

1 1. The directors of the Office of Insurance Regulation
2 and the Office of Financial Regulation must be nominated by
3 the Chief Financial Officer, who shall forward the nominations
4 to the other members of the commission. The commission shall
5 act on each nomination by majority vote; however, in the event
6 of a tie vote of the commission, the side on which the Chief
7 Financial Officer voted prevails. ~~The commission shall appoint~~
8 ~~or remove each director by a majority vote consisting of at~~
9 ~~least three affirmative votes, with both the Governor and the~~
10 ~~Chief Financial Officer on the prevailing side.~~ The minimum
11 qualifications of the directors are as follows:

12 ~~a.1.~~ Prior to appointment as director, the Director of
13 the Office of Insurance Regulation must have had, within the
14 previous 10 years, at least 5 years of responsible private
15 sector experience working full time in areas within the scope
16 of the subject matter jurisdiction of the Office of Insurance
17 Regulation or at least 5 years of experience as a senior
18 examiner or other senior employee of a state or federal agency
19 having regulatory responsibility over insurers or insurance
20 agencies.

21 ~~b.2.~~ Prior to appointment as director, the Director of
22 the Office of Financial Regulation must have had, within the
23 previous 10 years, at least 5 years of responsible private
24 sector experience working full time in areas within the
25 subject matter jurisdiction of the Office of Financial
26 Regulation or at least 5 years of experience as a senior
27 examiner or other senior employee of a state or federal agency
28 having regulatory responsibility over financial institutions,
29 finance companies, or securities companies.

30 2. The following governs removal of the director of
31 the Office of Insurance Regulation or of the Office of

1 Financial Regulation from office. The Governor or the Chief
2 Financial Officer shall petition the commission for removal of
3 the director. The commission shall act on the petition by
4 majority vote; however, in the event of a tie vote of the
5 commission, the side on which the Chief Financial Officer
6 voted prevails.

7 Section 2. The act shall take effect July 1, 2007.

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9 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
10 COMMITTEE SUBSTITUTE FOR
11 CS/SB 264

12 Eliminates the transfer of powers delegated to the Office of
13 Insurance Regulation to the Department of Financial Services.

14 Modifies the appointment process for the director of the
15 Office of Insurance Regulation. Requires the director to be
16 nominated by the Chief Financial Officer and voted upon by the
17 members of the Financial Services Commission. Requires a
18 majority vote of the commission to appoint the director. In
19 the event of a tie vote, provides that the side on which the
20 Chief Financial Officer votes prevails.
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