



Recommended Enhancements for the Securities Industry Continuing Education Program

Securities Industry/Regulatory Council on Continuing Education

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In September 2018, the CE Council published a document outlining several potential enhancements to the Securities Industry Continuing Education (CE) Program. These proposed enhancements explored options to: (1) ensure that CE participants receive timely, relevant and sufficient training on significant regulatory developments; (2) provide firms with additional guidance and resources to facilitate the design of effective and efficient firm-administered training programs; and (3) provide a CE program for previously registered individuals to maintain their qualifications.

The Council received 22 comment letters, which were generally supportive of the potential enhancements. The commenters expressed overwhelming support for a CE program that would allow previously registered persons to maintain their qualifications after the termination of their registrations for longer than the current two-year period. In addition, a majority of commenters recognize the value of moving to an annual Regulatory Element requirement in order to provide registered persons with more timely and relevant education and training. However, commenters raised concerns that doing so could increase the administrative and operational burden on both firms and registered persons. Most commenters were in favor of Regulatory Element content that is tailored and specific to each registration category, rather than content that applies generally to all registered persons. There was also strong support for creation of a content catalog that firms could optionally leverage for administering education and training in their Firm Element programs. Finally, some commenters requested more guidance on the Firm Element program, including express direction that other training requirements [e.g., anti-money laundering (AML) compliance programs and annual compliance meetings] may count toward satisfying the Firm Element requirement.

After reviewing the public comments and further discussions, the CE Council recommends the following enhancements to the Securities Industry CE Program:

1. transition to an annual Regulatory Element program requirement;
2. development of Regulatory Element content that is tailored and relevant to each registration category, using diverse instructional formats;
3. publication of Regulatory Element learning topics in advance or each coming year to assist firms in planning their Firm Element programs;
4. enhancement of FINRA system functionality to facilitate compliance with the Regulatory Element;
5. recognition of other training requirements for purposes of satisfying the Firm Element;
6. improvement of the guidance and resources provided to firms for conducting the Firm Element annual needs analysis and for planning their respective training; and

7. development of a content catalog that firms may use for selecting or supplementing Firm Element content.

Additionally, the Council asks that the SROs consider rule changes that would enable individuals who were previously registered to maintain their qualifications by participating in an annual CE program.