

DISCUSSION AND POSSIBLE ACTION TO ADVANCE DRAFT REGULATIONS TO FORMAL RULEMAKING

July 16, 2024

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OVERVIEW OF PACKAGE

- Updates to Existing Regulations
- Insurance Companies
- Cybersecurity Audits
- Risk Assessments
- Automated Decisionmaking Technology

UPDATES TO EXISTING REGULATIONS

May 15, 2023 – Board directed staff to develop and proceed on rulemaking proposals.

December 8, 2023 – Staff proposed changes to regulations and Board provided feedback.

March 8, 2024 – Board authorized staff to advance the update regulations presented to the Board to formal rulemaking up through commencement of the 45-day comment period.

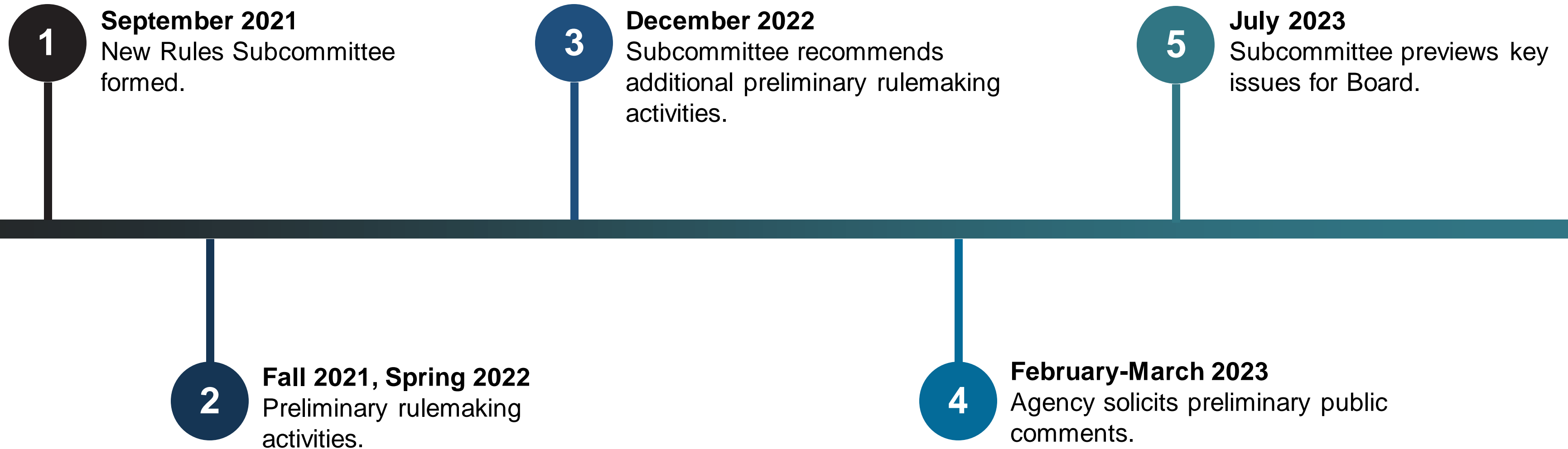
INSURANCE COMPANIES

November 15, 2021 – Topic assigned to the Rulemaking Process Subcommittee.

Staff analyzed the Insurance Code and regulations, consulted with the Department of Insurance, and developed the proposed regulations.

December 8, 2023 – Board authorized staff to incorporate feedback from the Department of Insurance and to advance the proposed regulations to formal rulemaking up through commencement of the 45-day comment period.

CYBERSECURITY AUDITS, RISK ASSESSMENTS, AND AUTOMATED DECISIONMAKING TECHNOLOGY (“ADMT”)



CYBERSECURITY AUDITS, RISK ASSESSMENTS, AND AUTOMATED DECISIONMAKING TECHNOLOGY (“ADMT”) CONTINUED

6

September 2023

Subcommittee presents cybersecurity audit and risk assessment regulations.

8

March 2024

Staff presents on revised risk assessment and ADMT regulations. Board directs staff to advance them to formal rulemaking.

7

December 2023

Subcommittee and staff present on cybersecurity audit, risk assessment, and ADMT regulations. Board directs staff to advance proposed cybersecurity audit regulations to formal rulemaking.

9

May 2024

Staff holds pre-rulemaking stakeholder sessions.

RECAP OF RECENT STAKEHOLDER SESSIONS



Three sessions in Los Angeles, Fresno, and Sacramento.



Collectively attended by nearly 400 people in person and online.



Staff explained the proposed regulations and provided the public with fact sheets explaining the proposed regulations.



Received public comments from consumers, businesses, and other stakeholders.

FORMAL RULEMAKING

60-days before, SRIA submitted to the Department of Finance for comment

45-day public comment period starts the process

Written and oral comments will be accepted

Comments may inform recommended changes presented to Board

Board determines whether any changes will be made and eventually adopts final text