

NOTICE OF PROPOSED RULE

DEPARTMENT OF FINANCIAL SERVICES
Division of Insurance Agents and Agency Services

RULE NO.:	RULE TITLE:
69B-228.180	Forms
69B-228.220	Licensee Compliance; Requirements; Penalties for Non-Compliance

PURPOSE AND EFFECT: The purpose of the proposed amendments is to implement changes made by Chapter 2012-209, Laws of Florida, to Section 626.2815, F.S. Effective October 1, 2014, licensees will be required to complete a 5-hour update course every 2 years which is specific to the license held by the licensee and cover insurance law updates, premium discounts, ethics, disciplinary trends, industry trends, and suitability of insurance products. Since all licensees have 24 months to complete their continuing education requirements, the new law will affect those licensees who began their continuing education cycle on November 1, 2012 and will complete the cycle in October, 2014.

SUMMARY: The proposed rule amendments will allow continuing education providers to develop appropriate course materials, submit them for approval by the Department, and then offer the courses to licensees. The proposed amendment will implement these legislative changes by:

- (1) adopting a curriculum outline form;
- (2) approving courses for the following lines of insurance: life and variable annuity; life, health, and variable annuity; health; general lines; adjuster; public adjuster; and bail bonds; and
- (3) requiring that the course include a discussion of the following subject areas: regulatory awareness; insurance law and updates; ethical requirements; and trends.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST AND LEGISLATIVE RATIFICATION: The agency has determined that this rule will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the agency.

The agency has determined that the proposed rule is not expected to require legislative ratification based upon the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: The Department conducted an economic analysis of the potential impact of the proposed changes and determined that there will be no adverse economic impact or regulatory increases that would require legislative ratification.

Any person who wishes to provide information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 624.308, 648.26(1)(a) FS

LAW IMPLEMENTED: 624.307(1), 624.501, 626.221(2)(d), 626.2815, 626.611, 626.621, 626.681, 626.691, 626.8419, 626.869(5), 627.952(1)(b), 648.385, 648.386 FS

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW (IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

DATE AND TIME: March 13, 2013 @ 2:00 P.M.

PLACE: Room 116, Larson Building, 200 E. Gaines Street, Tallahassee, FL

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 5 days before the workshop/meeting by contacting Jean Jeune at (850) 413-5411 or Jean.Jeune@myfloridacfo.com. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Jean Jeune, Senior Management Analyst Supervisor, Bureau of Licensing, Room 419, Larson Building, 200 E. Gaines Street, Tallahassee, FL 32399-0318 Phone (850) 413-5411 or Jean.Jeune @MyFloridaCFO.com.

THE FULL TEXT OF THE PROPOSED RULE IS:

69B-228.180 Forms.

(1) The following forms are hereby adopted and incorporated by reference:

FORM	TITLE	REVISED
(a) DFS-H2-397	Schedule of Course Offerings	rev. 1/01
(b) DFS-H2-398	Certification of Instructor	rev. 1/01
(c) DFS-H2-399	Certificate of Completion	rev. 4/98
(d) DFS-H2-400	Roster	rev. 2/01
(e) DFS-H2-460	Request for Extension of Time	rev. 2/99
(f) DFS-H2-463	Nonresident Agent Certification	rev. 11/00
(g) DFS-H2-464	Application for Course Provider Approval	rev. 11/00
(h) DFS-H2-465	Course Provider Information Update	rev. 11/00
(i) DFS-H2-501	Appointment Form	rev. 6/00
(j) DFS-H2-1106	Statement of Government Status	rev. 12/96
(k) DFS-H2-1108	Statement of Adjuster Status	rev. 8/98
(l) DFS-H2-1109	Application for CLU/CPCU/College Degree + Experience Status	rev. 4/98
(m) DFS-H2-1111	Computer Transmittal Form	rev. 4/98
(n) DFS-H2-1137	Application for School Official Appointment	rev. 11/00

(o)	DFS-H2-1268	Application for Course Approval	rev. 11/00
(p)	DFS-H2-1269	Application for Supervising Instructor Approval	rev. 11/00
(q)	<u>DFS-H2-2081</u>	<u>5-Hour Law and Ethics Update</u>	<u>eff. 12/12</u>

(2) (a) All forms in subsection (1) above may be obtained from and shall be submitted to the Bureau of Agent and Agency Licensing, Larson Building, 200 East Gaines Street, Tallahassee, Florida 32399-0319, or the current contract vendor for the specific process for which the form is needed, and may be reproduced at will. The forms are also available on the Department's website at <http://www.myfloridacfo.com/Division/Agents>.

(b) No change.

(3) No change.

Rulemaking Specific Authority 624.308, 648.26 FS. Law Implemented 624.307(1), 624.501, 626.2815, 626.8419(1), 626.869(5), 627.952(1)(b), 648.386 FS. History—New 8-17-93, Amended 4-29-01, Formerly 4-228.180, Amended

69B-228.220 Licensee Compliance; Requirements; Penalties for Non-Compliance.

(1) through (12) No change.

(13) A curriculum outline for a 5-hour law and ethics update course shall be approved by the Department on Form DFS-H2-2081, "5-hour Law and Ethics Update," which is incorporated by reference in Rule 69B-228.180, F.A.C.

(a) A 5-hour law and ethics update course shall be approved in any of the following authorities:

1. Life and Variable Annuity.
2. Life Health and Variable Annuity.
3. Health.
4. General Lines.
5. Adjuster.
6. Public Adjuster.
7. Bail Bonds.

(b) The course shall not be approved for less than 5 hours and 5 hours of the course must follow the curriculum outline approved by the Department including discussion on the following subjects:

1. Regulatory Awareness.
2. Insurance Law and Updates.
3. Ethical Requirements.
4. Trends.

(c) The course shall only apply to a compliance cycle if the 5-hour course is:

1. Specific to a license held by the licensee when the compliance cycle began;
- and
2. Not completed earlier than the compliance cycle immediately preceding.

(d) An approved 5-hour course shall expire two years after its approval date.
Rulemaking Authority 624.308, 648.26(1)(a) FS. Law Implemented 624.307(1), 626.221(2)(d), 626.2815, 626.611, 626.621, 626.681, 626.691, 626.869(5),

648.385 FS. History—New 8-17-93, Amended 4-11-94, 4-29-01, Formerly 4-228.220, Amended 1-17-05, 8-3-09, _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Jean Jeune, Senior Management Analyst Supervisor, Department of Financial Services

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Jeff Atwater, Chief Financial Officer, Department of Financial Services

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: February 12, 2013

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: December 27, 2012