain a copy of the process.

517 | Section 11. Section 624.423, Florida Statutes, is amended
518 | to read:

519 | 624.423 Serving process.—

520 | (1) Service of process upon the Chief Financial Officer as



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

521 process agent of the insurer ~~(under s. 624.422 and s. 626.937)~~
522 shall be made by serving a copy of the process upon the Chief
523 Financial Officer or upon her or his assistant, deputy, or other
524 person in charge of her or his office. Service may also be made
525 by mail or electronically as provided in s. 48.151. Upon
526 receiving such service, the Chief Financial Officer shall retain
527 a record copy and promptly forward one copy of the process by
528 registered or certified mail or by other verifiable means, as
529 provided under s. 624.307(9), to the person last designated by
530 the insurer to receive the same, as provided under s.
531 624.422(2). For purposes of this section, records may be
532 retained as paper or electronic copies.

533 (2) If ~~where~~ process is served upon the Chief Financial
534 Officer as an insurer's process agent, the insurer is ~~shall~~ not
535 ~~be~~ required to answer or plead except within 20 days after the
536 date upon which the Chief Financial Officer sends or makes
537 available by other verifiable means ~~mailed~~ a copy of the process
538 served upon her or him as required by subsection (1).

539 (3) Process served upon the Chief Financial Officer and
540 sent or made available in accordance with this section and s.
541 624.307(9) ~~copy thereof forwarded as in this section provided~~
542 shall for all purposes constitute valid and binding service
543 thereof upon the insurer.

544 Section 12. Notwithstanding the expiration date in section
545 41 of chapter 2015-222, Laws of Florida, section 624.502,
546 Florida Statutes, as amended by chapter 2013-41, Laws of



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CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

547 Florida, is reenacted and amended to read:

548 624.502 Service of process fee.—In all instances as
 549 provided in any section of the insurance code and s. 48.151(3)
 550 in which service of process is authorized to be made upon the
 551 Chief Financial Officer or the director of the office, the party
 552 requesting service ~~plaintiff~~ shall pay to the department or
 553 office a fee of \$15 for such service of process on an authorized
 554 or unauthorized insurer, which fee shall be deposited into the
 555 Administrative Trust Fund.

556 Section 13. Subsection (2) of section 626.854, Florida
 557 Statutes, is amended to read:

558 626.854 "Public adjuster" defined; prohibitions.—The
 559 Legislature finds that it is necessary for the protection of the
 560 public to regulate public insurance adjusters and to prevent the
 561 unauthorized practice of law.

562 (2) This definition does not apply to:

563 (a) A licensed health care provider or employee thereof
 564 who prepares or files a health insurance claim form on behalf of
 565 a patient.

566 (b) A licensed health insurance agent who assists an
 567 insured with coverage questions, medical procedure coding
 568 issues, balance billing issues, understanding the claims filing
 569 process, or filing a claim, as such assistance relates to
 570 coverage under a health insurance policy.

571 (c) ~~(b)~~ A person who files a health claim on behalf of
 572 another and does so without compensation.



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

573 Section 14. Subsection (1) of section 626.907, Florida
 574 Statutes, is amended to read:
 575 626.907 Service of process; judgment by default.—
 576 (1) Service of process upon an insurer or person
 577 representing or aiding such insurer pursuant to s. 626.906 shall
 578 be made by delivering to and leaving with the Chief Financial
 579 Officer, his or her assistant or deputy, or another person in
 580 charge of the ~~or some person in apparent charge of his or her~~
 581 office two copies thereof and the service of process fee as
 582 required in s. 624.502. The Chief Financial Officer shall
 583 forthwith mail by registered mail, commercial carrier, or any
 584 verifiable means one of the copies of such process to the
 585 defendant at the defendant's last known principal place of
 586 business as provided by the party submitting the documents and
 587 shall keep a record of all process so served upon him or her.
 588 The service of process is sufficient, provided notice of such
 589 service and a copy of the process are sent within 10 days
 590 thereafter by registered mail by plaintiff or plaintiff's
 591 attorney to the defendant at the defendant's last known
 592 principal place of business, and the defendant's receipt, or
 593 receipt issued by the post office with which the letter is
 594 registered, showing the name of the sender of the letter and the
 595 name and address of the person to whom the letter is addressed,
 596 and the affidavit of the plaintiff or plaintiff's attorney
 597 showing a compliance herewith are filed with the clerk of the
 598 court in which the action is pending on or before the date the



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

599 | defendant is required to appear, or within such further time as
 600 | the court may allow.

601 | Section 15. Paragraph (a) of subsection (4) of section
 602 | 626.921, Florida Statutes, is amended to read:

603 | 626.921 Florida Surplus Lines Service Office.—

604 | (4) The association shall operate under the supervision of
 605 | a board of governors consisting of:

606 | (a) Five individuals nominated by the Florida Surplus
 607 | Lines Association and appointed by the department from the
 608 | regular membership of the Florida Surplus Lines Association.

609 |
 610 | Each board member shall be appointed to serve beginning on the
 611 | date designated by the plan of operation and shall serve at the
 612 | pleasure of the department for a 3-year term, such term
 613 | initially to be staggered by the plan of operation so that three
 614 | appointments expire in 1 year, three appointments expire in 2
 615 | years, and three appointments expire in 3 years. Members may be
 616 | reappointed for subsequent terms. The board of governors shall
 617 | elect such officers as may be provided in the plan of operation.

618 | Section 16. Subsection (1) of section 626.931, Florida
 619 | Statutes, is amended to read:

620 | 626.931 Agent affidavit and insurer reporting
 621 | requirements.—

622 | (1) Each surplus lines agent that has transacted business
 623 | during a calendar quarter shall on or before the 45th day
 624 | following the ~~each~~ calendar quarter file with the Florida



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

625 Surplus Lines Service Office an affidavit, on forms as
626 prescribed and furnished by the Florida Surplus Lines Service
627 Office, stating that all surplus lines insurance transacted by
628 him or her during such calendar quarter has been submitted to
629 the Florida Surplus Lines Service Office as required.

630 Section 17. Subsection (2) of section 626.9892, Florida
631 Statutes, is amended to read:

632 626.9892 Anti-Fraud Reward Program; reporting of insurance
633 fraud.—

634 (2) The department may pay rewards of up to \$25,000 to
635 persons providing information leading to the arrest and
636 conviction of persons committing crimes investigated by the
637 department ~~Division of Insurance Fraud~~ arising from violations
638 of s. 440.105, s. 624.15, s. 626.9541, s. 626.989, s. 790.164,
639 s. 790.165, s. 790.166, s. 806.031, s. 806.10, s. 806.111, s.
640 817.233, or s. 817.234.

641 Section 18. Paragraph (a) of subsection (7) of section
642 627.7074, Florida Statutes, is amended to read:

643 627.7074 Alternative procedure for resolution of disputed
644 sinkhole insurance claims.—

645 (7) Upon receipt of a request for neutral evaluation, the
646 department shall provide the parties a list of certified neutral
647 evaluators. The department shall allow the parties to submit
648 requests to disqualify evaluators on the list for cause.

649 (a) The department shall disqualify neutral evaluators for
650 cause based only on any of the following grounds:



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

651 1. A familial relationship within the third degree exists
652 between the neutral evaluator and either party or a
653 representative of either party.

654 2. The proposed neutral evaluator has, in a professional
655 capacity, previously represented either party or a
656 representative of either party in the same or a substantially
657 related matter.

658 3. The proposed neutral evaluator has, in a professional
659 capacity, represented another person in the same or a
660 substantially related matter and that person's interests are
661 materially adverse to the interests of the parties. The term
662 "substantially related matter" means participation by the
663 neutral evaluator on the same claim, property, or adjacent
664 property.

665 4. The proposed neutral evaluator has, within the
666 preceding 5 years, worked as an employer or employee of any
667 party to the case.

668 5. The proposed neutral evaluator has, within the
669 preceding 5 years, worked for any entity that performed any
670 sinkhole loss testing, review, or analysis for the property.

671 Section 19. Subsection (13) of section 633.102, Florida
672 Statutes, is amended to read:

673 633.102 Definitions.—As used in this chapter, the term:

674 (13) "Fire service provider" means a municipality or
675 county, the state, the division, or any political subdivision of
676 the state, including authorities and special districts, that



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

677 employs ~~employing~~ firefighters or uses ~~utilizing~~ volunteer
678 firefighters to provide fire extinguishment or fire prevention
679 services for the protection of life and property. The term
680 includes any organization under contract or other agreement with
681 such entity to provide such services.

682 Section 20. Section 633.107, Florida Statutes, is created
683 to read:

684 633.107 Exemption from disqualification from licensure or
685 certification.—

686 (1) The department may grant an exemption from
687 disqualification to any person disqualified from licensure or
688 certification by the Division of State Fire Marshal under this
689 chapter because of a criminal record or dishonorable discharge
690 from the United States Armed Forces if the applicant has paid in
691 full any fee, fine, fund, lien, civil judgment, restitution,
692 cost of prosecution, or trust contribution imposed by the court
693 as part of the judgment and sentence for any disqualifying
694 offense and:

695 (a) At least 5 years have elapsed since the applicant
696 completed or has been lawfully released from confinement,
697 supervision, or nonmonetary condition imposed by the court for a
698 disqualifying offense; or

699 (b) At least 5 years have elapsed since the applicant was
700 dishonorably discharged from the United States Armed Forces.

701 (2) For the department to grant an exemption, the
702 applicant must clearly and convincingly demonstrate that he or



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CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

703 she would not pose a risk to persons or property if permitted to
704 be licensed or certified under this chapter, evidence of which
705 must include, but need not be limited to, facts and
706 circumstances surrounding the disqualifying offense, the time
707 that has elapsed since the offense, the nature of the offense
708 and harm caused to the victim, the applicant's history before
709 and after the offense, and any other evidence or circumstances
710 indicating that the applicant will not present a danger if
711 permitted to be licensed or certified.

712 (3) The department has discretion whether to grant or deny
713 an exemption. The department shall provide its decision in
714 writing which, if the exemption is denied, must state with
715 particularity the reasons for denial. The department's decision
716 is subject to proceedings under chapter 120, except that a
717 formal proceeding under s. 120.57(1) is available only if there
718 are disputed issues of material fact that the department relied
719 upon in reaching its decision.

720 (4) An applicant may request an exemption, notwithstanding
721 the time limitations of paragraphs (1)(a) and (b), if by
722 executive clemency his or her civil rights are restored, or he
723 or she receives a pardon, from the disqualifying offense. The
724 fact that the applicant receives executive clemency does not
725 alleviate his or her obligation to comply with subsection (2) or
726 in itself require the department to award the exemption.

727 (5) The division may adopt rules to administer this
728 section.



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

729 Section 21. Section 633.135, Florida Statutes, is created
730 to read:

731 633.135 Firefighter Assistance Grant Program.—

732 (1) The Firefighter Assistance Grant Program is created
733 within the division to improve the emergency response capability
734 of volunteer fire departments and combination fire departments.
735 The program shall provide financial assistance to improve
736 firefighter safety and enable such fire departments to provide
737 firefighting, emergency medical, and rescue services to their
738 communities. For purposes of this section, the term "combination
739 fire department" means a fire department composed of a
740 combination of career and volunteer firefighters.

741 (2) The division shall administer the program and annually
742 award grants to volunteer fire departments and combination fire
743 departments using the annual Florida Fire Service Needs
744 Assessment Survey. The purpose of the grants is to assist such
745 fire departments in providing volunteer firefighter training and
746 procuring necessary firefighter personal protective equipment,
747 self-contained breathing apparatus equipment, and fire engine
748 pumper apparatus equipment. However, the division shall
749 prioritize the annual award of grants to combination fire
750 departments and volunteer fire departments demonstrating need as
751 a result of participating in the annual Florida Fire Service
752 Needs Assessment Survey.

753 (3) The State Fire Marshal shall adopt rules and
754 procedures for the program that require grant recipients to:



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

755 (a) Report their activity to the division for submission
756 in the Fire and Emergency Incident Information Reporting System
757 created pursuant to s. 633.136;

758 (b) Annually complete and submit the Florida Fire Service
759 Needs Assessment Survey to the division;

760 (c) Comply with the Florida Firefighters Occupational
761 Safety and Health Act, ss. 633.502-633.536;

762 (d) Comply with any other rule determined by the State
763 Fire Marshal to effectively and efficiently implement,
764 administer, and manage the program; and

765 (e) Meet the definition of the term "fire service
766 provider" in s. 633.102.

767 (4) Funds shall be used to:

768 (a) Provide firefighter training to individuals to obtain
769 a Volunteer Firefighter Certificate of Completion pursuant to s.
770 633.408. Training must be provided at no cost to the fire
771 department or student by a division-approved instructor and must
772 be documented in the division's electronic database.

773 (b) Purchase firefighter personal protective equipment,
774 including structural firefighting protective ensembles and
775 individual ensemble elements such as garments, helmets, gloves,
776 and footwear, that complies with NFPA No. 1851, "Standard on
777 Selection, Care, and Maintenance of Protective Ensembles for
778 Structural Fire Fighting and Proximity Fire Fighting," by the
779 National Fire Protection Association.

780 (c) Purchase self-contained breathing apparatus equipment



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CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

781 that complies with NFPA No. 1852, "Standard on Selection, Care,
 782 and Maintenance of Open-Circuit Self-Contained Breathing
 783 Apparatus."

784 (d) Purchase fire engine pumper apparatus equipment. Funds
 785 provided under this paragraph may be used to purchase the
 786 equipment or subsidize a federal grant from the Federal
 787 Emergency Management Agency to purchase the equipment.

788 Section 22. Subsection (8) of section 633.208, Florida
 789 Statutes, is amended to read:

790 633.208 Minimum firesafety standards.—

791 (8) The provisions of the Life Safety Code, as contained
 792 in the Florida Fire Prevention Code, do not apply to ~~newly~~
 793 ~~constructed~~ one-family and two-family dwellings. However, fire
 794 sprinkler protection may be permitted by local government in
 795 lieu of other fire protection-related development requirements
 796 for such structures. While local governments may adopt fire
 797 sprinkler requirements for one- and two-family dwellings under
 798 this subsection, it is the intent of the Legislature that the
 799 economic consequences of the fire sprinkler mandate on home
 800 owners be studied before the enactment of such a requirement.
 801 After the effective date of this act, any local government that
 802 desires to adopt a fire sprinkler requirement on one- or two-
 803 family dwellings must prepare an economic cost and benefit
 804 report that analyzes the application of fire sprinklers to one-
 805 or two-family dwellings or any proposed residential subdivision.
 806 The report must consider the tradeoffs and specific cost savings



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CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

807 and benefits of fire sprinklers for future owners of property.
808 The report must include an assessment of the cost savings from
809 any reduced or eliminated impact fees if applicable, the
810 reduction in special fire district tax, insurance fees, and
811 other taxes or fees imposed, and the waiver of certain
812 infrastructure requirements including the reduction of roadway
813 widths, the reduction of water line sizes, increased fire
814 hydrant spacing, increased dead-end roadway length, and a
815 reduction in cul-de-sac sizes relative to the costs from fire
816 sprinkling. A failure to prepare an economic report shall result
817 in the invalidation of the fire sprinkler requirement to any
818 one- or two-family dwelling or any proposed subdivision. In
819 addition, a local jurisdiction or utility may not charge any
820 additional fee, above what is charged to a non-fire sprinklered
821 dwelling, on the basis that a one- or two-family dwelling unit
822 is protected by a fire sprinkler system.

823 Section 23. Paragraph (b) of subsection (4) and subsection
824 (8) of section 633.408, Florida Statutes, are amended, and
825 subsection (9) is added to that section, to read:

826 633.408 Firefighter and volunteer firefighter training and
827 certification.—

828 (4) The division shall issue a firefighter certificate of
829 compliance to an individual who does all of the following:

830 (b) Passes the Minimum Standards Course examination within
831 12 months after completing the required courses.

832 (8) (a) Pursuant to s. 590.02(1)(e), the division shall



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CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

833 establish a structural fire training program of not less than
834 206 hours. The division shall issue to a person satisfactorily
835 complying with this training program and who has successfully
836 passed an examination as prescribed by the division and who has
837 met the requirements of s. 590.02(1)(e), a Forestry Certificate
838 of Compliance.

839 (b) An individual who holds a current and valid Forestry
840 Certificate of Compliance is entitled to the same rights,
841 privileges, and benefits provided for by law as a firefighter.

842 (9) A Firefighter Certificate of Compliance or a Volunteer
843 Firefighter Certificate of Completion issued under this section
844 expires 4 years after the date of issuance unless renewed as
845 provided in s. 633.414.

846 Section 24. Subsection (2) of section 633.412, Florida
847 Statutes, is amended to read:

848 633.412 Firefighters; qualifications for certification.—

849 ~~(2) If the division suspends or revokes an individual's~~
850 ~~certificate, the division must suspend or revoke all other~~
851 ~~certificates issued to the individual by the division pursuant~~
852 ~~to this part.~~

853 Section 25. Section 633.414, Florida Statutes, is amended
854 to read:

855 633.414 Retention of firefighter and volunteer firefighter
856 certifications certification.—

857 (1) In order for a firefighter to retain her or his
858 Firefighter Certificate of Compliance, every 4 years he or she



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CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

859 | must meet the requirements for renewal provided in this chapter
860 | and by rule, which must include at least one of the following:

861 | (a) Be active as a firefighter.~~†~~

862 | (b) Maintain a current and valid fire service instructor
863 | certificate, instruct at least 40 hours during the 4-year
864 | period, and provide proof of such instruction to the division,
865 | which proof must be registered in an electronic database
866 | designated by the division.~~†~~

867 | (c) Within 6 months before the 4-year period expires,
868 | successfully complete a Firefighter Retention Refresher Course
869 | consisting of a minimum of 40 hours of training to be prescribed
870 | by rule.~~†~~~~or~~

871 | (d) Within 6 months before the 4-year period expires,
872 | successfully retake and pass the Minimum Standards Course
873 | examination pursuant to s. 633.408.

874 | (2) In order for a volunteer firefighter to retain her or
875 | his Volunteer Firefighter Certificate of Completion, every 4
876 | years he or she must:

877 | (a) Be active as a volunteer firefighter; or

878 | (b) Successfully complete a refresher course consisting of
879 | a minimum of 40 hours of training to be prescribed by rule.

880 | (3) Subsection (1) does not apply to state-certified
881 | firefighters who are certified and employed full-time, as
882 | determined by the fire service provider, as firesafety
883 | inspectors or fire investigators, regardless of their ~~her or his~~
884 | employment status as firefighters or volunteer firefighters a



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CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

885 ~~firefighter.~~

886 (4) For the purposes of this section, the term "active"
887 means being employed as a firefighter or providing service as a
888 volunteer firefighter for a cumulative period of 6 months within
889 a 4-year period.

890 (5) The 4-year period begins upon issuance of the
891 certificate or separation from employment;

892 ~~(a) If the individual is certified on or after July 1,~~
893 ~~2013, on the date the certificate is issued or upon termination~~
894 ~~of employment or service with a fire department.~~

895 ~~(b) If the individual is certified before July 1, 2013, on~~
896 ~~July 1, 2014, or upon termination of employment or service~~
897 ~~thereafter.~~

898 (6) A certificate for a firefighter or volunteer
899 firefighter expires if he or she fails to meet the requirements
900 of this section.

901 (7) The State Fire Marshal may deny, refuse to renew,
902 suspend, or revoke the certificate of a firefighter or volunteer
903 firefighter if the State Fire Marshal finds that any of the
904 following grounds exists:

905 (a) Any cause for which issuance of a certificate could
906 have been denied if it had then existed and had been known to
907 the division.

908 (b) A violation of any provision of this chapter or any
909 rule or order of the State Fire Marshal.

910 (c) Falsification of a record relating to any certificate



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

911 | issued by the division.

912 | Section 26. Subsections (1) and (2) of section 633.426,
913 | Florida Statutes, are amended to read:

914 | 633.426 Disciplinary action; standards for revocation of
915 | certification.—

916 | (1) For purposes of this section, the term:

917 | (a) "Certificate" means any of the certificates issued
918 | under s. 633.406.

919 | (b) "Certification" or "certified" means ~~the act of~~
920 | holding a certificate that is current and valid and that meets
921 | the requirements for renewal of certification pursuant to this
922 | chapter and the rules adopted under this chapter ~~certificate.~~

923 | (c) "Convicted" means a finding of guilt, or the
924 | acceptance of a plea of guilty or nolo contendere, in any
925 | federal or state court or a court in any other country, without
926 | regard to whether a judgment of conviction has been entered by
927 | the court having jurisdiction of the case.

928 | (2) Effective July 1, 2013, an individual who holds a
929 | certificate is subject to revocation for any of the following ~~An~~
930 | ~~individual is ineligible to apply for certification if the~~
931 | ~~individual has, at any time, been:~~

932 | (a) Conviction ~~Convicted~~ of a misdemeanor relating to the
933 | certification or to perjury or false statements.

934 | (b) Conviction ~~Convicted~~ of a felony or a crime punishable
935 | by imprisonment of 1 year or more under the law of the United
936 | States or of any state thereof, or under the law of any other



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

937 country.

938 (c) Dishonorable discharge ~~Dishonorably discharged~~ from
 939 any of the Armed Forces of the United States.

940 Section 27. Section 717.138, Florida Statutes, is amended
 941 to read:

942 717.138 Rulemaking authority.—The department shall
 943 administer and provide for the enforcement of this chapter. The
 944 department has authority to adopt rules pursuant to ss.
 945 120.536(1) and 120.54 to implement the provisions of this
 946 chapter. The department may adopt rules to allow for electronic
 947 filing of fees, forms, and reports required by this chapter. The
 948 authority to adopt rules pursuant to this chapter applies to all
 949 unclaimed property reported and remitted to the Chief Financial
 950 Officer, including, but not limited to, property reported and
 951 remitted pursuant to ss. 43.19, 45.032, 732.107, 733.816, and
 952 744.534.

953 Section 28. Paragraph (d) of subsection (3) of section
 954 627.062, Florida Statutes, is amended to read:

955 627.062 Rate standards.—

956 (3)

957 (d)1. The following categories or kinds of insurance and
 958 types of commercial lines risks are not subject to paragraph

959 (2) (a) or paragraph (2) (f):

960 a. Excess or umbrella.

961 b. Surety and fidelity.

962 c. Boiler and machinery and leakage and fire extinguishing



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

- 963 equipment.
- 964 d. Errors and omissions.
- 965 e. Directors and officers, employment practices, fiduciary
- 966 liability, and management liability.
- 967 f. Intellectual property and patent infringement
- 968 liability.
- 969 g. Advertising injury and Internet liability insurance.
- 970 h. Property risks rated under a highly protected risks
- 971 rating plan.
- 972 i. General liability.
- 973 j. Nonresidential property, except for collateral
- 974 protection insurance as defined in s. 624.6085.
- 975 k. Nonresidential multiperil.
- 976 l. Excess property.
- 977 m. Burglary and theft.
- 978 n. Travel insurance, if issued as a master group policy
- 979 with a situs in another state where each certificateholder pays
- 980 less than \$30 in premium for each covered trip and where the
- 981 insurer has written less than \$1 million in annual written
- 982 premiums in the travel insurance product in this state during
- 983 the most recent calendar year.
- 984 ~~o.n.~~ Medical malpractice for a facility that is not a
- 985 hospital licensed under chapter 395, a nursing home licensed
- 986 under part II of chapter 400, or an assisted living facility
- 987 licensed under part I of chapter 429.
- 988 ~~p.o.~~ Medical malpractice for a health care practitioner



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

989 | who is not a dentist licensed under chapter 466, a physician
 990 | licensed under chapter 458, an osteopathic physician licensed
 991 | under chapter 459, a chiropractic physician licensed under
 992 | chapter 460, a podiatric physician licensed under chapter 461, a
 993 | pharmacist licensed under chapter 465, or a pharmacy technician
 994 | registered under chapter 465.

995 | ~~g.p.~~ Any other commercial lines categories or kinds of
 996 | insurance or types of commercial lines risks that the office
 997 | determines should not be subject to paragraph (2) (a) or
 998 | paragraph (2) (f) because of the existence of a competitive
 999 | market for such insurance or similarity of such insurance to
 1000 | other categories or kinds of insurance not subject to paragraph
 1001 | (2) (a) or paragraph (2) (f), or to improve the general
 1002 | operational efficiency of the office.

1003 | 2. Insurers or rating organizations shall establish and
 1004 | use rates, rating schedules, or rating manuals to allow the
 1005 | insurer a reasonable rate of return on insurance and risks
 1006 | described in subparagraph 1. which are written in this state.

1007 | 3. An insurer shall notify the office of any changes to
 1008 | rates for insurance and risks described in subparagraph 1.
 1009 | within 30 days after the effective date of the change. The
 1010 | notice must include the name of the insurer, the type or kind of
 1011 | insurance subject to rate change, and the average statewide
 1012 | percentage change in rates. Actuarial data with regard to rates
 1013 | for such risks must be maintained by the insurer for 2 years
 1014 | after the effective date of changes to those rates and are



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

1015 subject to examination by the office. The office may require the
1016 insurer to incur the costs associated with an examination. Upon
1017 examination, the office, in accordance with generally accepted
1018 and reasonable actuarial techniques, shall consider the rate
1019 factors in paragraphs (2) (b), (c), and (d) and the standards in
1020 paragraph (2) (e) to determine if the rate is excessive,
1021 inadequate, or unfairly discriminatory.

1022 4. A rating organization shall notify the office of any
1023 changes to loss cost for insurance and risks described in
1024 subparagraph 1. within 30 days after the effective date of the
1025 change. The notice must include the name of the rating
1026 organization, the type or kind of insurance subject to a loss
1027 cost change, loss costs during the immediately preceding year
1028 for the type or kind of insurance subject to the loss cost
1029 change, and the average statewide percentage change in loss
1030 cost. Actuarial data with regard to changes to loss cost for
1031 risks not subject to paragraph (2) (a) or paragraph (2) (f) must
1032 be maintained by the rating organization for 2 years after the
1033 effective date of the change and are subject to examination by
1034 the office. The office may require the rating organization to
1035 incur the costs associated with an examination. Upon
1036 examination, the office, in accordance with generally accepted
1037 and reasonable actuarial techniques, shall consider the rate
1038 factors in paragraphs (2) (b)-(d) and the standards in paragraph
1039 (2) (e) to determine if the rate is excessive, inadequate, or
1040 unfairly discriminatory.



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

1041 Section 29. Subsection (1) of section 627.0645, Florida
1042 Statutes, is amended to read:

1043 627.0645 Annual filings.—

1044 (1) Each rating organization filing rates for, and each
1045 insurer writing, any line of property or casualty insurance to
1046 which this part applies, except:

1047 (a) Workers' compensation and employer's liability
1048 insurance; ~~or~~

1049 (b) Insurance as defined in ss. 624.604 and 624.605,
1050 limited to coverage of commercial risks other than commercial
1051 residential multiperil; or

1052 (c) Travel insurance, if issued as a master group policy
1053 with a situs in another state where each certificateholder pays
1054 less than \$30 in premium for each covered trip and where the
1055 insurer has written less than \$1 million in annual written
1056 premiums in the travel insurance product in this state during
1057 the most recent calendar year,

1058
1059 shall make an annual base rate filing for each such line with
1060 the office no later than 12 months after its previous base rate
1061 filing, demonstrating that its rates are not inadequate.

1062 Section 30. For the 2016-2017 fiscal year, the sum of
1063 \$229,165 in recurring funds from the Insurance Regulatory Trust
1064 Fund is appropriated to the Department of Financial Services,
1065 and one full-time equivalent position with associated salary
1066 rate of 50,000 is authorized, for the purpose of implementing



ENROLLED

CS/CS/CS/HB 651, Engrossed 2

2016 Legislature

1067 | this act.

1068 | Section 31. This act shall take effect July 1, 2016.