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**NOTICE**

TO: All Education Providers

DATE: March 18, 2010

SUBJECT: Revised Prelicensing and Continuing Education Regulations

The California Office of Administrative Law recently approved amendments to the Prelicensing and Continuing Education Course regulations, Sections 2186 through 2188.9 of the California Code of Regulations (CCR), which take effect on March 25, 2010. Listed below are summaries describing several changes contained in four sections of the regulations which were amended that affect all education providers.

1) Instructor/Subject Matter Expert Qualifications Section 2188.1.

There are four changes to this section as follows:

- An instructor or subject matter expert must meet at least one of the following qualifications: (a) three years experience within the last five years in the course or related subject matter, or (b) currently licensed as an insurance or life agent or broker-agent for the subject being taught and holding the insurance license for three of the last five years, or (c) possession of a college degree in the subject matter being taught, or a related recognized professional designation, or related designation, or related recognized professional credentials in the subject matter being taught and two years experience within the last five years in the course or related subject matter.
- The instructor/subject matter expert shall be available to respond to students' questions regarding non-contact continuing education course content within one business day.
- The approved education provider must collect and maintain specific documentation to demonstrate that the instructor/subject matter expert meets the minimum qualifications.
- The qualification documents for instructor/subject matter experts are to be retained for a minimum of five years.

2) Course Approval, Section 2188.2

There are two changes to this section as follows:

- A student enrolled in a contact course shall not receive more than 480 minutes per day of instruction. Credit hours for non-contact courses and the non-contact portion of a combination course shall be determined using a sixty (60) minute hour. Fractional hours or credit of less than one (1) hour shall not be granted.
- Non-contact courses must include measures to ensure that the course material is adequate for the approved credit hours (i.e. includes 4,600 words per credit hour, a final examination that has a minimum of three questions for each credit hour, the course examination time must total at least ten percent and not more than fifteen percent of the course completion time).

3) Maintenance of Records, Section 2188.4 (b).

There is one change to this section as follows:

- Student records are required to be maintained by education providers in a manner that will protect the identity and non-public personal information of the student.

4) Prelicensing and Continuing Education Program Course Attendance Record and Verification, Form LIC 446-5, Section 2188.50 (e)

There is one change to this section as follows:

- For the course attendance record form, education providers must allow students to submit either the last four digits of their social security number or the license number. Previously, the entire social security number was required.

In addition to the amendments listed above, requirements affecting online prelicensing courses were also introduced in these regulations. A separate notice is being sent to prelicensing education providers that details their requirements.

We encourage all education providers to review the entire text of the approved Prelicensing and Continuing Education regulations. Please go to CDI's Web site at www.insurance.ca.gov, select Agents and Broker, and then select Applying to Become an Approved Education Provider. On that Web page, scroll down to California Code of Regulations and select Prelicensing and Continuing Education Regulations.

If you have any questions or concerns with this Notice, please contact the Education Section at (916) 492-3064.