

State of California Office of Administrative Law

In re:
Department of Insurance

Regulatory Action:

Title 10, California Code of Regulations

Adopt sections: 2644.29, 2648.2.2

Amend sections: 2648.2, 2648.4

Repeal sections:

NOTICE OF FILING AND PRINTING ONLY

Government Code Section 11343.8

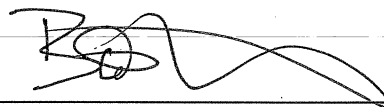
OAL Matter Number: 2026-0909-02

OAL Matter Type: File and Print Only (FP)

This File and Print action submitted by the Department of Insurance to implement Proposition 103 (approved Nov. 8, 1988) adopts a comprehensiveness review process and amends complete rate application requirements for insurers to require that data be reconciled. This action is exempt from the Administrative Procedure Act pursuant to Government Code section 11340.9, subdivision (g), and was submitted to the Office of Administrative Law (OAL) only for filing with the Secretary of State and printing in the California Code of Regulations (CCR).

OAL filed this regulation with the Secretary of State and will publish the regulation in the California Code of Regulations.

Date: October 15, 2026



Robert Roth
Senior Attorney

For: Kenneth J. Pogue
Director

Original: Ricardo Lara, Commissioner

Copy: Randi Bovard

NOTICE PUBLICATION/REGULATION SUBMISSION

STD. 400 (REV. 10/2019)

(See instructions on reverse)

For use by Secretary of State only

OAL FILE NUMBERS	NOTICE FILE NUMBER Z-	REGULATORY ACTION NUMBER 2026-0909-02 FP	EMERGENCY NUMBER
For use by Office of Administrative Law (OAL) only			
NOTICE		REGULATIONS	
AGENCY WITH RULEMAKING AUTHORITY California Department of Insurance			AGENCY FILE NUMBER (if any) REG-2025-00024

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

OCT 15 2026

1:47 PM

NM

OFFICE OF ADMIN. LAW
2026 SEP 9 PM 3:25

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE		TITLE(S)		FIRST SECTION AFFECTED		2. REQUESTED PUBLICATION DATE	
3. NOTICE TYPE ☐ Notice re Proposed Regulatory Action ☐ Other		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER		FAX NUMBER (Optional)	
OAL USE ONLY		ACTION ON PROPOSED NOTICE ☐ Approved as Submitted ☐ Approved as Modified ☐ Disapproved/Withdrawn		NOTICE REGISTER NUMBER		PUBLICATION DATE	

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S) Comprehensiveness Review; Complete Rate Application		1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S) n/a	
2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)			
SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)		ADOPT 2644.29., 2648.2.2.	
		AMEND 2648.2, 2648.4.	
TITLE(S) 10		REPEAL	
3. TYPE OF FILING			
☐ Regular Rulemaking (Gov. Code §11346) ☐ Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4) ☐ Emergency (Gov. Code, §11346.1(b))		☐ Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute. ☐ Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1) ☐ Emergency Readopt (Gov. Code, §11346.1(h)) ☒ File & Print ☒ Other (Specify) Gov. Code Section 11340.9(g)	
☐ Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100) ☐ Print Only			
4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)			
5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)			
☐ Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a)) ☒ Effective on filing with Secretary of State ☐ \$100 Changes Without Regulatory Effect ☐ Effective other (Specify)			
6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY			
☐ Department of Finance (Form STD. 399) (SAM §6660) ☐ Fair Political Practices Commission ☐ State Fire Marshal ☐ Other (Specify)			
7. CONTACT PERSON Randi Bovard		TELEPHONE NUMBER (916) 610-0964	FAX NUMBER (Optional) E-MAIL ADDRESS (Optional) CDIRegulations@insurance.ca.gov

8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE
Michael Martinez
Digitally signed by Michael Martinez
Date: 2026.09.08 11:26:54 -0700

TYPED NAME AND TITLE OF SIGNATORY
Michael Martinez, Chief Deputy Insurance Commissioner

DATE
September 8, 2026

For use by Office of Administrative Law (OAL) only

AUTHORIZED FOR FILING AND PRINTING

OCT 15 2026

Office of Administrative Law

STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
300 Capitol Mall, 17th Floor
Sacramento, CA 98514

TEXT OF REGULATION

COMPREHENSIVENESS REVIEW; COMPLETE RATE APPLICATION

September 2, 2026

REG-2025-00024

Title 10. Investment
Chapter 5. Insurance Commissioner
Subchapter 4.8. Review of Rates
Article 4. Determination of Reasonable Rates.

Adopt: Section 2644.29. Comprehensiveness Review.

(a) An insurer may explore the desirability of potentially changing a rate by participating in the comprehensiveness review set forth in this Section 2644.29 (the "CR" hereinafter).

(b) Mechanics.

(1) Initiating a CR.

An insurer may opt to initiate a CR. In order to initiate a CR, the insurer shall provide to the Rate Regulation Branch a submittal containing all information the insurer believes the Commissioner would require in connection with a complete rate application filed pursuant to Insurance Code section 1861.05 (hereinafter, a "submittal").

(2) Frequency.

(A) An insurer may initiate a CR for any one line of insurance, as that term is described in subdivision (a) of Section 2642.7, no more frequently than once during any 180-day period.

(B) Except as provided in subdivision (b)(2)(A) of this section, an insurer may engage in multiple CRs simultaneously.

(3) Publication in SERFF.

All submittals, updated submittals, determinations, evaluations, requests, responses, updates, revisions, withdrawals, extensions and any other communication described in this section shall be made, issued, provided or otherwise effected by being published in SERFF.

- (c) Under no circumstances shall a CR be construed to be a "proceeding" for any purpose, including without limitation a "proceeding" as that term is used in Article 10 of Chapter 9 of Part 2 of Division 1, commencing with Section 1861.01, of the Insurance Code.
- (d) As set forth below in this subdivision (d), the Rate Regulation Branch shall determine whether, to the best of Department staff's knowledge, a submittal includes all information that would be sufficient for purposes of determining a range of rate changes for the submittal, and of ensuring that the submittal would comply with applicable law, if the submittal were to be filed as a rate application pursuant to Insurance Code section 1861.05.
- (1) Evaluating whether a submittal is sufficient for purposes of determining a range of rate changes.
- (A) The Rate Regulation Branch shall determine whether a submittal includes all information that would be required in connection with a rate application filed pursuant to Insurance Code section 1861.05 by first assessing whether the submittal contains all the information the Rate Regulation Branch would need in order to:
1. Determine whether the submittal would comply with applicable law that would pertain to the submittal if it were filed as a rate application pursuant to Insurance Code section 1861.05.
 2. Perform a complete analysis of such a rate application, and
 3. Determine the maximum earned premium and the minimum earned premium that would be permissible in such an application.
- (B) Issuance of affirmative evaluation of sufficiency to determine a range of rate changes.
1. Rate Regulation Branch shall issue an affirmative evaluation of sufficiency to determine a range of rate changes (an "AESDRRC" hereinafter) when it determines that the submittal satisfies the requirements set forth in subdivision (d)(1)(A) of this section.
 2. An AESDRRC shall include the maximum earned premium, and the minimum earned premium, that would be permissible if the submittal were to be filed as a rate application pursuant to Insurance Code section 1861.05.

(2) Evaluating a submittal for comprehensiveness.

(A) No later than 10 days after the Rate Regulation Branch issues an AESDRRC pursuant to subdivision (d)(1)(B) of this section, the insurer shall:

1. Update the submittal to incorporate a rate change that comports with the range specified pursuant to subdivision (d)(1)(B)2. of this section in the AESDRRC, or
2. Withdraw the submittal, in which case the CR initiated pursuant to subdivision (b) shall terminate.

(B) The Rate Regulation Branch shall review the updated submittal and determine whether it includes all the information that, to the best of Department staff's knowledge, would be required in order for a rate application filed pursuant to Insurance Code section 1861.05 to be approved.

1. If the updated submittal does contain all such information, Rate Regulation Branch shall issue a determination to the effect that the updated submittal includes all the information that would, to the best of Department staff's knowledge, be required in order for a rate application filed pursuant to Insurance Code section 1861.05 to be approved, including without limitation the rate change the insurer has incorporated into the updated submittal as described above in subdivision (d)(2)(A)1. of this section. The determination described in this subdivision (d)(2)(B)1. shall constitute an "affirmative evaluation of comprehensiveness" for purposes of this section and Section 2648.2.2.
2. If the updated submittal does not include all the information that, to the best of Department staff's knowledge, would be required in connection with a rate application filed pursuant to Insurance Code section 1861.05 to be approved, Rate Regulation Branch shall issue a request for clarification citing the deficiency in the updated submittal.
3. In the event that Rate Regulation Branch issues a request for clarification pursuant to subdivision (d)(2)(B)2. of this section, the insurer shall cure the deficiency cited in such request for clarification by submitting a revised updated submittal.
 - a. If such revised updated submittal includes all the information that, to the best of Department staff's knowledge, would be required in order for a rate

application filed pursuant to Insurance Code section 1861.05 to be approved, Rate Regulation Branch shall issue a determination to this effect. The determination described in this subdivision (d)(2)(B)3.a. shall constitute an "affirmative evaluation of comprehensiveness" for purposes of this section and Section 2648.2.2.

- b. If Rate Regulation Branch determines that the insurer's revised updated submittal does not include all the information that, to the best of Department staff's knowledge, would be required in order for a rate application filed pursuant to Insurance Code section 1861.05 to be approved, the CR initiated pursuant to subdivision (b) of this section shall terminate, and Rate Regulation Branch shall provide notice of such termination, which notice shall cite the deficiency remaining in the revised updated submittal.

(3) Additional provisions concerning the timing of CRs.

- (A) Unless Subdivision (d)(3)(B) of this section applies or a submittal is rejected pursuant to Subdivision (f) of this section, the Rate Regulation Branch shall issue:
1. An AESDRRC pursuant to subdivision (d)(1)(B) of this section no later than 90 days after an insurer initiates a CR pursuant to subdivision (b)(1) of this section, and
 2. An affirmative evaluation of comprehensiveness pursuant to subdivision (d)(2)(B) of this section no later than 17 days after the Rate Regulation Branch issues the AESDRRC pursuant to subdivision (d)(1)(B) of this section.
- (B) The Rate Regulation Branch may extend any period of time set forth in this section, by up to a total of 60 days, in the aggregate. Any one extension pursuant to this subdivision (d)(3)(B) shall be for no more than 30 days. The Rate Regulation Branch shall memorialize any such extension by publishing a written notification in SERFF that:
1. Specifies each component of the submittal that appears to be inadequate to support an AESDRRC pursuant to subdivision (d)(1)(B) of this section, or an affirmative evaluation of comprehensiveness pursuant to subdivision (d)(2)(A) of this section, as the case may be, and

2. Includes a summary of the information needed to remediate each inadequacy identified pursuant to subdivision (d)(3)(B)1. of this section.

(e) A submittal shall not contain any of the following:

- (1) Information showing the insurer is implementing, or if the submittal were approved as a rate application would be implementing, rates, rating practices or rating systems in a manner that does not comply with applicable law;
- (2) Any rates for specialty insurance, as defined in Subdivision (d) of Section 2642.7;
- (3) An update or revision to a class plan that would be required to be submitted pursuant to Section 2632.11;
- (4) A model, as defined in subdivision (a)(3) of Section 2648.5, that the insurer proposes to use for purposes of segmentation, underwriting or risk scoring; however, a model that the insurer proposes to use only for purposes of projecting annual aggregate catastrophe loss may be included in a submittal, provided that either:
 - (A) A pre-application required information determination (a "PRID" hereinafter) has been issued pursuant to subdivision (q) of Section 2648.5 with respect to the model, which PRID will, pursuant to the terms of subdivisions (o) and (p) of Section 2648.5, remain valid on the date that is 180 days after the insurer initiates the CR pursuant to subdivision (b)(1) of this section, or
 - (B) The model is proposed to be used in connection with only the following lines, coverages or exposures:
 1. Earthquake,
 2. Fire following earthquake,
 3. Flood, or
 4. Terrorism.

(f) Any contrary provision of this section notwithstanding, the Commissioner may reject a submittal in any of the following circumstances:

- (1) At any time while the submittal is pending, the insurer files, or previously has filed, an application pursuant to Insurance Code section 1861.05 with respect to a line or coverage that is the subject of the submittal, which application is also pending;

- (2) The submittal contains any item identified in subdivision (e) of this section;
- (3) The Commissioner finds good cause for rejecting the submittal.
- (g) Articles 13 and 14 of Subchapter 4.9 of Chapter 5 of Title 10 of the California Code of Regulations, commencing with Sections 2661.1 and 2662.1, respectively, shall not apply to a CR under this section.
- (h) All information provided to the Department during review pursuant to a CR shall be available for public inspection via SERFF.

Note: Authority cited: 1861.01, Insurance Code; 20th Century v. Garamendi (1994) 8 Cal.4th 216, 281. Reference: Sections 1861.01 and 1861.07, Insurance Code.

Chapter 5. Insurance Commissioner

Subchapter 4.8. Review of Rates

Article 8. Timelines for Scheduling and Commencing Hearings

per agency
request
RDN

Amend: Section 2648.2. Receipt of Rate Application By Commissioner.

- (a) For the purpose of Insurance Code section 1861.05, subdivision (c), a complete rate application shall be considered to have been received by the Commissioner on the date that all information, materials, ~~and documents~~, and reconciled data required by Section 2648.4 as part of a complete rate application have been delivered to the Department's Rate Regulation Branch by means of submittal using the System for Electronic Rate and Form Filing (SERFF).
- (b) Within 30 days of being delivered pursuant to subdivision (a) of this Section 2648.2, the Commissioner shall review rate applications for completeness as required by Insurance Code section 1861.05, subdivision (b). If the application includes all information, materials, ~~and documentation~~, and reconciled data required by Section 2648.4, it is complete. If the Commissioner determines that the application is not complete because it does not include all information, materials, ~~and documentation~~, and reconciled data required by Section 2648.4 for a complete rate application, notice stating the grounds for incompleteness will be given to the insurer within the 30 day period and the application will be rejected. Within 10 days of the date that such notice is given, the insurer may request a hearing on the rejection.
- (c) The hearing shall be held within 10 days of receipt of the request by the Department's Rate Enforcement Bureau. The scope of the hearing shall be limited to the completeness of the application.
- (d) If, after a hearing, an application is determined to have been complete when filed, then the 180 day period specified in Insurance Code section 1861.05, subdivision (c) shall have commenced on the date the application was first filed. If the application is determined to be incomplete, then it shall remain rejected.

- (e) Rejection of an application for incompleteness shall not bar the refiling of a complete application.
- (f) Public notice of the complete rate application as required by Insurance Code section 1861.05, subdivision (c) shall be made within 10 days after the Commissioner determines that an application is complete.

Note: Authority cited: Sections 1861.05 and 1861.055, Insurance Code. Reference: Sections 1861.05 and 1861.055, Insurance Code.

Adopt: Section 2648.2.2. Processing of a Rate Application to which Is Attached an Inference of Comprehensiveness.

(a) Inference of comprehensiveness.

An inference of comprehensiveness shall attach to a rate application filed pursuant to Insurance Code section 1861.05 if each of the following is true:

- (1) The insurer has received an affirmative evaluation of comprehensiveness as described in subdivision (d)(2)(B) of Section 2644.29.
 - (2) No fact that was unknown to Department staff at the time of the issuance of the affirmative evaluation of comprehensiveness pursuant to subdivision (d)(2)(B) of Section 2644.29 subsequently comes to the attention of the Commissioner indicating that the insurer's updated submittal pursuant to subdivision (d)(2)(B)1. of this section, or the insurer's revised updated submittal pursuant to subdivision (d)(2)(B)3. of this section, with respect to which the affirmative evaluation of comprehensiveness was issued does not contain all the information that, to the best of Department staff's knowledge, would be required in order for a rate application filed pursuant to Insurance Code section 1861.05 to be approved.
 - (3) The application contains only a statement incorporating by reference into the rate application the insurer's updated submittal, or the insurer's revised updated submittal, with respect to which the affirmative evaluation of comprehensiveness was issued pursuant to subdivision (d)(2)(B) of Section 2644.29, and such other information as the Commissioner may require, all on a form to be prescribed from time to time by the Commissioner for this purpose.
 - (4) The application is filed no later than 16 days following the day Rate Regulation Branch issued the affirmative evaluation of comprehensiveness.
- (b) The only effect of an inference of comprehensiveness being attached to a rate application filed pursuant to Insurance Code section 1861.05, as described in subdivision (a) of this Section 2648.2.2., is to invoke the operation of subdivisions (b)(1) through (b)(4), below, with respect to such rate application:

- (1) Section 2648.2 shall not apply to the application.
- (2) Public notice of the application shall be given no later than 10 days after date the application is filed with the Commissioner pursuant to this subdivision (a) of this section.
- (3) The application shall be approved no earlier than 47 days after public notice.
- (4) The application shall be approved no later than 60 days after public notice. The immediately preceding sentence shall not apply, however, if a timely petition for hearing is submitted pursuant to Section 2653.1 and:
 - (1) The Commissioner grants the petition for hearing pursuant to Section 2653.5; or
 - (2) The rate adjustment proposed in the application exceeds:
 - (A) 7% for personal lines, or
 - (B) 15% for commercial lines.

Note: Authority cited: Sections 1861.01 and 1861.05, Insurance Code. Reference: Section 1861.05, Insurance Code.

per agency
request
RDN

Amend: Section 2648.4. Complete Rate Application.

- (a) Pursuant to Insurance Code section 1861.05, subdivision (b), every insurer that desires to change any rate must file a complete rate application which must include the information required by Insurance Code section 1861.05, subdivision (b), and all information as the Commissioner may require in order to perform a complete analysis of a rate application, including but not limited to the exhibits, data, information, materials and documentation specified by Sections 2641.1 through 2643.8 and Sections 2644.1 through 2644.28 as those sections may from time to time be amended. A complete rate application shall also comply with ~~include all of the materials described in subdivisions (b) through (f)~~ of this Section 2648.4.
- (b) The data contained within a complete rate application shall be reconciled, consistently with applicable Actuarial Standards of Practice.
- (bc) A complete rate application shall include any and all criteria, guidelines, systems, manuals, models and algorithms the insurer uses to determine whether to accept, examine, inspect, cancel, non-renew, or re-underwrite a risk, or to modify an applicant's or insured's coverage or coverage options.

Specifically, the complete rate application shall include, without limitation, a complete set of, and any proposed changes to, any and all of the following:

- (1) An insurer's eligibility guidelines as defined in Sections 2360.0 through 2360.7;
 - (2) Any and all criteria, guidelines, systems, manuals, models and algorithms an insurer uses to reduce, increase, or restrict the number of policies written or renewed, or restrict the coverages offered, in specific geographic areas such as ZIP codes, counties, or territories, for any reason, including over-concentration; and
 - (3) Any method or set of standards, parameters, rules, requirements or procedures that is used by an insurer, agent, broker, or underwriter to assist in the determination of whether to accept, examine, inspect, cancel, non-renew, or re-underwrite a risk, or to modify an applicant's or insured's coverage or coverage options.
- (ed) A complete rate application shall also include any and all criteria, guidelines, systems, manuals, models and algorithms, and any proposed changes thereto, an insurer, agent, broker, or underwriter uses or relies upon to determine the rate, rating rules and coverages for any particular applicant or insured, including optional coverage rates and rules.
- (de) A complete rate application shall also include a complete and entire copy of any and all written and electronic descriptions of all of the materials described in subdivisions (a), ~~through (c) and (d)~~ of this section.
- ~~(ef)~~ Pursuant to Insurance Code section 1861.05, subdivision (b), the Commissioner may, in order to perform a complete analysis of a rate application that was previously deemed complete pursuant to section 2648.2, subdivision (b) but has not yet been approved, require the insurer to submit additional information, forms, templates, exhibits, data and documentation during the Commissioner's review of the application.

NOTE: Authority cited: Sections 1861.01 and 1861.055, Insurance Code. Reference: Sections 1861.05, 1861.07 and 1861.055, Insurance Code.