



**RICARDO LARA**  
CALIFORNIA INSURANCE COMMISSIONER

## **NOTICE**

**TO: All Admitted Insurance Companies**

**FROM: Insurance Commissioner Ricardo Lara**

**DATE: December 23, 2021**

**RE: Insurance Coverages and Compliance Reports Required by Senate Bill 334 (Durazo, Chapter 298, Statutes of 2021)**

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Effective January 1, 2022, pursuant to California Penal Code section 9506, all private detention facilities, as defined in California Penal Code section 9500(b), in California are required to obtain and maintain the following insurance coverages from an admitted insurer only:

- General liability, including directors' and officers' liability, medical professional liability, and liability for civil rights violations, with minimum coverage limits of not less than \$5,000,000 per occurrence and \$25,000,000 in aggregate;
- Automobile liability, with minimum coverage limits of not less than \$5,000,000 per occurrence;
- Umbrella liability, with minimum coverage limits of not less than \$25,000,000 per occurrence and \$25,000,000 in aggregate; and,
- Workers' compensation as required by law. Notwithstanding Section 3700(b) of the Labor Code, self-insurance does not satisfy this requirement.

In addition, the above insurance policies shall require private detention facilities to comply with the following:

- All appropriate state and local building, zoning, health, safety, and fire statutes, ordinances, and regulations, and with the minimum jail standards established by regulations adopted by the California Board of State and Community Corrections, as set forth in Subchapter 4 (commencing with Section 1000) of Chapter 1 of Division 1 of Title 15 of the California Code of Regulations; and,
- Selection and training of personnel in accordance with selection and training requirements adopted by the California Board of State and Community Corrections as set forth in Subchapter 1 (commencing with Section 100) of Chapter 1 of Division 1 of Title 15 of the California Code of Regulations.

Lastly, the private detention facility shall provide their insurer and the Insurance Commissioner with an initial report on compliance with the above requirements by January 1, 2022 and subsequent annual compliance updates thereafter.

Please note that an insurer providing coverages to a private detention facility may consider whether the private detention facility complies with all of the requirements of Penal Code Section 9506 as part of the insurer's loss control program.

Questions about this Notice should be directed to Kendra Zoller, Deputy Legislative Director, at [Kendra.Zoller@insurance.ca.gov](mailto:Kendra.Zoller@insurance.ca.gov).