

MEMORANDUM

TO: ALL FLORIDA CONTINUING EDUCATION PROVIDERS

FROM: AUDREY HUGGINS, CHIEF, BUREAU OF LICENSING

SUBJECT: CONTINUING EDUCATION ON UNAUTHORIZED ENTITIES TRAINING

DATE: SEPTEMBER 1, 2004

During the 2004 legislative session, the two hours of unauthorized entities training was removed from the statute. Therefore, as of July 1, 2004, the department will no longer require the stand-alone course but will continue to approve courses that include, or wholly contain, education on issues relating to unauthorized entities. Rule 69-228.080(1)(c) states that the "department will approve a course as an acceptable continuing education program" if it meets certain criteria. One of the criteria is that the course contains "significant intellectual or practical content to enhance and improve the insurance knowledge of the participants."

The department's experience over the past several years has shown that there is a substantial problem with licensed Florida agents selling unapproved insurance through unauthorized entities. In many of these instances the agents failed to recognize that the entities were not licensed insurance companies. The problem has resulted in the loss of hundreds of millions of dollars to Florida residents due to unpaid claims and theft of premiums. Agents who sell the lines of insurance that these entities typically offer need to be educated on laws and issues relating to this problem. Therefore, it is appropriate for the department to require continuing education courses for these lines of insurance, which will address these issues.

Beginning September 1, 2004, all material submitted to the department for course approval will be checked to verify that the subject of unauthorized entities is included in the outline. A specified time will not be required to cover the topic of unauthorized entities but a portion of the course must be included in the subject matter. This requirement will be for all General Lines and Life/Health/Variable Annuities providers. Please call 850-413-3137 for any questions concerning this requirement.