

**HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

**BILL #:** HB 523 Continuing Education for Public Adjusters  
**SPONSOR(S):** Patterson  
**TIED BILLS:** **IDEN./SIM. BILLS:** SB 2190

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<b>REFERENCE</b>	<b>ACTION</b>	<b>ANALYST</b>	<b>STAFF DIRECTOR</b>
1) Insurance Regulation (Sub)		Cheek	Schulte
2) Insurance			
3) Commerce & Local Affairs Apps. (Sub)			
4) Appropriations			
5)			

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**SUMMARY ANALYSIS**

A "public adjuster" is an insurance adjuster who represents the insured on a fee-for-service basis in claims determinations and settlements.

The bill requires 24 hours of continuing education every 2 years for all licensed public adjusters. The bill also gives the Office of Insurance Regulation rulemaking authority with respect to continuing education for worker's compensations adjusters and public adjusters.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. DOES THE BILL:

- |                                      |                              |                             |   |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government?                | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes?                      | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom?        | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families?                 | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

#### B. EFFECT OF PROPOSED CHANGES:

##### Background

Currently, any person holding a license for 24 consecutive months or longer, and every 2 years thereafter, who engages in adjusting worker's compensation insurance must complete 24 hours of continuing education courses, 2 hours of which related to ethics, in subjects designed to inform the licensee regarding the current worker's compensation law of this state in order to adjust fairly.

##### Changes in Current Law

The bill provides similar requirements for public adjusters. A person holding a public adjuster license for 24 consecutive months or longer, and every two years thereafter, is required to complete 24 hours of continuing education courses, 2 hours of which relate to ethics, in subjects designed to inform the licensee regarding current laws of the state of pertaining to lines of insurance other than life and annuities in order to adjust fairly.

The bill also gives the Office of Insurance Regulation rulemaking authority with respect to continuing education for worker's compensation adjusters and public adjusters.

#### C. SECTION DIRECTORY:

Section 1: Amends section 626.869, F.S., relating to licensed public adjusters.

Section 2: Provides that the act takes effect upon becoming a law.

### II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

#### A. FISCAL IMPACT ON STATE GOVERNMENT:

##### 1. Revenues:

None.

##### 2. Expenditures:

None.

#### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

##### 1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Public adjusters would be required to take 24 hours of continuing education every 2 years.

D. FISCAL COMMENTS:

There does not appear to be a fiscal impact on state or local government.

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill authorizes the Office of Insurance Regulation to adopt rules necessary to implement and administer the continuing education requirements for both workers' compensations adjusters and public adjusters.

C. DRAFTING ISSUES OR OTHER COMMENTS:

The Financial Services Commission is the appropriate agency to adopt rules necessary to implement and administer the continuing education requirements. Under s. 20.121, F.S., the Financial Services Commission (i.e., the Governor and Cabinet) sets policy through rulemaking, and the Office of Insurance Regulation carries out those policies on a case-by-case basis. A technical amendment to address this issue is available.

### IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.