

**WAC 284-17-530 Requirements applicable to all prelicensing insurance education providers.** This section applies to all persons seeking to be approved by the commissioner to act as prelicensing insurance education providers.

(1) **Approval to act as prelicensing education providers.** Persons seeking to be approved as prelicensing insurance education providers must obtain the written approval of the commissioner prior to offering any prelicensing insurance education course for credit.

(a) Requests for approval must include all information, disclosures, statements and certifications required by the commissioner. An approved form for this purpose is available on the commissioner's website at: [www.insurance.wa.gov](http://www.insurance.wa.gov).

(b) The provider must comply with the standards for licensing and regulating this state's private vocational schools, but need not be actually licensed as a private vocational school.

(c) The commissioner may grant approval of the prelicensing insurance education provider upon a showing that the provider has satisfied all requirements of this chapter.

(d) Approval of a prelicensing education provider is valid for a period of twelve months.

(2) **Approval of the prelicensing insurance education provider's program director.**

(a) The prelicensing insurance education provider must identify its proposed program director, must complete a background investigation of that person, must certify that the qualifications of the proposed program director meet or exceed the requirements of WAC 284-17-535 and must verify that the proposed program director is trustworthy.

(b) The commissioner's approval of the program director is valid for twelve months.

(c) The provider must certify on its annual renewal notice that the approved individual continues to act as its program director.

(d) The provider must apply for an amendment to its approval at least ten days before changing its program director, unless the change is required due to an emergency.

(e) The commissioner retains discretion to determine whether the qualifications of each proposed program director meet the minimum scholastic and professional criteria required for approval.

(3) **Approval of the provider's instructors.**

(a) The provider must identify each proposed instructor, conduct a background investigation of each individual, certify that each proposed instructor's qualifications meet or exceed the requirements in WAC 284-17-537, and verify that each proposed instructor is trustworthy.

(b) Approval of each instructor is valid until the next renewal date of the prelicensing education provider.

(c) The provider must state on its annual renewal notice whether each individual continues to act as its instructor.

(d) The provider must apply to the commissioner for amended approval at least ten days before adding a new instructor, except if an instructor vacancy is created by an emergency.

(e) The commissioner retains discretion to determine whether the qualifications of each proposed instructor meet the minimum scholastic and professional criteria required for approval.

(4) **Approval of courses.**

(a) Course materials must be submitted electronically or via electronic media to the commissioner prior to use.

- (b) The provider must provide all of the following information to the commissioner with its request for course approval:
- (i) The total tuition to be charged to students; and
  - (ii) The provider's referral and rebate policy.
- (c) No course may be advertised until the provider has been finally approved by the commissioner in writing.
- (5) **Duties of approved providers.** Throughout any period of approval to act as a prelicensing insurance education provider, the provider must:
- (a) Retain all student enrollment and performance data, personnel records, and copies of course materials and student evaluations for each course and make them available to the commissioner upon request;
  - (b) Continually monitor its program director's supervision of instruction;
  - (c) Immediately remove the program director if that individual violates any law or rule related to insurance;
  - (d) Apply for amended approval to act as a provider at least ten days prior to a change of ownership, the executive officer, or of the program director. Amended approval, if granted, is valid only until the original provider approval expiration date;
  - (e) Report to the commissioner by the fifteenth day of each month the name of each student receiving a certificate of completion for each approved course offered during the previous calendar month;
  - (f) Permit the commissioner or the commissioner's designee to conduct unannounced audits of any approved course in order to monitor the provider's continuing compliance with WAC 284-17-530 through 284-17-580;
  - (g) Provide a true and complete copy of the provider's instructional plan for each approved course, upon request;
  - (h) Notify the commissioner if it intends to terminate its prelicensing education program at least thirty days prior to the date of termination;
  - (i) Notify the commissioner at least ten days in advance of its intent to change the tuition amount, the referral or rebate policy, or initiate a referral or rebate policy with a person other than a full-time employee of the provider.
- (6) **Provider advertising and name.** A provider must not:
- (a) Use license examination performance data for advertising or promotional purposes; or
  - (b) Use any name that implies or suggests that the provider is affiliated with either the commissioner or with the independent testing service that conducts the examination.
- (7) **Renewal requirements for all providers.**
- (a) At the time of renewal all providers must provide all of the following information:
    - (i) List of prelicensing education courses currently offered and the tuition for each and verify that the course curricula meet the requirements of WAC 284-17-550;
    - (ii) A description of the instruction method used for each course, lecture, proctored self-study, or home self-study;
    - (iii) List of all active instructors and verify that each has complied with the requirements of WAC 284-17-537;
    - (iv) Verify that the program director has complied with WAC 284-17-535; and
    - (v) Confirm the address and contact information for each business location.

(b) The commissioner may approve renewal of the prelicensing insurance education provider upon a showing that the provider has satisfied all requirements of this chapter required for renewal, including the annual renewal requirements provided in WAC 284-17-547.

(c) Detailed information related to course standards is available on the commissioner's website at: [www.insurance.wa.gov](http://www.insurance.wa.gov).

**(8) Required disclosures to students.**

(a) The prelicensing insurance education provider must disclose to prospective students the total amount of tuition that will be charged for each proposed course.

(b) The provider must post in a conspicuous location at the prelicensing insurance education site a note containing all of the following:

(i) Procedures for applying for an insurance license, including all preexamination qualifications;

(ii) A notice of prohibited examination behavior; and

(iii) The tuition for each approved course.

(c) If the provider has a referral or rebate program, it must be fully disclosed to each student in writing.

(i) The disclosure must state the amount of the course tuition that will be paid to persons other than the provider's full-time employees as compensation for referring students to the provider; and

(ii) The full text of the policy must be posted, including the specific amount of tuition payable to persons other than full-time employees of the provider as compensation for referring students to the provider, and the names of any individuals to whom referral fees or rebates may be paid.

**(9) Penalties.**

(a) The commissioner may refuse to renew or immediately terminate a provider for the following reasons:

(i) Failure to notify the commissioner that a course will be terminated at least thirty days prior to the date of termination;

(ii) Failure to respond to an inquiry of the commissioner within the time limit specified in the inquiry.

(b) A provider is responsible for the conduct of its employees and may be subject to disciplinary action for failure of any employee to comply with the requirements of this chapter.

[Statutory Authority: RCW 48.15.015 and 48.17.005. WSR 11-04-067 (Matter No. R 2010-07), § 284-17-530, filed 1/28/11, effective 2/28/11. Statutory Authority: RCW 48.02.060, 48.17.005. WSR 09-02-073 (Matter No. R 2008-06), § 284-17-530, filed 1/6/09, effective 7/1/09. Statutory Authority: RCW 48.02.060 and 48.17.070. WSR 89-01-055 (Order R 88-14), § 284-17-530, filed 12/16/88.]