

**PROGRAM DIVISION  
BULLETIN**

2006-33

September 19, 2006

**AGENCY LICENSING LAW IN FLORIDA**

**IMPORTANT INFORMATION REGARDING THE NEW INSURANCE  
AGENCY LICENSING LAW IN FLORIDA**

A law was passed in 2005 that requires all insurance agencies to apply for licensure or registration by **October 1, 2006**. Here is an overview of the major points of the law.

Licensure and Registration

**§ ALL INSURANCE AGENCIES CONDUCTING BUSINESS IN FLORIDA  
MUST APPLY FOR LICENSURE OR REGISTRATION PRIOR TO OCTOBER  
1, 2006.**

§ There is no fee for Licensure or Registration.

§ Any location that an individual uses to perform a function that requires an agent license must be licensed or registered as an insurance agency. This means that an agent that is based in his/her home must obtain an agency license for that location.

§ Failure to apply for Licensure or Registration before the October 1, 2006 deadline may result in a fine of up to \$10,000.

§ Agencies are eligible for Registration if they were in business prior to January 1, 2003 AND are one of the following:

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- Entirely owned by licensed and appointed insurance agents
- Publicly traded on a stock exchange
- An agency whose primary function is offering insurance as a service or benefit to members of a nonprofit organization

§ All other agencies **MUST** apply for Licensure.

§ Every agency location must be licensed or registered with the department. You may not obtain one license in order to cover multiple agency locations.

§ **EVERY LOCATION MUST HAVE A LICENSED AND APPOINTED AGENT IN FULL-TIME CHARGE OF THAT AGENCY.** An agent **MAY NOT** be the Agent In Charge of multiple locations at the same time. The application will require you to identify the Agent In Charge of each location.

§ Registrations **MAY NOT** be recognized by other states for reciprocity. Licenses will be recognized by other states for reciprocity.

§ Agency licenses must be renewed every 3 years. There is no charge for renewals. Registrations do not have to be renewed.

§ Agencies will apply for Licensure or Registration online at <https://aalf.fldfs.com>. Renewals, Agent In Charge changes, address updates, requests for Letters of Certification, and other functions will also be performed at the same site.

§ Agencies will **NOT** be appointed by insurance companies, and will **NOT** appoint the agents that operate within those agencies. Agencies are only authorized to appoint Customer Service Representatives (who may also be appointed directly by General Lines Agents).

#### Fingerprint Requirements

§ Officers, owners and directors of insurance agencies are required to be fingerprinted unless they meet one of the following exemptions:

- The agency qualifies for Registration
- The individual is a licensed and appointed insurance agent
- The agency is publicly traded on a stock exchange

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§ Any owner, officer or director of an insurance agency that does not meet one of these exemptions must be fingerprinted, even if he or she is added to the agency after licensure is obtained.

§ Failure to comply with the fingerprinting requirement will prevent the agency from obtaining a license. If the agency is already licensed and adds a new owner that fails to meet the requirement, then the agency will be referred to the Bureau of Investigation for disciplinary action.

#### Tracking/Enforcement

§ There are several instances that require an individual to be licensed and appointed. Agents In Charge must be licensed and appointed. An agency that qualifies for Registration by being entirely owned by insurance agents must have owners that are all licensed and appointed. The department IS TRACKING the license and appointment status of each individual associated with the agency.

§ If an Agent In Charge loses his/her license or all appointments, that agency must either correct his/her license status OR identify a new Agent In Charge within 30 days.

§ An agency that qualifies for Registration by being owned entirely by insurance agents must ensure that those owners maintain a license and at least one appointment at all times. If an owner loses all licenses or appointments, then that agency will lose its qualification for Registration and will have to apply for a License.

§ Agents that are associated with an agency MUST complete their Continuing Education requirements. Failing to timely complete C. E. will cause an agent to lose all of his/her appointments, which may have an impact on the compliance of the agency.

Additional information may be found on the Florida website <https://aalf.fldfs.com>. If you have any questions regarding this notice, please contact the Florida Insurance Dept. directly.

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