



RICARDO LARA
CALIFORNIA INSURANCE COMMISSIONER

California Department of Insurance Curriculum Board Meeting Minutes

Thursday, July 18, 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
Anne Lintz (Vice Chairperson), Anne
Lintz Insurance Agency, Inc.
Janise Graham, Entrepreneur's
Insurance Services
Aretha Hartley, Allstate Insurance
Monique Howard, Inland Marine at
Ascot Group (Absent)
Michael Lujan, Michael Lujan
Consulting Group, LLC (Absent)
Colbie McRae, insureCAL Insurance
Agency

Gloria Mitchell, Gloria Mitchell Bail
Bonds
Sandra Moriarty, Roadmap to
Recovery Project Coordinator
Monique Howard, Allstate Insurance
Peter Schiffrin, Schiffrin, Gagnon &
Dickey, Inc.
Doug Smith, Inclusive Action for the
City
Samantha Tradelius, Lytespeed
Learning
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 February 15, 2024, Board meeting minutes. Board member Peter Schiffrin made a motion to approve the meeting minutes and Board member Janise Graham seconded the motion. The February 15, 2024, meeting minutes were approved.
3. **Licensing Update:** Charlene Ferguson, Chief of the Licensing Services Division (Licensing), explained the Department's Licensing Services Division restructure and provided a Licensing update and a legislative report.

Manager Change: Lynne Reinhardt, Manager of the Curriculum Review Section last day with the Department was Friday, July 12th. Lynne has accepted a position with the California Department of Consumer Affairs. Dawn Ward is working with the Department's Human Resources Management Division to fill the vacant

Curriculum Review Section Manager position and is planning to have the interview process completed and a new Manager of the Curriculum Review Section in place relatively soon.

The Licensing Services Division is now restructured with new Bureau and Section names.

On July 1, 2024, the Curriculum and Officer Review Bureau, which Dawn Ward is the Chief, was renamed to be the Curriculum and Licensing Background Bureau (CLBB).

- **The new Curriculum and Licensing Background Bureau has now 29 staff.** This Bureau now consists of three major sections:

- 1) **Curriculum Review Section** – no change
- 2) **Licensing Background Section - 1 (LBS-1)**, which is the new name of the Office Background Section and is managed by Carrie Berkstresser.
- 3) **Licensing Background Section - 2 (LBS-2)**, which is the new name of the Producer Licensing Background Section and was moved from the Producer Licensing Bureau to the new Curriculum and Licensing Background Bureau and is managed by Gina Castellino.

On July 1, 2024, Licensing's Producer Licensing Bureau, which Troy Dickinson is the Chief, was renamed to be the **Licensing and Administrative Business Bureau (LABB)**

- **The new Licensing and Administrative Business Bureau has now 39 staff.** This Bureau consists of two sections:

- 1) **Licensing Processing Section (LPS)** which is the new name for Producer Licensing Processing Section, Yesenia Ix is their Manager.
- 2) **The new Administrative and Business Entity Section (ABES)** The new Administrative and Business Entity is to effectively centralize LSD's procurement, ordering of supplies and invoice processing by working closely with the Business Management Bureau (BMB) and the Information Technology Division (ITD) Procurement offices as well as the LSD management team to process new and renewing contracts, interagency agreements, subscriptions, or preparing documents for the bidding process, when requires, as well as the ordering/invoice processing.

The Business Entity Unit will be moved to the new Administration and Business Bureau to provide the Business Entity Unit analysts with the opportunity to advance their analytical skills while completing Business Entity analytical and administrative duties.

Licensing is in the processing of hiring a manager for this new section.

The primary objectives for Licensing's restructure are to provide increased effectiveness and efficiencies in our operations by reducing or eliminating overlapping and repetitive actions, improve communication and collaboration, as well as improve opportunities for staff advancement within Licensing.

2023 Legislative Session:

[Senate Bill \(SB\) 263](#) (Dodd, Chapter 2, Statutes of 2024) Insurance: annuities and life insurance policies was signed by Governor Gavin Newsom on February 29, 2024, and will take effect on January 1, 2025. This new law adds section 1749.81 to the California Insurance Code. Section 1749.81(b) requires life agents who sell variable life insurance policies to complete two hours of topic specific training before each license renewal. This section applies to licenses that are issued or renewed on or after January 1, 2025.

Chairman Dogillo Chairman Dogillo appointed the SB 263 Subcommittee at the July 20, 2023 Board meeting. With the assistance of the Department's Legal Branch Attorney's as subject matter experts, the SB 263 Subcommittee is meeting the goals to develop the new required life and variable life insurance curriculum and will soon be concentrating on the SB 263 annuity training updates. Education Unit Analyst, Maria Alfaro, provided the Subcommittee's accomplishments and plans during this meeting.

[SB 966](#) (Wiener and Wahab) Pharmacy Benefits was in Assembly Appropriations at the time of this meeting. Subsequent to this meeting, SB 966 is enrolled and is on the Governor's desk. This bill establishes a California Department of Insurance licensing requirement for pharmacy benefit managers (PBMs) and imposes several contracting and compensation requirements and prohibitions affecting PBMs, health plans and insurers, pharmacists and pharmacies. SB 966 creates duties and obligations on PBMs, legal remedies for health plans and insurers; makes reports confidential and exempt from the California Public Records Act; and imposes civil penalties for violations.

[SB 1217](#) (Glazer) Pet Insurance was in Assembly Appropriations at the time of this meeting. Subsequent to this meeting, SB 1217 is enrolled and is on the Governor's desk. In summary, this bill requires an insurer to disclose if it reduces coverage or increases premiums based on the age of the covered pet or a change in the geographic location of the insured. This bill also requires a medical examination to effectuate coverage or imposes a waiting period and authorizes the issuance of a pet insurance policy that excludes preexisting conditions or imposes a waiting period, if specified criteria are met.

SB 1217 would require coverage to be issued no later than 12:01 a.m. on the second day after receipt of a complete application and valid payment information, except as specified. The bill states the requirements for a pet wellness program and would prohibit the marketing of a wellness program as pet insurance, and

specifies when a wellness program is considered a pet insurance policy.

[Assembly Bill \(AB\) 1883](#) (Calderon) Insurance: home protection contracts was in the Senate Insurance Committee at the time of this meeting and this bill did not pass this committee before July 3rd, which was the last day for policy committees.

[AB 3104](#) (Valencia) California Travel Insurance Act was in the Senate Insurance Committee at the time of this meeting and this bill did not pass this committee before July 3rd, which was the last day for policy committees.

Licensing Services Division Notices

June 14, 2024

[Notice - New 2025 Life Insurance Policies Four-Hour Course](#) - The California Department of Insurance recently approved the Commissioner-appointed Curriculum Board's proposed New 2025 Life Insurance Policies Four-Hour Course.

June 3, 2024

[Notice - License Examinations Available in Tagalog](#) - License examinations in Tagalog/Filipino for Accident and Health or Sickness, Life, Life, Accident and Health or Sickness, Life-Limited to the Payment of Funeral and Burial Expenses, Life and Disability Analyst, Property and Casualty, Property, Casualty, Personal Lines, Limited Lines Auto, and Commercial are offered beginning July 1, 2024.

April 30, 2024

[Notice - Fingerprint Fee Increase Non-Resident Applicants Company Officers and Directors](#) - Effective May 1, 2024, the California Department of Insurance's contracted fingerprint vendor, Accurate Biometrics, will increase their fee to electronically submit the FBI fingerprint card (FD-258) to the California Department of Justice (DOJ) from \$10 to \$26. This will increase the fee for non-resident individual license applicants and insurance company officers and directors, who are required to submit an FBI fingerprint card (FD-258), from \$59 to \$75 for each set of fingerprint impressions. The \$75 fee includes the FBI processing fee of \$17, California DOJ processing fee of \$32 and Accurate Biometrics' new fingerprint submission fee of \$26.

March 5, 2024

[Notice - Requirement to Report Changes in Background Information \(Annual Reminder\)](#) - California Insurance Code section 1729.2 requires all licensees and applicants to report any changes in background information to the California Department of Insurance (Department) within 30 days of the date the licensee or applicant learns of the change in background information.

Agent & Broker ALERT

June 13, 2024, [Commissioner Lara unveils next steps in his strategy to expand coverage options for Californians in areas of high wildfire risk](#)

March 22, 2024, [California on Track to Enact Largest Insurance Reform in 20 Years](#)

March 19, 2024, [Commissioner Lara announces next phase of Sustainable Insurance Strategy to safeguard Californians' access to insurance](#)

- 4. Examination Statistics Update:** Rebecca Galsote, Curriculum Compliance Analyst, reported that in 2023, Insurance Commissioner Ricardo Lara sponsored legislation, Assembly Bill 451 authored by Assembly Member Lisa Calderon (Chapter 136, Statutes of 2023), that was signed by the Governor requiring the Department to offer license examinations in Spanish, Simplified Chinese, Vietnamese, and Korean beginning January 1, 2024. Additionally, on July 1, 2024, these examinations became available in Tagalog. The five new language examinations are available for examinees to schedule their license examinations. In addition to the transaction of the language examinations, the Department's license examination vendor, PSI Services LLC, also translated the [Educational Objectives](#), the [Candidate Information Bulletins](#) and the instructions for logging into the five new language license examinations.

Rebecca stated the First-Time Pass Rates for the examinations in English and the additional languages from January 1, 2024 through June 30, 2024, which had an overall first-time pass rate of 65 percent.

Rebecca also reported there were four cheating incidents from January 1, 2024 to June 30, 2024, which resulted in four 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 August 2024. The Subcommittee expects to have the initial three four-hour LTC course outlines ready for launch and distribution by the end of summer 2024.

Also, the Subcommittee received multiple questions from education providers regarding Section VIII. A.1. of the Eight-Hour LTC outline due to changes in asset protection and estate recovery requirements that occurred on January 1, 2024. The Subcommittee drafted new wording for Section VIII of the Eight-Hour LTC outline and submitted it to the Department of Healthcare Services (DHCS),

California Partnership for Long-Term Care, for their review. After DHCS completes their review, the corrected Eight-Hour LTC Outline will be reviewed for approval by the Board's Legal Liaison and published on the Department's [Resident](#) and [Non-Resident](#) Provider Continuing Education Course web pages. A Notice will be distributed to Education Providers when this updated is launched.

The Four-Hour LTC Subcommittee will continue to meet via Microsoft Teams. This meeting information is also available on the Department's Main Page, in the "Search" box, type "Curriculum Board" to retrieve the meeting information.

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. **Senate Bill 263 Life Insurance Subcommittee Report:** Maria Alfaro, Education Analyst, reported on the status of the [SB 263](#) Life Insurance Subcommittee's (Subcommittee) development of the 2025 Life Insurance Policies Four-Hour Course, the 2025 Variable Life Two-Hour Course, the 2025 Annuity Four-Hour Training Course, and the 2025 Annuity Eight-Hour Training Course.

The Subcommittee held their first meeting on January 23, 2024, and has continued to meet every other Tuesday from 10 a.m. to 12 p.m. At the April 30, 2024, Subcommittee meeting the 2025 Life Insurance Policies Four-Hour Course was finalized. On May 8, 2024, the Department distributed a Notice to Education Providers advising them that the new 2025 Life Insurance Policies Four-Hour Course Curriculum is available on the Department's website.

At this time, the Curriculum Review Section has received five 2025 Life Insurance Policies Four-Hour course category application submissions. On May 8, 2024, the Department released the outline for the 2025 Life Insurance Policies Four-Hour Course. There are currently three courses approved and two courses pending for life agents who were licensed on and after January 1, 2024 to complete.

The Subcommittee continued and recently completed the second curriculum outline titled, "2025 Variable Life Insurance Policies Two-Hour Course." Once the Curriculum Board approves this Outline, the Department will send a Notice to Education Providers advising this curriculum is available.

On July 9, 2024, the Subcommittee completed the 2025 Variable Life Two-Hour Course outline. This outline is pending the Curriculum Board's approval. The Department anticipates launching this outline next week and will send a Notice to the Education Providers the Curriculum Board approves the Outline.

The Subcommittee will continue to meet every other Tuesday via Microsoft Teams to begin their review of 2025 Annuity Suitability Transactions course and the 2025 Annuity Eight-Hour Training Course outlines. The Department anticipates

releasing these two Course Outlines in August 2024. This meeting information is available on the Department's Main Page, in the "Search" box, type "Curriculum Board" to retrieve the meeting information.

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

Dawn explained for the new Board members that this schedule states when the outline or guideline was developed, the dates reviewed, and the three-year review timeline for the Board to consider if an in-depth review by an appointed subcommittee is to be scheduled to update the curriculum to ensure the course or guideline material is current and meets current laws and regulations. The 2024 schedule had several courses scheduled for review.

Dawn also clarified for the Board members that the Curriculum Review Schedule was updated to include four new continuing education course outlines which are new continuing education requirements stated in [SB 263](#). [This information is after the Board meeting]. Dawn addressed that the Curriculum Review Schedule has the Prelicensing Educational Objectives for Casualty, Property, Personal Lines, Commercial and Limited-Lines Automobile as well as the Homeowner's Insurance Valuation Course Curriculum, and the Twenty-Four (24) Hour Coverage and General Concepts scheduled for review.

Dawn stated that the outlines were sent to the Curriculum Board on June 3, 2024 for review and to determine whether the course curriculums need to be updated to meet current laws and regulations. Board members suggested minor edits, which the Department will update and resend the course curriculums to the Board Members for final approval. At the time of this Board meeting, Licensing was waiting for all Board members to approval the course curriculums and Licensing will distribute a Notice to Education Providers announcing the curriculums updates. When Education Providers are renewing these courses after the updated curriculums are distributed, the minor edits are not substantive and the courses can be renewed.

8. **Education Work Status Report:** Ammy Dang, Education Analyst, reviewed the Education Unit's statistics from January 1, 2024 through June 30, 2024. Ammy also informed the Board that all paper and Sircon applications, received within 10 days of its receipt at the Department, were assigned to an education analyst to review.
9. **Roundtable:** Guest Jaqueline Ramiro commented on three PSI related items:
 - Students are having difficulties at the PSI testing site. Based on the examination title, students are signing up for the wrong examinations. Jacqueline instructed students to contact PSI for assistance, but the students were directed to the website.

- Students are no longer receiving paper at the test centers and are only allowed to use a virtual blackboard. Whereas, students are allowed to have a piece of paper when taking the examinations remotely.
- Students have reported that searching for contraband at the test centers is invasive. Jacqueline stated she believes that these factors are causing anxiety before the test.

Charlene responded by acknowledging the students' concerns about the paper situation and assured Jacqueline that Licensing will address these issues with PSI. Charlene stated the [Candidate Information Bulletin](#) is very specific about what is allowed to be brought into the Test Centers, and Licensing understands your request for clarity.

Jason McCarthy, PSI's Director of Account Management, Insurance, stated he would follow-up with PSI's proctors regarding using paper at the Test Centers.

Charlene commented that Licensing would also look into the issues raised regarding signing up for the incorrect examination due to the examination title presented on PSI's online scheduling system.

- 10. Remarks and Adjournment:** Chairperson Dogillo reminded the Board members and guests that the next Board meeting is scheduled for Thursday, October 17, 2024. The meeting will begin at 12:30 p.m. Curriculum Review Section's Board Liaison, Ammy Dang, will provide the Board members and guests with the next Board meeting arrangements approximately 30 days before the October 17th meeting.

Chairperson Dogillo asked for a motion to adjourn the meeting. Vice Chairperson Anne Lintz made a motion, and Board member Colbie McRae seconded the motion to adjourn the meeting. Chairperson Dogillo announced the July 18, 2024, Board meeting was adjourned at 1:30 p.m.