

## **§ 1387. Civil penalties**

(a)(1) A person who violates a provision of this chapter, or who violates a rule or order adopted or issued pursuant to this chapter, shall be liable for a civil penalty of not more than twenty-five thousand dollars (\$25,000) for each violation, which shall be assessed and recovered in a civil action brought in the name of the people of the State of California by the director in any court of competent jurisdiction.

(2) In assessing a civil penalty, the director shall determine the appropriate amount after considering one or more factors enumerated in subdivision (d) of Section 1386, as applicable.

(b) As applied to the civil penalties for acts in violation of this chapter, the remedies provided by this section and by other sections of this chapter are not exclusive, and may be sought and employed in any combination to enforce this chapter.

(c) An action shall not be maintained to enforce any liability created under subdivision (a), unless brought before the expiration of four years after the act or transaction constituting the violation.

(d) Commencing January 1, 2028, and every five years thereafter, the penalty amount specified in this section shall be adjusted based on the average rate of change in premium rates for the individual and small group markets, and weighted by enrollment, since the previous adjustment.

### **HISTORY:**

Added Stats 1986 ch 718 § 8. Amended Stats 1999 ch 525 § 133 (AB 78), effective January 1,

2000, operative July 1, 2000; Stats 2022 ch 985 § 5 (SB 858), effective January 1, 2023.

§ 1388

KNOX-KEENE ACT

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