

Rule Summary and Fiscal Analysis (Part A)**Department of Insurance**

Agency Name

Division

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3901-9-02

Rule Number

NO CHANGE

TYPE of rule filing

Rule Title/Tag Line

**Viatical settlement broker license and registration of insurance
agents operating as a viatical settlement broker.****RULE SUMMARY**

1. Is the rule being filed for five year review (FYR)? **Yes**
2. Are you proposing this rule as a result of recent legislation? **No**
3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: **119.03**
4. Statute(s) authorizing agency to adopt the rule: **3916.05, 3916.20**
5. Statute(s) the rule, as filed, amplifies or implements: **3916.01, 3916.02, 3916.03, 3916.05, 3916.16, 3916.20**
6. State the reason(s) for proposing (i.e., why are you filing,) this rule:
Five year rule review under section 119.032 of the Revised Code.
7. If the rule is an AMENDMENT, then summarize the changes and the content of the proposed rule; If the rule type is RESCISSION, NEW or NO CHANGE, then summarize the content of the rule:

This rule provides the standards and requirements for applicants applying for initial licensure as a viatical settlement broker, or the renewal of a previously issued license and for the registration of insurance agents operating as a viatical settlement broker. This rule provides the form filing requirements and fees for licenses, renewals, and form approvals.

There are no proposed amendments to this rule.

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.

9. If the rule incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

Not Applicable.

11. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so. If applicable, indicate each specific paragraph of the rule that has been modified:

Not Applicable.

12. Five Year Review (FYR) Date: **8/14/2015** and **08/14/2020**

(If the rule is not exempt and you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

NOTE: If the rule is not exempt at the time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

FISCAL ANALYSIS

13. Estimate the total amount by which *this proposed rule* would **increase / decrease** either **revenues / expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will have no impact on revenues or expenditures.

0.00

Not applicable.

14. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

Not applicable.

15. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

The filing fee for an initial viatical settlement broker licensure application is two hundred dollars, an application for renewal is one hundred dollars.

The fee for an extension request of viatical settlement education (VSE) credit requirements is one hundred dollars.

The fee for a new form filing is fifty dollars per filing.

There are no amendments to this rule and therefore no additional costs of compliance are proposed as a result of this rule review.

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **No**

17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**

S.B. 2 (129th General Assembly) Questions

18. Has this rule been filed with the Common Sense Initiative Office pursuant to R.C. 121.82? **Yes**

19. Specific to this rule, answer the following:

A.) Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? **Yes**

This rule applies only to applicants applying for licensure as a viatical settlement broker or those previously licensed who are applying for renewal.

B.) Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? **Yes**

A violation of this rule is an unfair and deceptive trade practice under sections 3901.19 to 3901.26 of the Revised Code and a violation of Chapter 3916. of the Revised Code. In addition, a violation of section 3916.02 of the Revised Code is a third degree felony pursuant to section 3916.99 of the Revised Code.

C.) Does this rule require specific expenditures or the report of information as a condition of compliance? **Yes**

Any individual life insurance agent applying to operate in this state as a viatical settlement broker shall register annually with the superintendent of insurance as a registered life insurance agent on a form designated for that purpose by the superintendent.