



RICARDO LARA
CALIFORNIA INSURANCE COMMISSIONER

California Department of Insurance Curriculum Board Meeting Minutes

Thursday, February 15, 2024
12:30 p.m. to 3:00 p.m.

The meeting was called to order at 12:30 p.m. by Board Chairperson, Jesse Dogillo.

Jesse Dogillo (Chairperson), Bay Area Financial & Insurance Services	Colbie McRae, insureCAL Insurance Agency
Anne Lintz (Vice Chairperson), Anne Lintz Insurance Agency, Inc.	Gloria Mitchell, Gloria Mitchell Bail Bonds
Janise Graham, Entrepreneur's Insurance Services	Sandra Moriarty, Roadmap to Recovery Project Coordinator
Monique Howard, Inland Marine at Ascot Group (Absent)	Peter Schiffrin, Schiffrin, Gagnon & Dickey, Inc.
Michael Lujan, Michael Lujan Consulting Group, LLC (Absent)	Doug Smith, Inclusive Action for the City
	Vinh Truong, CMT Insurance Agency

- 1. Welcome:** Chairperson Dogillo welcomed and thanked the Board members and guests for attending the Curriculum Board (Board) meeting and reviewed the meeting procedures.
- 2. Minutes:** Chairperson Dogillo asked for a motion from the Board members to approve the October 19, 2023, Board meeting minutes. Board member Vinh Truong made a motion to approve the meeting minutes and Board member Doug Smith seconded the motion. The October 19, 2023, meeting minutes were approved.
- 3. Licensing Update:** Charlene Ferguson, Chief of the Licensing Services Division (Licensing), provided a Licensing update and a legislative report.

2023 Legislative Session: Senate Bill (SB) 263 (Dodd), Insurance: Annuities and Life Insurance Policies was held in the Assembly Appropriations Committee at the end of the first year of the 2023-2024 Legislative Session. On January 18, 2024, the bill passed the Assembly Appropriations Committee, and was amended on the Assembly Floor to meet the NAIC Suitability Model Act ([Model Act](#)) requirements. SB 263 passed the Assembly Floor on February 12, 2024, and was returned to the Senate Unfinished Business.

The NAIC Model Act requires states to adopt the 2020 version of the Model Act by February 2025 to maintain the authority to regulate the sale of fixed and fixed-indexed annuities. It provides an exemption for such annuities from federal securities regulation.

The amendments made on the Assembly Floor, did not change SB 263's life agent training requirements. These require any life insurance agent licensed on or after January 1, 2024, who engages in the sale of specified life insurance policies on or after January 1, 2025, to complete four hours of training before soliciting individual consumers to sell these life insurance policies. SB 263 also requires the life agent who sells variable life policies to complete two hours of variable insurance training before each license renewal.

SB 263 states the bill's purpose is to ensure (insurance) producers act in the consumer's best interest when recommending an annuity product, and requiring insurers to supervise such recommendations by producers.

This bill also requires a life insurer to provide to all consumers who purchase an annuity with the National Association of Insurance Commissioners (NAIC) approved annuity buyer's guide as a standalone document with the annuity or prior to the delivery of the annuity.

Notices: On December 1, 2023, the Department distributed the [Notice - AB 451 License Examinations Available in Multiple Languages](#).

[Assembly Bill \(AB\) 451](#) amended [California Insurance Code section 1677](#) to remove the Spanish language license examination sunset date. AB 451 also added subdivisions (b), (c), and (d) to the California Insurance Code requiring the Department to begin administering license examinations for the life agent, accident and health or sickness agent, property agent, casualty agent and the subset license qualification examinations in English, Spanish, Simplified Chinese, Vietnamese, and Korean languages starting on January 1, 2024. In addition to the five languages, the above-noted license examinations will also be available in Tagalog starting on July 1, 2024.

Charlene explained that the Department will include the number of individuals taking the examinations in the multiple languages as well as the pass rates in the [Annual Report of the Commissioner](#).

From January 1, 2024 through February 6, 2024, there were a total of 57 Chinese language examinations taken with an overall pass rate of 65 percent and 16 Korean language examinations taken with an overall pass rate of 56 percent. The Spanish examinations fluctuated with a total of 177 Spanish language examinations taken and an overall pass rate of 38 percent. The ten percent rate for the Spanish language personal lines examination brought down the percentage; however, the Spanish Language limited lines auto examination pass

rate was 77 percent. The life, accident and health or sickness pass rate was 52 percent and the accident and health or sickness examination pass rate was 56 percent. There were four Vietnamese examinations with a pass rate of 50 percent.

The Department provided the Educational Objectives in the new languages for students to prepare for their examinations. During the license examinations, students can toggle between English and the different language during the examination.

Agent & Broker ALERT: The Department's Consumer Relations and Outreach Branch provided the Licensing Services Division with copies of the ALERTS to distribute to the appropriate licensees. The ALERTS are also placed on the Department's Agents & Brokers ALERT [webpage](#). As of the date of this meeting, the following ALERTS were distributed:

- November 3, 2023, [Help Your Community by Becoming an Agent for California Low Cost Auto Insurance!](#)
- November 14, 2023, [California's Sustainable Insurance Strategy](#)
- December 20, 2023, [Commissioner Lara gives progress report on Sustainable Insurance Strategy at Assembly hearing](#)

4. **Examination Statistics Update:** Rebecca Galsote, Curriculum Compliance Analyst, provided the examination statistics report and the license examination percentage scores report. The percentage scores report provided the number of candidates who scored 50 percent or higher on their license examination for the time period of January 1, 2023 through December 31, 2023.

Rebecca also reported there were three Administrative Bar incidents from January 1, 2023 to December 31, 2023, which resulted in three Administrative Bars being issued. [California Insurance Code section 1681.5](#) states what is considered to be "willfully cheating" on a license examination and can result in a license examinee being issued an Administrative Bar.

5. **Long-Term Care Outline Subcommittee Report:** Dillon Gingras, Education Analyst, reported on the status of the Long-Term Care (LTC) Subcommittee's (Subcommittee) development of Four-Hour Long-Term Care Outlines (Outlines).

The Subcommittee held its first meeting on September 20, 2022, and meets every two weeks unless scheduling conflicts arise. The Subcommittee has completed the content curriculum for two of the four-hour long-term outlines, "Navigating the LTC Claims Process" and "Suitability."

The Subcommittee is finalizing content for the third Four-Hour LTC Outline, titled "LTCI Plan Design," and expects to complete this outline in March 2024.

The Subcommittee's goal is to have a minimum of three or four four-hour LTC course outlines available for accident and health or sickness agents to meet their eight-hour LTC continuing education requirement before each license renewal.

The Subcommittee may consider developing additional course outlines as new LTC topics of importance arise.

The next meeting for the Four-Hour LTC Subcommittee is scheduled for Thursday, February 22, 2024, at 1 p.m. via Microsoft Teams. The meeting information is also available on the Department's website under "[Curriculum Board](#)."

Charlene Ferguson explained that once the four-hour LTC outlines are available to the education providers to prepare the courses, a Notice will be distributed to life agents announcing that there are four-hour long-term care courses available. Individuals will be able to take two four-hour courses to meet the eight-hour long-term care course requirement ([California Insurance Code section 10234.93](#)).

6. **SB 263 Life Insurance Subcommittee Report:** Maria Alfaro, Education Analyst, reported on the status of the SB 263 Life Insurance Subcommittee's (Subcommittee) development of two courses.

At the July 20, 2023, Curriculum Board meeting, the Board Chairperson Jesse Dogillo appointed the Subcommittee to develop two life insurance course outlines.

The first course outline is stated in SB 263 Annuity and Life Insurance Policies, section 1749.81(a), requires a life agent licensed on or after January 1, 2024, who sells life insurance policies other than term life with no cash value, to complete a four-hour life insurance policies course before being authorized to sell nonterm life insurance policies on or after January 1, 2025.

The second course outline is in SB 263, section 1749.81(b). This two-hour variable life insurance policies course requires life agents who sell variable life insurance policies to complete the course prior to each license renewal.

The Subcommittee held its first meeting on January 23, 2024, and will meet every other Tuesday from 10 a.m. to 12 p.m. unless scheduling conflicts arise. The Subcommittee is developing content for the four-hour life insurance course outline titled: "2025 Life Insurance Policies Four-Hour Course."

The Subcommittee's goal is to have the initial four-hour "2025 Life Insurance Policies Four-Hour Course" outline ready for distribution by the spring of 2024, and the two-hour variable life insurance policies course available by the summer of 2024.

The next SB 263 Life Insurance Subcommittee meeting is scheduled for Tuesday, February 20, 2024, at 10 a.m. (PST) via Microsoft Teams.

7. **Curriculum Review Update and Schedule:** Dawn Ward, Chief of the Curriculum and Officer Review Bureau, provided the Department's Curriculum Review Schedule update.

As reported at the October 19, 2023, Curriculum Board meeting, former Curriculum Board Chairperson Neil Granger requested the Department to have PSI schedule a Life and Disability Insurance Analyst Examination Workshop to update and align these examinations questions with the Life and Disability Insurance Analyst Examination Objectives.

In January 2024, a PSI Examination Workshop was held, and the questions were reviewed. Megan Kincheloe, PSI Services LLC's Managing Test Development Specialist, Curriculum Review Section staff, and the subject matter experts who participated in the workshop were also creating additional questions. Once the updates are completed and the Board's Legal Liaison, Christine Carroll, who is filling in for Katey Piciucco, will review the questions. If approved, the updated questions will be launched in the life and disability insurance analyst license examination. The Department was informed that PSI would launch the new questions in May 2024.

The "Annuity and Life Insurance Outlines" (SB 263 [Dodd] Insurance: annuities and life insurance policies) addition to the Board's Curriculum Review Schedule, were added to the Curriculum Review Section based on Chairperson Dogillo's appointment of an Annuity and Life Insurance Outlines Subcommittee during the July 20, 2023, Board meeting to create the new annuity and life course curriculum. The name of this subcommittee is now referred to as the Senate Bill 263 Life Insurance Subcommittee, which Maria Alfaro provided a detailed summary on the Subcommittee's efforts.

Dawn asked the Board to please note the Twenty-Four-Hour Coverage and Guidelines and the Homeowners' Insurance Valuation curriculum review date were moved to August 2024, to align with the projected review of the Property, Casualty, Personal Lines, Limited Lines Automobile Educational Objectives and the Commercial Insurance Examination Objectives.

Dawn stated the Board's liaison, Ammy Dang, will be sending the educational and examination objectives to the Board in June for the Board to determine whether the curriculum is current or if updates are required. If updates are required, Chairperson Dogillo will be asked to appoint a new subcommittee to review the Objectives at the July 18, 2024, Curriculum Board meeting.

8. **Education Work Status Report:** Alyssa Hampton, Education Analyst, reviewed the Education Unit's statistics from January 1, 2023 through December 31, 2023. Alyssa also informed the Board that all paper and Sicon applications, received within 10 days of its receipt at the Department, were assigned to an education analyst to review.
9. **Roundtable:** Guest Max Herr commented that he, Arthur (Art) Singer, and three other life and disability analysts acted as subject matter experts (SME) during the Life and Disability Insurance Analyst Examination Workshop. The five SMEs discovered that the examination objectives fell short of what they believed is good

curriculum for a life and disability analyst. Max explained the five SMEs are willing to work with the Curriculum Board to help revise the Life and Disability Insurance Analyst Examination Objectives to make the curriculum more relevant.

Max stated the SMEs would like the Curriculum Board to consider appointing a new subcommittee to review the examination objectives and make it more relevant. Charlene complimented Max and the other SMEs for their work on updating the examination questions during this PSI Workshop. After reviewing Max's suggestion, the Department will contact the five SMEs to request their participate in the Life and Disability Insurance Analyst Examination Objectives review during the Objectives next scheduled review.

Vice Chairperson Anne Lintz asked if the solicitor appointments and terminations could be made available online in Sircon. Charlene advised that this request was submitted to Sircon to provide these services online and an update will be provided at the July 18th Curriculum Board meeting.

- 10. Final Remarks and Adjournment:** Chairperson Dogillo reminded the Board members and guests that the next Board meeting is scheduled for Thursday, July 18, 2024, and the meeting will begin at 12:30 p.m. Curriculum Review Section will provide the Board members and guests with the next Board meeting arrangements approximately 30 days before the July 18th meeting.

Chairperson Dogillo asked for a motion to adjourn the meeting. Vice Chairperson Anne Lintz made a motion, and Board member Peter Schifrin seconded the motion to adjourn the meeting. Chairperson Dogillo announced the February 15, 2024, Board meeting was adjourned at 1:25 p.m.