

CALIFORNIA LEGISLATURE

Senate Committee on Insurance

2021 - 2022 Legislative Bill Summary

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AUTOMOTIVE

SB-1107 (Dodd) - Vehicles: insurance.

Increases the requirements of the Financial Responsibility Law (FRL). Specifically:

(1) Increases, effective January 1, 2025, the requirements of the FRL which requires most drivers purchase auto insurance with certain minimum limits of coverage, to \$30,000 for liability resulting in bodily injury or death of one person, \$60,000 for liability resulting in bodily injury or death to more than one person, and \$15,000 for liability resulting from property damage, up from the current requirements of \$15,000, \$30,000, and \$5,000 respectively;

(2) Adjusts further, on January 1, 2035, the FRL requirements upward by \$20,000, \$40,000, and \$10,000, respectively, so that on January 1, 2035 the minimum limits will become \$50,000 for bodily injury or death to one person, \$100,000 for bodily injury or death to more than one person, and \$25,000 for liability resulting from property damage;

(3) Requires the Insurance Commissioner (IC) to solicit rate applications in advance of each change to the FRL that would go into effect with the change in the FRL; and

(4) Adjusts the bonding and deposit requirements for drivers that do not purchase auto insurance to match the FRL requirements as they change.

Status: Chapter 717, Statutes of 2022

AB-1989 (Quirk) - Commercial property insurance: vehicle barrier discount.

Includes within the definition of “vehicle barrier,” those vehicle barriers installed to protect commercial outdoor dining areas from motor vehicle crashes.

Clarifies insurers may consider these barriers when offering discounts on commercial property insurance. Requires a barrier installed to protect persons located in an adjacent commercial outdoor dining area or pedestrians in those outdoor areas from motor vehicles to meet vehicle impact protection standards, as provided by the State Fire Marshal and adopted by the California Building Standards Commission.

Status: Chapter 180, Statutes of 2022

HOMEOWNERS, PROPERTY, & CALIFORNIA EARTHQUAKE AUTHORITY

SB-11 (Rubio) - The California FAIR Plan Association: basic property insurance: exclusions.

Augments the definition of "farm risk" for purposes of deciding who may access the California Fair Access to Insurance Requirements (FAIR) Plan for commercial insurance.

The FAIR Plan Association is a joint reinsurance association in which all insurers licensed to write basic property insurance are required to participate. These insurers jointly administer a program to provide basic property insurance for persons unable to obtain that coverage through an individual admitted insurer. For purposes of coverages the FAIR Plan may offer, the law long defined "basic property insurance" to exclude "farm risks." In agricultural lexicon, "farm risks" typically would refer to insurance for crops, but the law as written also effectively limited the sale of commercial property coverage to farms, treating farms differently than almost every other California business, which can access the FAIR Plan.

SB 11 augmented this "farm risks" exclusion, and authorized the FAIR Plan to sell commercial property coverage to farms. Under SB 11, the FAIR Plan may still not sell insurance covering crops, livestock, or the machinery used to produce crops, but farms may access the FAIR Plan for insurance on their structures and other business property. The bill contained an urgency clause for immediate enactment, and required the FAIR Plan to file a new or amended rate application within 90 days of its effective date to account for the additional coverages allowed under this bill.

The rate filing was made, approved, and farms had access to the FAIR Plan starting February 1, 2022.

Status: Chapter 128, Statutes of 2021

SB-72 (Rubio) - Property insurance: wildfire risk information reporting.

Would have required CDI to annually develop a report that would be sent to the Natural Resources Agency that lists areas of the state that, due to wildfire inspired homeowners insurance market pressures, would benefit from vegetation management projects.

The bill would have also required the FAIR Plan, to contract with a provider of modeling services to provide a view of the concentration risks, since more wildfires have caused more homeowners to resort to the FAIR Plan, with the goal of attempting to gather and provide more information in regards to the changing wildfire risks over the last decade.

Status: Assembly-In Committee Process - Appropriations

SB-1444 (Allen) - California FAIR Plan.

The chaptered version of this bill is unrelated to this committee's jurisdiction. As was passed by this committee, SB 1444 would have required the Fair Access to Insurance Requirements (FAIR) Plan to include information and a hyperlink to the California Home Insurance Finder (Insurance Finder) on its internet website.

Status: Chapter 672, Statutes of 2022

SB-1460 (Rubio) - California Earthquake Authority.

Would have increased the amount of available capital the California Earthquake Authority (CEA) is authorized to maintain via assessments to \$700,000,000. Would have required the CEA board to relieve participating insurers of specified assessment obligations if the CEA's average daily balance of available capital exceeds \$10,000,000,000 for the last 180 days of a calendar year.

Status: Senate-In Committee Process - Insurance

AB-1466 (McCarty) - Real property: discriminatory restrictions.

Requires each county recorder's office to establish a program to proactively identify, catalog, and redact any unlawfully discriminatory restrictive covenants in that county's property records and authorizes the imposition, if approved by the respective county board of supervisors, of a fee to fund the program. This bill also modifies the procedures for redacting such covenants to facilitate greater use of those procedures.

Status: Chapter 359, Statutes of 2021

AB-1721 (Rodriguez) - Seismic retrofitting: soft story multifamily housing.

Would have established a \$400 million seismic retrofit program for multifamily soft story buildings, to be administered by the California Office of Emergency Services (Cal OES) and the California Earthquake Authority (CEA).

Status: Senate-In Committee Process - Governmental Organization

AB-2450 (Valladares) - Insurance: reporting.

Would have required the Insurance Commissioner to convene a working group, on or before July 1, 2023, to study the feasibility, potential implications, and advisability of allowing insurers to offer homeowners and commercial insurance policies that include a separate deductible for covered losses resulting from wildfires (aka "wildfire deductible") and post the report of findings to the California Department of Insurance's website by July 1, 2024.

Governor's Veto Message:

To the Members of the California State Assembly:

I am returning Assembly Bill 2450 without my signature.

This bill requires the Insurance Commissioner to convene a working group to study the feasibility, potential implications, and advisability of allowing admitted insurers to offer homeowners' and commercial property insurance policies that include a deductible for covered losses resulting from wildfires.

While I support the author's intent to reduce insurance costs for Californians living in high wildfire risk areas, I do not believe a statutory mandate requiring the Insurance Commissioner to evaluate proposed solutions is necessary.

For this reason, I cannot sign this bill.

Sincerely,

Gavin Newsom

Status: Assembly-Vetoed

LIFE LONG TERM CARE AND DISABILITY

SB-283 (Gonzalez) - Life and disability income insurance: HIV tests.

Prohibits, on and after January 1, 2023, a life or disability insurance insurer from considering an applicant's occupation in determining whether to require an HIV test and clarifies the length of time that one may be imprisoned for a misdemeanor conviction for willful, negligent, or malicious disclosure of HIV test results to a third party is 364 days.

Status: Chapter 134, Statutes of 2021

SB-1320 (Jones) - Life insurance: nonpayment premium notice: lapse.

This bill would have limited the liability of an insurer for failure to comply with certain requirements, unless failure to comply with these provisions results in an alleged policy lapse.

Specifically would have prohibited life insurer liability for:

(1) A failure to meet the requirements under existing law that requires a life insurance policy, including an individual or group policy, that is issued or delivered in this state to contain a provision for a grace period of not less than 60 days from the premium due date and to provide that the policy remains in force during that grace period; and

(2) A failure of an insurer to give an applicant for an individual life insurance policy the right to designate at least one person, in addition to the applicant, to receive notice of lapse or termination of a policy for nonpayment of premium. Existing law prohibits a notice of pending lapse and termination of an individual life insurance policy from being effective unless mailed by the insurer to the named policy owner and their designee at least 30 days before the effective date of termination if termination is for nonpayment of premium.

Status: Senate-In Committee Process - Insurance

AB-1563 (Committee on Insurance) - Life insurance policy illustrations.

Would have required life insurers to include in the notices to policy owners that they can submit requests on the insurer's internet website for an in force illustration, if not included in the annual report.

Status: Senate-In Committee Process - Insurance

AB-2604 (Calderon) - Long-term care insurance.

Requires long-term care (LTC) insurance providers certified by the California Partnership for Long-Term Care Program (Partnership) to provide lower-cost inflation adjustment options. Specifically, adds a lower-cost inflation protection option to provide, at a minimum, protection against inflation that automatically increases benefit levels by 3 percent each year over the previous year, or a fixed amount each year equal to 5% of the original benefit levels.

Status: Chapter 534, Statutes of 2022

MISCELLANEOUS

SB-334 (Durazo) - Detention facilities: contracts.

Augments several standards regarding detainees. Extends the detention standards that apply to for profit, private local detention facilities when holding a local prisoner, and to civil detainees as well. SB 334 imposes liability, auto, and umbrella insurance

requirements on for-profit, private detention facilities that house criminal and civil detainees, and prohibits them from self-insuring workers' compensation coverage.

This coverage requirement includes general liability coverage of \$5 million per occurrence and \$25 million in the aggregate; automobile liability coverage of \$5 million per occurrence; and \$25 million in umbrella liability coverage. This bill also provides that an insurer shall require the facility to comply with specified operating standards, and to provide the insurer and Insurance Commissioner with an initial compliance report and annual updates.

Status: Chapter 298, Statutes of 2021

SB-655 (Bradford) - Insurers: diversity.

Promotes greater diversity in California's insurance industry by:

(1) Increasing the number of California insurance companies that must report to the California Department of Insurance (CDI) every two years regarding supplier and governing board diversity;

(2) Clarifying what insurance companies must include in that report with respect to their policies or goals to increase board diversity; and

(3) Encouraging California insurers participating in the California Organized Investment Network (COIN) to consider utilizing diverse investment managers, as defined.

Status: Chapter 390, Statutes of 2021

SB-713 (Rubio) - Insurer and State Compensation Insurance Fund investments.

Would have flexibility to the "leeway law," which governs how insurers may make certain investments, in order to encourage insurers to make more California Organized Investment Network (COIN) qualified investments. These include investments in renewable energy and community development.

This bill also would have authorized similar diversification of State Compensation Insurance Fund investments until January 1, 2027, by authorizing limited discretionary authority to make Environmental, Social, or Governance (ESG) investments in line with existing authorities for other insurers, specifically in properties and securities, and money market mutual funds.

Status: Assembly-In Committee Process - Rules

SB-927 (Archuleta) - Life insurance.

Would have extended the “free look” period for life insurance policies and annuities to at least 30 days; provided that a policy owner, in deciding whether to cancel a life insurance policy or annuity is entitled to rely on any information received regardless of whether the information was received before or after the policy was delivered to the policy owner; allowed an insurance agent to receive compensation incentives related to the sale of a life insurance policy or annuity if the amount does not influence the recommendation to the consumer; and required several new disclosures to the consumer regarding agent compensation, potential tax benefits, all fees and charges under the policy, and crediting rates and surrender charges, as specified.

Status: Senate-In Committee Process - Appropriations

SB-1040 (Rubio) - Insurance: restitution.

Expands the authority of the Insurance Commissioner to protect consumers from sellers of insurance that are not licensed in the State of California, and has no impact on the authority to regulate licensed sellers of insurance.

Specifically, SB 1040 authorizes the California Department of Insurance (CDI) to issue restitution on behalf of insurance consumers sold insurance by unlicensed sellers. This allows an ancillary order be made as part of an existing authority to take administrative action for insurance code or standards of conduct violations, where the commissioner first issues a cease and desist order, financial penalty, or other sanction. If facts and equity permit, authorizes the commissioner to order rescission, or cancellation, of the insurance contract.

Status: Chapter 540, Statutes of 2022

SB-1240 (Skinner) - Insurance adjuster disciplinary hearings.

Would have, under the Insurance Adjuster Act, which regulates the licensing and business of insurance adjusters, extended the minimum timeframes for certain procedures for disciplinary hearings. Existing law prohibits notice of a hearing or a copy of an affidavit from being mailed or delivered to a nonresident adjuster licensee less than 20 days before the hearing date, and prohibits the time for making a request to cross-examine from being less than 15 days. SB 1240 would have required no less than 30 days before the hearing date for the mailing or delivery of notice of a hearing or a copy of an affidavit and no less than 20 days for the time for making a request to cross-examine.

Status: Senate-In Committee Process - Insurance

SB-1242 (Committee on Insurance) - Insurance.

This bill is the Senate Insurance Committee's biannual omnibus bill, which includes several changes that are non-controversial, technical, or otherwise classified as code cleanup.

This bill:

- 1) Corrects and clarifies code section references, makes grammatical corrections, deletes duplicative code sections, and corrects unintentional drafting errors in prior legislation;
- 2) Provides that when a bail bond is first executed or delivered, the insurer must provide a specified written disclosure to the customer, which contains the California Department of Insurance's (CDI) contact information for consumer complaints, as well as the address and customer service telephone number of the insurer or of the agent or broker of record, as specified;
- 3) Clarifies that, on or after January 1, 2023, a life or disability income insurer may not decline an application or an enrollment request for life or disability income insurance coverage based solely on a positive HIV test, as specified;
- 4) Requires insurance licensees to print their license numbers on e-mails the licensees send which involve an activity for which a license is required, as specified;
- 5) Requires, effective March 1, 2023, the 12-hour ethics course that is required in connection with the pre-licensing education of specified new license applicants and the three-hour ethics course that is required as a condition of license renewal to each include one hour of study on insurance fraud;
- 6) Removes ambiguity regarding the regulation of credit insurance agents;
- 7) Requires any agent or broker who, prior to placing an insurance application with an insurance company, reasonably suspects or knows that a suspected fraudulent insurance application is being made, to submit details about that application to CDI's fraud division within 60 days after concluding the application is fraudulent, via the fraud division's consumer fraud reporting portal, as specified;
- 8) Requires any agent or broker who, after placing an insurance application with an insurance company, reasonably suspects that fraud has been perpetrated, to report that information directly to the insurance company's special investigative unit, as specified;

9) Relieves agents and brokers, who furnish information about suspected or known fraudulent applications, or who assist in investigations of suspected insurance fraud that are conducted by governmental agencies, from civil liability when acting in good faith, as specified;

10) Requires insurance companies, which have determined that an act of insurance fraud may have or might be occurring following the completion of a special investigative unit investigation, to notify CDI's fraud division within 60 days after making their fraud determination, on a form prescribed by CDI;

11) Updates the requirements of existing law related to background checks of applicants for insurance licenses by expressly referencing the California Department of Justice and more clearly listing each type of license whose applicant requires a background check;

12) Authorizes alternative procedures related to the issuance of benefit statements for an accelerated death benefit for long-term care; and

13) Adds the Insurance Commissioner to the list of entities to which specified insurance pools must submit annual audited financial statements.

Status: Chapter 424, Statutes of 2022

AB-371 (Jones-Sawyer) - Shared mobility devices: insurance and tracking.

Expands and clarifies insurance requirements for shared mobility service providers pertaining to injury, death, or property damage resulting from the negligent conduct of a shared mobility device user; requires shared mobility service providers to affix tactile signs including identifying and contact information of the provider; and requires the Department of Insurance to conduct a study on the sufficiency of prescribed coverage requirements and the market for qualifying insurance.

Specifically, AB 371:

1) In addition to existing coverage requirements, requires a shared mobility service provider to offer or make available, or to confirm the user of a shared mobility device maintains, insurance coverage for bodily injury or death suffered by a pedestrian due to the negligent conduct of the user, of \$10,000 for each occurrence of bodily injury or death of any one pedestrian in any one accident, and for property damage to an assistive technology device of \$1,000 for each occurrence;

2) Exempts from the requirement specified in 1), above, pedal powered, class 1 electric,

and class 2 electric bicycles;

3) Permits a shared mobility service provider to enter into individual agreements with users maintaining their own liability insurance coverage that meets or exceeds the requirements specified in 1), above, to exclude the user from the provider's insurance coverage so long as, in consideration for the agreement, the user is not required to pay a separate charge for the coverage or is refunded any portion of the provider's fee that pays for such coverage;

4) Authorizes a shared mobility service provider to partner with an insurer to provide an option to its users via its digital application or other electronic platform where the user may purchase insurance coverage;

5) Prohibits a shared mobility service provider from allowing a user to operate its device without the required coverage, but requires the shared mobility service provider to provide the required coverage if the user or individual gains access to the device while uninsured, or otherwise when there are unintended gaps in coverage as a result of users misrepresenting the maintenance of their coverage, or through error or act of omission;

6) Requires a shared mobility service provider to keep an up-to-date list of its users that maintain their own liability insurance coverage that meets or exceeds the specified requirements; and require the provider to annually transmit information on the percentage of its total users in this state that maintain their own insurance coverage to the Department of Insurance;

7) Requires a shared mobility service provider to disclose to its customers that the customer's existing homeowner's, renter's, or automobile insurance policies might not provide coverage for liability resulting from the use of shared mobility devices; and specifies the language and media of that disclosure;

8) Requires the Department of Insurance to conduct a study on the sufficiency of the prescribed coverage requirements and the market for that coverage, and to report the findings of the study to the Senate and Assembly Insurance Committees no later than December 31, 2026;

9) Specifies that the data collected pursuant to the study shall not include information that identifies or describes an individual, or that may otherwise compromise the privacy of the individual under existing law;

10) Provides that a tactile sign containing raised characters and braille shall be affixed to each shared mobility device and that sign shall include at least the name, phone number, and email address of the shared mobility service provider; and

11) Specifies an effective date of July 1, 2023 for the provisions of the bill.

Status: Chapter 740, Statutes of 2022

AB-494 (Mayes) - Insurance Holding Company System Regulatory Act.

Incorporates NAIC recommendations regarding a group capital calculation and a liquidity stress test into the Insurance Holding Company System Regulatory Act. Requires the ultimate controlling person of an insurer subject to registration under the Insurance Holding Company System Regulatory Act to file an annual group capital calculation, unless a specified exemption applies.

Requires the ultimate controlling person of an insurer subject to registration under the Insurance Holding Company System Regulatory Act and scoped into the NAIC Liquidity Stress Test Framework to file the results of a specific year's liquidity stress test.

Allows the Commissioner to share certain confidential documents obtained or disclosed pursuant to provisions of the Insurance Company System Company Regulatory Act to be shared with the NAIC and a third-party consultant designated by the Commissioner.

Status: Chapter 464, Statutes of 2021

AB-1158 (Petrie-Norris) - Alcoholism or drug abuse recovery or treatment facilities: recovery residences: insurance coverage.

Requires that an alcoholism or drug abuse recovery or treatment facility (RTF) licensed by the Department of Health Care Services (DHCS) that serves more than six residents must maintain specified insurance coverages, including commercial general liability insurance and employer's liability insurance. Requires a licensee that serves six or fewer residents must maintain general liability insurance coverage.

Requires that any government entity that contracts with a privately owned Recovery Resident (RR) or RTF to provide treatment services for more than six residents, require the contractors to, at all times, maintain specified insurance coverage, including commercial general liability insurance and employer's liability insurance and to include the government entity as an additional insured.

Requires any government entity that contracts with an RTF to provide treatment services for six or fewer residents to require the contractor, at all times, to maintain

general liability insurance coverages, which includes the government entity as an additional insured.

Status: Chapter 443, Statutes of 2021

AB-1511 (Committee on Insurance) - Insurance: omnibus.

This is the Assembly Committee on Insurances' biannual omnibus bill, containing several noncontroversial proposals. Specifically, AB 1511:

1) Aligns mailing times for both cancellation and non-renewal notices for homeowners and workers' compensation insurance policies to ensure they receive extra mail-time-delay-days so consumers have a better chance to retrieve these documents on time;

2) Loosens certain investment limits, if the amounts and terms are approved by the Insurance Commissioner, on investments insurers are encouraged to make in underserved and low-to-moderate income communities under the California Organized Investment Network (COIN). The COIN Program was created in 1996 as a public/private partnership between California Department of Insurance (CDI), the insurance industry, state government leaders, and community development organizations. COIN's goal is to help address unmet capital needs that support investments in economic development and affordable housing in low-income urban and rural communities throughout California. The program serves as a liaison between insurers that are seeking investment opportunities and the community organizations that are seeking investment capital for projects. The COIN program may be viewed as implementing two functions: facilitating socially beneficial investments and reporting insurer investments;

3) Extends State Compensation Insurance Fund (State Fund) investment authority until January 1, 2027, and authorizes State Fund to make discretionary investments in properties, securities, and money market mutual funds. Created by statute in 1914, State Fund serves as a workers' compensation insurer for the State as well as to ensure all employers have access to coverage. The State Fund is required to maintain enough market share to remain financially stable and provide quality services, but not compete for increased market share or make a profit. The State Fund also serves as a third-party administrator for self-insured public and private employers. The provisions related to granting COIN and State Fund additional investment authorities come from SB 713 (Rubio) of the current legislative session but were included in omnibus due to the need to limit bill presentations during the Covid 19 pandemic;

4) Aligns CDI authority with that of the California Department of Toxic Substances Control regarding authority to convert monetary penalties into enforceable civil

judgments against bad actor licensees;

5) Exempts licensed insurance adjusters, as specified, from bonding requirements if their employer has filed a surety bond or meets requirements with a certificate of insurance. California is one of only four states that requires independent insurance claims adjusters to hold a surety bond (in California, \$2,000). Most independent adjusters work for companies that themselves are licensed through the Department of Insurance. These companies, not the individual adjuster, would be liable for any adjusting errors or malfeasance;

6) Clarifies fraud terminology to specify that cases involving applicants fraudulently obtaining insurance policies are subject to CDI's anti-fraud statutes; and

7) Adopts the National Association of Insurance Commissioners (NAIC) model amendment to the Standard Nonforfeiture Law for Individual Deferred Annuities which reduces minimum interest rates used to determine minimum nonforfeiture amounts to 0.15% so consumers can continue to access greater financial security.

Status: Chapter 627, Statutes of 2021

AB-1989 (Quirk) - Commercial property insurance: vehicle barrier discount.

Includes within the definition of “vehicle barrier,” those vehicle barriers installed to protect commercial outdoor dining areas from motor vehicle crashes.

Clarifies insurers may consider these barriers when offering discounts on commercial property insurance. Requires a barrier installed to protect persons located in an adjacent commercial outdoor dining area or pedestrians in those outdoor areas from motor vehicles to meet vehicle impact protection standards, as provided by the State Fire Marshal and adopted by the California Building Standards Commission.

Status: Chapter 180, Statutes of 2022

AB-2043 (Jones-Sawyer) - Bail bonds.

Prohibits a person from performing the activities of a bail fugitive recovery agent without a license, and requires an applicant for a bail fugitive recovery agent's license to file a surety bond in the amount of \$1,000, a policy of liability insurance that provides minimum limits of insurance of \$1,000,000, as specified, and a notice of appointment with the Insurance Commissioner (IC).

Requires applicants complete a 40 hour power of arrest course certified by the Commission on Peace Officer Standards and Training (POST) and requires 12 hours of

continuing education each two year license term, as specified. Authorizes the IC to delay implementation of the liability insurance requirements on evidence of unaffordability or unavailability. Specifies that provisions of the bill become operative January 1, 2023.

Status: Chapter 768, Statutes of 2022

AB-2154 (Cooley) - California Insurance Guarantee Association.

Simplifies the California Insurance Guarantee Association's (CIGA) bonding authority by:

- 1) Repealing provisions relating to the issuance of bonds by the California Department of Insurance (CDI) to pay covered claims after a natural disaster in favor of streamlining that authority into a separate existing CIGA bonding authority for the issuance of bonds from the Infrastructure and Economic Development Bank to pay covered workers compensation claims;
- 2) Deleting a sunset on that authority;
- 3) Providing a statutory mechanism for use by CIGA to impose a surcharge on new licensees and existing licensees that begin writing a new line of business; and
- 4) Clarifying CIGA's obligation to cover cyber security insurance policy claims in the event of the insolvency of a company writing this type of insurance.

Status: Chapter 408, Statutes of 2022

AB-2238 (Luz Rivas) - Extreme heat: statewide extreme heat ranking system.

Requires the California Environmental Protection Agency (CalEPA), in coordination with the Integrated Climate Adaptation and Resiliency Program (ICARP), the California Department of Public Health (CDPH), and the California Department of Insurance (CDI), on or before January 1, 2024, to develop a statewide extreme heat ranking system.

Specifically:

- 1) Requires CDI to, on or before January 1, 2024, report to the Legislature, CalEPA, and ICARP, their findings from a study identifying past extreme heat events, drawing information, and developing recommendations, as specified;
- 2) Directs CalEPA to, in coordination with ICARP and CDI, on or before January 1,

2024, develop a statewide extreme heat ranking system, as specified, considering information included in the CDI report above.

3) Requires ICARP to, once the extreme heat ranking system is finalized, to develop a public communication plan, recommended partnerships to prepare for extreme heat events, and recommend specific heat adaptation measures that could be triggered by the ranking system; and

4) Directs CalEPA, in coordination with ICARP, CDPH, and CDI, to periodically review and update the extreme heat ranking system, as appropriate.

Status: Chapter 264, Statutes of 2022

AB-2372 (Calderon) - Insurance: privacy notices.

Would have required an insurance institution or agent (insurer) to provide a clear and conspicuous notice to customers that accurately reflects its privacy policies and practices not less than annually during the continuation of the customer relationship, and would exempt insurers who do not share personal information for marketing purposes from this requirement, as long as additional information about consumer rights is included in the insurer's abbreviated annual notice.

Status: Senate-In Floor Process

AB-2568 (Cooley) - Cannabis: insurance providers.

Provides that it is not a crime for a licensed individual or firm to provide insurance or related services to persons licensed to engage in commercial cannabis.

Status: Chapter 393, Statutes of 2022

WORKERS COMPENSATION

AB-1541 (Committee on Insurance) - Insurance: Guarantee Association.

Extends from January 1, 2023 to January 1, 2026, the existing ability of the California Insurance Guarantee Association (CIGA) to request the issuance of bonds, not to exceed \$1.5 Billion, to pay claims of insolvent workers compensation insurers. The bonds may be issued when CIGA requests the California Infrastructure and Economic Development Bank to issue the bond.

Status: Chapter 305, Statutes of 2021

AB-1681 (Daly) - Insurance: fraud prevention and detection.

Expands the authority of the Insurance Commissioner (IC) to convene meetings with insurance companies or representatives of self-insured employers to discuss specific information concerning acts of suspected, anticipated, or completed acts of insurance fraud. Permits district attorneys to convene and/or participate in meetings with the IC, insurance companies, and self-insured employers to discuss suspected, anticipated, or completed acts of insurance fraud, accompanied by a grant of conditional immunity to meeting participants for libel, slander, and other relevant causes of action.

Status: Chapter 861, Statutes of 2022