



THE SURPLUS LINE ASSOCIATION  
OF CALIFORNIA

50 CALIFORNIA STREET, 18TH FLOOR  
SAN FRANCISCO, CA 94111

THEODORE M. PIERCE  
EXECUTIVE DIRECTOR

JOY ERVEN  
STAMPING OFFICE DIRECTOR

TELEPHONE  
(415) 434-4900  
(800) 334-0491  
FAX  
(415) 434-3716  
www.slacal.org

June 2, 2009

**BULLETIN #1181**

**RE: Surplus Line Business Entities Have Until July 1, 2009 to Provide Two-Hour Training for Employees**

The SLA has completed the curriculum for the two-hour E&S Basics video "training" required by AB 1699 (Chapter 29 of the laws of 2008) which said in Section 1(f): A business entity licensed under this chapter shall provide two hours of appropriate training to its employees who solicit, negotiate, or effect insurance coverage placed by a nonadmitted insurer. The training shall be given to each eligible employee every five years. The surplus line advisory organization (SLA) authorized pursuant to Chapter 6.1 (commencing with Section 1780.50) shall develop the curriculum for the training.

The California Department of Insurance has issued the attached letter noting that eligible employees (those who solicit, negotiate, or effect non-admitted insurance) have 30 days from the time the SLA makes the on-line training available to complete the training. Thus, eligible employees must complete this training by July 1, 2009 and then once every 5 years.

To access the two-hour on-line training, click on this link:

<http://webedu.slacal.org/education/ESBasics/start.php>

After completing the training, please indicate where you would like your certificate emailed. We will send you the certificate within two weeks. Upon receipt, please sign the certificate and keep for your records.

Sincerely,

Theodore M. Pierce  
Executive Director

TP/pk  
Attachment

**DEPARTMENT OF INSURANCE**

ADMINISTRATION & LICENSING SERVICES BRANCH  
LICENSING SERVICES DIVISION  
300 CAPITOL MALL, SUITE 1600  
SACRAMENTO, CA 95814  
(916) 492-3511  
(916) 327-6907 (FAX)  
www.insurance.ca.gov



April 14, 2009

Mr. Theodore M. Pierce  
Executive Director  
The Surplus Line Association of California  
50 California Street, 18<sup>th</sup> Floor  
San Francisco, CA 94111

Subject: Clarification of Surplus Line Brokers' Training Requirements

Dear Mr. Pierce:

As you know, On June 13, 2008, AB 1699 (Duvall, Chapter 29, Statutes of 2008) immediately became law as an urgency bill. This new law amended Sections 1750, 1765, and 1765.2 of the California Insurance Code (CIC) to make changes to the surplus line brokers and special lines' surplus line brokers licensing requirements and fees.

Included in those changes was the addition of Section 1765 (f) to the CIC which requires surplus line business entities to provide two hours of training to its employees who solicit, negotiate, or effect insurance coverage placed by a nonadmitted insurer. The training is to be given to each eligible employee every five years. The Surplus Line Association of California (SLA) is responsible to develop the curriculum for the training. The training requirement applies to both California residents and non-residents.

Although eligible employees are to complete the two-hour training once every five years, these employees should complete the initial training within 30 days of the SLA providing the training curriculum to the surplus line brokers. As for employees hired after the SLA provides the training curriculum to surplus line brokers, these employees should complete the initial training within 30 days from the date the employer determines that the employee will solicit, negotiate, or effect insurance coverage placed by a nonadmitted insurer.

Thank you for your assistance in this matter.

*Keith Kuzmich*

Keith Kuzmich  
Chief, Licensing Services Division