

Introduced by Senator LimónFebruary 12, 2025

An act to amend Section 791.07 of the Insurance Code, relating to insurance.

LEGISLATIVE COUNSEL'S DIGEST

SB 354, as introduced, Limón. Insurance applications: investigative consumer reports.

Existing law generally regulates the business of insurance in the state and sets standards for the collection, use, and disclosure of information gathered in connection with insurance transactions. Existing law prohibits an insurance institution, agent, or insurance-support organization from preparing or requesting an investigative consumer report about an individual for an insurance application unless they inform the individual of specified information and take specified actions regarding personal interviews.

This bill would make technical, nonsubstantive changes to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 791.07 of the Insurance Code is amended
2 to read:
3 791.07. (a) ~~No~~*An* insurance institution,~~agent~~ *agent*, or
4 insurance-support organization ~~may~~ *shall not* prepare or request
5 an investigative consumer report about an individual in connection
6 with an insurance transaction involving an application for

1 insurance, a policy renewal, a policy ~~reinstatement~~ *reinstatement*,
2 or a change in insurance ~~benefits~~ *benefits*, unless the insurance
3 institution or agent informs the individual of *both of* the following:

4 (1) That ~~he or she~~ *the individual* may request to be interviewed
5 in connection with the preparation of the investigative consumer
6 ~~report, and report.~~

7 (2) That upon a request pursuant to Section 791.08, ~~he or she~~
8 *the individual* is entitled to receive a copy of the investigative
9 consumer report.

10 (b) If an investigative consumer report is to be prepared by an
11 insurance institution or agent, the insurance institution or agent
12 shall institute reasonable procedures to conduct a personal
13 interview requested by an individual.

14 (c) If an investigative consumer report is to be prepared by an
15 insurance-support organization, the insurance institution or agent
16 desiring ~~such~~ *the* report shall inform the insurance-support
17 organization ~~whether~~ *if* a personal interview has been requested
18 by the individual. The insurance-support organization shall institute
19 reasonable procedures to conduct ~~such interviews,~~ *an interview,*
20 if requested.