Introduction: 2018 Licensing-Related Legislative Changes

Effective July 1, 2018

Managing General Agents (MGAs) – HB 1073 – Numerous statutory citations were effected due to this change, including 626.112; 626.744; 626.7451; 626.88; 648.27

MGA licenses will no longer be issued. Those individuals and firms holding MGA licenses will be able to keep them. Going forward, for individuals wanting to be an MGA, they must get an MGA appointment under a General Lines (P&C), Life, Health, or Bail Bond license. Going forward for firms wanting to be an MGA, they must now get an MGA appointment under an Insurance Agency license.

Fingerprinting requirements – HB 1073 – 626.202; 648.34

Currently, fingerprints are valid for one year. After July 1, 2018, if an individual applicant is currently licensed and he/she is seeking an additional license and he/she has been fingerprinted with us in the last four years, they will not be required to get fingerprinted again. If the individual applicant is not currently licensed when he/she applies, then the one year timeframe still applies.

Active Military Members, Veterans, and their Spouses - HB 29 – 626.171; 626.732; 626.7851; 626.8311; 626.8417; 626.927

Waives the pre-licensing course requirement if the individuals above are currently in good standing or have been honorably discharged (no timeframe). Application fees exempted if the individuals above are currently in good standing or have been honorably discharged within 24 months of application.

New Adjuster Designation – HB 1073 – 626.221

A new adjuster designation – Claims Adjuster Certified Professional (CACP) from WebCE, Inc. - is being added to the current list of adjuster designations that exempts an adjuster licensing examination for our all-lines adjuster license.

Character and credit reports – HB 1073 – 626.521 (although 626.451(2) was not amended, it relates to this topic)

Removes requirement that reinsurance intermediary applicants provide a copy of the character and credit report. Clarifies that an appointing entity must secure a credit and character report/investigation before appointing an individual. Gives appointing entities flexibility in determining who performs the check and its scope since prior to this change appointing entities had to use a recognized 3rd party provider.

Exchange of Business/Excess or Rejected Business – HB 1073 – 624.501; 626.752; 626.793; 626.837

Changes the threshold for company registration of a property & casualty insurance agent (for exchange of business) and a life or health insurance agent (for excess or rejected business) to four (4) sales, from the current 24.

Most Florida applications require SSN’s for approval. If you submit a SSN and receive an “error”, it is because that SSN is already in use. Creating a false SSN in order to complete the application is not only a violation of Florida Law, but creates permanent record of that false SSN tying it to the submitted applicant. This creates more problems, and possible administrative actions.
Meet the Team - 2018

This Year, the Education Unit has seen several key changes and we felt this was a great time to bring everyone up to date. Heather Cleary departed for new opportunities, which brought Jean Jeune back to Education with his years of Management experience. Lisa Chuites has also left the team to pursue new opportunities within the bureau. After several years with consumer services, we see the return of Suzanne Perkins and her warm smile is a welcome one.

Clay Tidwell: Clay came to the Department with several years of experience in the private insurance sector as a Qualification Specialist, and is currently an Examiner in the Education Unit. Tom has extensive knowledge of the requirements for insurance licensing along with the requirements of continuing education.

Suzanne Perkins: Suzanne came to the Department 6 yrs. ago to the Education Unit. She was later promoted into the Division of Consumer Services as a Team Lead. Just recently she has returned to the Education Unit and serves as one of our elite Insurance Examiners. Suzanne has extensive knowledge of continuing education and current insurance laws and regulations.

Tom Rowell: Tom has worked for the Department of Financial Services for nearly 15 years. He began in the Bureau of Licensing, as a Qualification Specialist, and is currently an Examiner in the Education Unit. Tom has extensive knowledge of the requirements for insurance licensing along with the requirements of continuing education.

Matt Wester: Matt has more than 30 years of extensive P&C Industry experience with work in the Florida Department of Insurance and Florida Surplus Lines Service Office. He brings a wealth of knowledge to the team.

Earnest Fryson: Earnest is the information “hub” of the Education Unit. He has been in the Education Unit the longest and is responsible for allocating all work assignments. He distributes emails, applications and coordinates the units meetings and schedules.

Paul Hirko: Paul comes to the Team from Bureau of Investigations, with Consumer Services background and a strong knowledge of Florida Law, and Florida Administrative Code. He is the Education Compliance Officer.

Jean Jeune: Jean has been with the Department for almost 8 years. Four of those years have been in Management for the Education Unit. Jean is a licensed life and health agent and is proud to be a part of an amazing Education team.

Contact the Education Unit: Education@MyFloridaCFO.com
Courses containing new legislation content will be approved beginning on... wait for it... wait for it... the date the new legislation becomes law.

Every year hundreds of bills with proposed changes to law are filed and submitted to the legislature. If passed, some of those proposed amendments, could have a major impact on the insurance industry in Florida. It’s tempting to want to start teaching on the impact of these new bills; however, it is important to remember not all submitted bills will become law.

The survival rate of a legislative bill can be likened to the survival rate of salmon during a life cycle event called the Salmon Run. The Salmon Run is an upstream journey salmon take back to their place of birth where they spawn new life. Not all of them make it, however. Many fall victim to ocean currents and hungry bears, eagles, and whales. Much the same, very few bills survive the grueling legislative process to be able to call itself law. These bills, too, must survive a challenging process including review committees, amendments, floor votes and the executive pen.

Therefore, it is important not to commit too early to teach on content that potentially will not become law. It’s great to want to get new information out as early as possible, but it’s better to wait and get the right information out on time.

Content on legislation bills that have not become law is not approvable under Department rules.

The status of current year bills can be tracked and monitored on:

Did you know that Providers of Self-Study Online courses must provide online access for the Department to review or audit the course?

This is mandated in section 69B-228.080 (3) F.A.C., which states: “Online access for the Department to review the course.”

Self-Study online providers who are not allowing the Department access to their courses are subject to receiving a Letter of Guidance or an administrative action, such as a fine.

Providers are required to provide online access to the Department upon the submission of a course for approval. However, that access may be affected by internal modifications. Providers should routinely check to make sure that access granted to the Department remains intact. If any changes are made the provider should notify the Department immediately. Don’t wait until a phone call or email comes from the Department.

As a reminder, please make sure your Self-Study Online courses are available for online access at all times.

Conundrum

By Matt Wester

Do I register my class as a webinar or classroom course? This often times presents a classic conundrum; “A confusing and difficult problem.”

Webinar courses are delineated from classroom courses by having the title of the course contain the term “webinar”. Additionally, the checklist for webinar courses requires providers to explain how students interact with the instructor and how attendance is verified.

A classroom in the traditional sense includes an instructor with students physically located in the same room as the instructor. A webinar, which may also have students physically present in the classroom with the instructor, is intended to be broadcast via the internet in order for students in remote locations to interact with the instructor during the course offering. For this reason, a classroom course (in the traditional sense) cannot be presented as a webinar as it is not broadcast over the intranet. However, a webinar can be can be offered in a classroom setting (in the traditional sense) yet still allow students in remote locations to be present through the live broadcast that provide for a live student-instructor interchange.

With the ability to offer a webinar in a classroom setting, there is a bit of a conundrum when you add course offering. Course offerings require the provider to file notice with the Department 5 business days prior to holding the course. So what is a provider to do, when during the registration period for the webinar no students sign up for web delivery of the course? There is no apparent mechanism to inform the Department that the webinar is being held as a classroom only course and you have invited the Department to your webinar.

In the “Comments” section of the offering application, drop a note letting the Department know the webinar is being held in a classroom only setting (you could even add “in the traditional sense”).

Moving on to the next conundrum:

Teenagers...
Quality is Job 1

By Clay Tidwell

Do you remember this slogan from the 1980s…. “Quality is Job 1”.?

It was the main marketing message from Ford Motor Company. The meaning was clear, Ford took the issue of “Quality” seriously and quality was going to be “built in”, not just “inspected in” at the end of the production process.

Stemming from our mission, the Division’s Education Unit strives to process insurance education related applications in a timely and accurate manner and to fairly audit and investigate violations of Florida’s regulations.

It is our vision to be the most responsive and effective insurance education enforcement agency in the nation, by ensuring quality resources are made available to provide the best educated insurance professionals. In other words, we think quality is the number one priority when it comes to our mission and vision, and we take it seriously.

We expect that same attitude to emanate from every provider approved by the Division of Insurance Agency & Agency Services’ Education Unit. We will give providers the tools and information needed to be successful and stay within the laws and rules which regulate all providers. With those tools, we hope providers will take the issue of “Quality” very seriously when it comes to providing Pre-licensing and Continuing Education to the customers they serve. Providers should continue to ask themselves specific questions to ensure the quality of service and education is being provided;

1. Are you building “quality” into your program, or building an “audit passing” program?
2. Are you teaching the material approved by the Division of Insurance Agent and Agency Services in its entirety and by the book (F.A.C. Rule)?
3. Are you holding students accountable for the duration of the course, whether online, classroom, webinar, etc.?
4. Are you making necessary efforts to ensure proper student identification is verified and correctly submitted on rosters and certificates to avoid errors, delays in licensing, and fines?
5. Are you visiting our website, looking through the FAQ’s, F.A.C. rule, and our Archived Provider Insights, Calls, and Other Materials to obtain information to stay up to date?

Quality means doing it right when no one is looking.

Henry Ford

Contact the Education Unit: Education@MyFloridaCFO.com
Letters of Guidance

By Paul Hirko

Letters of Guidance are issued from the Department as a means of providing direct feedback to providers on noted violations of the Florida Insurance Code. These Code violations include the late filing of course offerings and rosters, as well as, certificate of completion violations, records audit violations and course audit violations.

The following table lists the number of violation occurrences in which the Department has issued Letters of Guidance. These include late roster filings, late course offering submissions, and other violations during the last quarter of 2017 and first half of 2018.

The Department remains concerned regarding the high number of occurrences of late roster violations. The numbers shown above in green represent the number of students who were reported outside of the Florida’s regulations 21-calendar-days requirement.

Providers are responsible to ensure that rosters are submitted timely and the data that is uploaded on a roster is 100% accurate prior to submitting the roster to the Department. The implementation of attendance procedures, diligent identity verification, and documentation should mitigate against the entry of erroneous data as well as aid in timely submissions.

In turn, submitting timely and accurate data greatly reduces the possibility of delaying the processing of a licensing application or cause penalties to be imposed on a licensee for non-compliance of their CE requirements.
### Case Notes and Enforcement Actions

Some of the following enforcement actions were resolved through a settlement process resulting in an order for discipline. Notification of enforcement actions is in the public interest. While every effort is made to provide correct information, our readers are cautioned to check with the Department for complete details. This listing does not reflect pending appeals or requests for hearings. The status may have changed since the filing of these orders.

**IMPORTANT NOTE:** Actions taken after July 1, 2015, can be searched for at the Florida Division of Administrative Hearings' [website](#). For further information, you may make a public records request via [email](#) or contact the Public Records Unit. Warning: No part of this listing may be used by a provider, school official, instructor, licensee or other individual or entity to gain an unfair competitive advantage over any person or entity named herein. Any provider, school official, instructor, licensee or other individual or entity who does so is in violation of Section 626.9541(1)(c), Florida Statutes.

<table>
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<tr>
<th>BUSINESS NAME</th>
<th>SCHOOL OFFICIAL NAME</th>
<th>PROVIDER ID#</th>
<th>PROVIDER TYPE</th>
<th>DISPOSITION</th>
<th>FINE/ COST</th>
<th>DOCUMENT</th>
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<td>Rene Gutierrez (Revoked)</td>
<td>363138</td>
<td>Continuing Education and Pre-Licensing</td>
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**Provider Word Search**

G Z R T R A R D V S U N Y C E
I N T E U A E O E J O R O T C
D Q I D P D N L S I Z U R C N
J U I S N U F I T T R V E A A
C T L E I S R A M S E C S T I
H J L W T T C P E E W R U N L
E B E U I O R A O S S J M O P
C W D E V Y P E A S I P E C M
K Y H E G P X B V Q E J M F O
L Z R B R D X V V D I J R V C
I V M O Y W E B I N A R T I L
S Y V P I H S N A M S E L A S
T A E V I T C E L E L T I T J
L C T H N Z G O P N Q W V M V
A T T E N D A N C E E E G M G N

**Words to Find:**
- Advertising
- Attendance
- Audit
- Blended
- Checklist
- Compliance
- Contact
- Course Approval
- Elective
- Repurpose
- Resume
- Revocation
- Roster
- Salesmanship
- Self Study
- Seminar
- Title
- Webinar
Education Unit

Education@MyFloridaCFO.com - For education-related questions (pre-licensing, continuing education, providers, etc.)

MyProfile - Check up on any of the Provider applications you may have pending, education information, and more.

Licensees are reminded to update any change in their name, addresses (including email) or phone numbers by logging in to their MyProfile account. If you also have an agency license, don't forget to log in to your agency's MyProfile account and update it as well. Providers are reminded to update any change in their school officials, addresses (including email) or phone numbers by logging in to their MyProfile account.

Bureau of Licensing

AgentLicensing@MyFloridaCFO.com - For general inquiries about licensing.

Education@MyFloridaCFO.com - For education-related questions (pre-licensing, continuing education, providers, etc.)

MyProfile - Check your up-to-the-minute application status, education information, and more.

Licensees are reminded to update any change in their name, addresses (including email) or phone numbers by logging in to their MyProfile account. If you also have an agency license, don't forget to log in to your agency's MyProfile account and update it as well.

Bureau of Investigation

Compliance issues, licensees and insurers only:

Title@MyFloridaCFO.com - For title insurance matters

BailBond@MyFloridaCFO.com - For bail bond matters

Adjusters@MyFloridaCFO.com - For adjuster matters

For all other matters not related to licensing or education please email: askDFS@MyFloridaCFO.com

Or send mail to: 200 East Gaines Street
Larson Building, Room 412
Tallahassee, FL 32399-0320

Title Insurance Data Call

TitleAgencyReporting@flioir.com - For questions about the filing process

TitleDataCall@flioir.com - For all other questions about the data call

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We welcome suggestions and inquiries concerning Provider Insights. Please direct them to Clay Tidwell.

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