

DEPARTMENT OF FINANCIAL SERVICES

DIVISION OF AGENT AND AGENCY SERVICES

NOTICE OF PROPOSED RULE DEVELOPMENT

RULE:

RULE TITLE:

69B-215.235, F.A.C.

Use of Designations

PURPOSE AND EFFECT: The purpose of the proposed rule development is to extend guidance and set forth standards in the use of professional designations or certifications by licensees engaged in the marketing and sale of insurance products. The proposed rule clarifies that lawful designations must be granted only by recognized organizations that maintain published standards and procedures that assure the ongoing competency and ethical conduct of members or conferees. The proposed rule prohibits any use of self-conferred or baseless designations by licensees engaged in the marketing of insurance products. The proposed rule is designed to protect consumers from deceptive trade practices by licensees who claim, or falsely imply, certain levels of expertise or credentials that could reasonably induce consumers to place unwarranted confidence in the quality, accuracy, or veracity of their statements.

SUBJECT AREA TO BE ADDRESSED: Use of designations and certifications in the marketing of insurance products.

RULEMAKING AUTHORITY: 626.9611(1) FS.

LAW IMPLEMENTED: 626.9541(1)(ff) FS.

IF REQUESTED IN WRITING AND NOT DEEMED UNNECESSARY BY THE AGENCY HEAD, A RULE DEVELOPMENT WORKSHOP WILL BE HELD AT THE TIME, DATE, AND PLACE SHOWN BELOW:

DATE AND TIME: Tuesday, October 26, 2010 @ 10:00 AM

PLACE: 116 Larson Building, 200 East Gaines Street, Tallahassee, Florida.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE DEVELOPMENT AND A COPY OF THE PRELIMINARY DRAFT, IF AVAILABLE, IS: Richard Brinkley, Government Analyst II, Bureau of Investigation, Division of Insurance Agent and Agency Services, Department of Financial Services, 200 East Gaines Street, Tallahassee, Florida 32399-0319, (850) 413-5654.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this program, please advise the Department at least 5 calendar days before the program by contacting the person listed above.

THE PRELIMINARY TEXT OF THE PROPOSED RULE DEVELOPMENT IS:

69B-215.235 Use of Designations

(1) The purpose of this rule is to set forth standards to protect consumers from dishonest, deceptive, misleading, and fraudulent trade practices with respect to the use of certifications and professional designations in

the marketing, solicitation, negotiation, sale or purchase of, or advice made in connection with any insurance transaction.

(2) The department does NOT endorse any professional designation.

(3) A designation is any combination of words (or an acronym standing for a combination of words) that indicates or implies that a person has special knowledge or training in advising or servicing consumers beyond the knowledge or training required for the license held.

(4) A designation may not be lawfully used under the Insurance Code unless the designation is obtained from an organization that:

(a) Has published standards and procedures for assuring the competency of its certificants or designees, which standards and procedures are continually utilized by the organization; or

(b) Has published standards and procedures for monitoring and disciplining its certificants or designees for improper or unethical conduct which standards and procedures are continually utilized by the organization;

(5) The organization or entity conferring the designation must specify the exact terminology, combination of words and/or acronym to be used by the designee.

(6) The prohibited use of any designation includes, but is not limited to, the following:

(a) Use of a designation by a person who has not actually earned or is otherwise ineligible to use such designation;

(b) Use of a nonexistent or self-conferred designation

(c) Use of a designation that indicates or implies a level of occupational qualifications obtained through education, training, or experience that the person using the designation does not have, and

(d) Use of any designation not obtained in compliance with subsection (4), above.

Rulemaking Authority 626.9611(1) FS. Law Implemented 626.9541(1)(ff) FS. History–New.