

DEPARTMENT OF INSURANCE**Legal Division**

300 Capitol Mall, 17th Floor
Sacramento, CA 95814

**NOTICE**

DATE: May 16, 2014 (Updated February 5, 2015)

TO: All Admitted Insurers, Insurance Producers, and Other Interested Parties

SUBJECT: Notification of Improper Personal Information Disclosures and Security Breaches

The purpose of this Notice is to inform admitted insurers, insurance producers, and other interested parties of California's improper personal information disclosure and security breach notification requirements.

The Insurance Information and Privacy Protection Act (Insurance Code § 791 *et seq.*) establishes standards for the collection, use, and disclosure of information gathered by insurers, insurance producers, and insurance support organizations. The Act restricts the manner in which those persons or entities may disclose the personal or privileged information of consumers. (Insurance Code § 791.13) The Act vests in the Insurance Commissioner the power to examine and investigate the affairs of persons or entities engaged in the business of insurance to verify compliance with the Insurance Information and Privacy Protection Act. (Insurance Code § 791.14)

Applicable law also requires entities that conduct business in California and own or license computerized data that includes personal information to disclose any breach of the security of the data to California residents when such residents' unencrypted personal information is reasonably believed to have been acquired by an unauthorized person. (Civil Code § 1798.82) Effective January 1, 2012, any person or business that is required to issue a security breach notification to more than 500 California residents shall also submit a sample copy of that security breach notification, excluding any personally identifiable information, to the Attorney General of the State of California. (Civil Code § 1798.82(f))

The Insurance Commissioner requests all insurers, insurance producers, and insurance support organizations to provide to the Insurance Commissioner any notices or information submitted to the Attorney General's Office in accordance with Civil Code § 1798.82(f). Copies of notices or information should be sent to California Department of Insurance, Attn: Susan Bernard—Division Chief, Field Examinations, 45 Fremont Street, 24th Floor, San Francisco, CA 94105; email: susan.bernard@insurance.ca.gov.

Any questions or comments concerning this Notice should be sent to California Department of Insurance, Attn: Bryant Henley – Assistant Chief Counsel, 300 Capitol Mall, 17th Floor, Sacramento, CA 95814; email: bryant.henley@insurance.ca.gov.