INSURANCE CODE - INS

DIVISION 2. CLASSES OF INSURANCE [1880 - 12880.8] *(Division 2 enacted by Stats. 1935, Ch. 145.)*

PART 2. LIFE AND DISABILITY INSURANCE [10110 - 11549] *(Part 2 enacted by Stats. 1935, Ch. 145.)*

CHAPTER 1. The Contract [10110 - 10198.10] *(Chapter 1 enacted by Stats. 1935, Ch. 145.)*

ARTICLE 5. Exemptions and Miscellaneous Provisions Relating to Insurance Contracts [10190 - 10192] *(Heading of Article 5 amended by Stats. 1989, Ch. 1360, Sec. 98.)*

10190. The provisions of Sections 800, 801, 802, 803, and 804 shall not apply to life insurance.

(Amended by Stats. 1980, Ch. 676, Sec. 189.)

10191. (a) The commissioner may, from time to time as conditions warrant, after notice and hearing, promulgate such reasonable rules and regulations, and amendments and additions thereto, as are necessary or advisable, to establish and maintain a procedure for the filing and approval of documents, as defined in this section, prior to their issuance, delivery, or use in this state, in lieu of the requirements of submission, filing, or approval for the documents presently provided in Section 10205, 10205.5, 10205.6, 10225, 10270, 10270.1, 10270.57, 10270.9, 10270.91, 10270.92, 10270.93, 10290, 10292, 11066, 11069, 11513, 11513.1, 11513.2, 11515, or 11658. For purposes of this section, “document” includes, but is not limited to, every form of contract, insurance policy, application, rider, endorsement, amendment, insert policy page, certificate, or other evidence or notice of insurance, fill-in material, schedules of rates and classifications of risks, and any modification to any document, which is subject to the requirements of any of the enumerated sections.

(b) Any such rule or regulation shall be promulgated in accordance with the procedure provided in Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(c) In promulgating any such rule or regulation, the commissioner may give consideration to the following circumstances:

(1) Whether all such documents, the submission, filing, or approval of which is governed by any of the foregoing enumerated sections, or only a portion thereof described in the rule or regulation, shall be subject thereto.

(2) Whether certain documents or portions thereof should be regulated in respect of submission, filing, or approval in a fashion differing from similar requirements applicable to other documents.

(3) Whether varying procedures may be made applicable among admitted insurers in respect of the submission, filing or approval predicated, in whole or in part, upon such factors as the age and size of the submitting insurer, the period of its licensing in this state for the class or classes of insurance represented by the documents, the nature and number of prior submissions of similar documents and the disposition thereof by the commissioner, and similar criteria which is relevant to a determination that the submitting insurer has demonstrated compliance with all applicable statutes, rules, and regulations relating to documents comprising prior submissions.

(d) In promulgating any such rules and regulations, the commissioner shall, so far as practical, describe or define certain provisions: (1) which the commissioner will authorize without review when accompanied by a certification prescribed by him or her by rule, and (2) which the commissioner will under no circumstances approve.

(e) The commissioner shall establish a period of time, not shorter than one year, during which any change in the provisions which pursuant to subdivision (d), he or she has provided he or she will under no circumstances approve, will not apply to policies filed prior to the effective date of the change.

(f) Except as otherwise provided in this section any document approved by the commissioner pursuant to rules and regulations authorized by this section may have its approval withdrawn in accordance with subdivision (d) of Section 10291.5 or Section 12957, whichever is applicable.

(Amended by Stats. 1985, Ch. 106, Sec. 95.)

10191.1. (a) In order to streamline the department's file review process for life and disability insurance forms, the commissioner may develop and publish all of the following:

(1) Procedural requirements for file submission.

(2) Guidelines and checklists that list and interpret applicable required and optional insurance statutes and regulations.

(3) Standard insurance contract language previously approved by the department.

(b) Documented use of the published standards described in paragraphs (1) to (3), inclusive, of subdivision (a) will enable the department to expedite its review process. In order to expedite file review, an expanded cover letter, in a format published by the department, shall be used to clearly document and demonstrate compliance with those standards.

(c) A publication developed pursuant to this section shall be made available on a dedicated page of the department's Internet Web site.

(Added by Stats. 2015, Ch. 691, Sec. 1. (AB 387) Effective January 1, 2016.)

10191.5. (a) (1) The commissioner shall request that a multistate regulatory support organization commission a study to examine and report on the extent to which the uniform standards set forth in the Interstate Insurance Product Regulation Compact developed by the Interstate Insurance Product Regulation Commission provide consumer protections that are equivalent to those established under state law for annuity, life, disability income, and long-term care insurance products.

(2) The commissioner's request for the study described in paragraph (1) shall include a request that the study be completed no later than January 1, 2017, and that the study, to the extent feasible, highlight the substantive differences between the uniform standards set forth in the Interstate Insurance Product Regulation Compact and the statutory requirements under state law for annuity, life, disability income, and long-term care insurance products.

(b) (1) Upon completion of the study described in paragraph (1) of subdivision (a), the commissioner shall submit the study to the Chairpersons of the Assembly and Senate committees on insurance. The study shall be submitted in compliance with Section 9795 of the Government Code.

(2) The commissioner may review the final study prior to its submission to the Legislature, and submit written comments on the results of the study to the Legislature when submitting the study to the Legislature pursuant to paragraph (1).

(c) No moneys from the General Fund or the Insurance Fund may be used to implement this section.

(Added by Stats. 2015, Ch. 691, Sec. 2. (AB 387) Effective January 1, 2016.)

10192. If a policy of life insurance becomes paid up pursuant to a paid up nonforfeiture benefit, the insurer shall send a notice to the owner of the policy not later than six months after the date the paid up nonforfeiture benefit becomes effective, and once every five years thereafter. The notice shall advise the owner of the policy that the owner, within six months after the date of the notice, may request the insurer to send notices to all direct beneficiaries named in the policy. If so requested, the insurer shall send the notices by first-class mail to the addresses of the beneficiaries as supplied by the owner. The notices shall advise the beneficiaries that they are named as beneficiaries in the policy, and shall identify the owner of the policy and the insured. The insurer shall provide, but not be limited to, the following information upon request from the beneficiary: (a) how the policy of insurance is identified on the records of the insurer, (b) the amount of death benefits, and (c) the cash surrender value of the policy.

(Added by Stats. 1990, Ch. 870, Sec. 1.)