Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR's Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR's website does not indicate CalHR support for the proposal.

## A. GENERAL INFORMATION

1. Date

2026-08-24

2. Department

California Department of Insurance

3. Organizational Placement (Division/Branch/Office Name)

Administration and Licensing Services Branch

4. CEA Position Title

Deputy Commissioner, Administration and Licensing Services Branch

5. Summary of proposed position description and how it relates to the program's mission or purpose. (*2-3 sentences)*

The Deputy Commissioner, Administration & Licensing Services Branch is responsible for formulating policy and directing support functions of administrative divisions, including Financial and Business Management (FBMD), Human Resources Management (HRMD), Information Technology (ITD), and Licensing Services (LSD). The position also participates in planning, reviewing, and providing policy recommendations and reports on the implementation of new projects and legislatively mandated programs to be established within organizational units that report to the Chief Deputy Insurance Commissioner.

6. Reports to: (*Class Title/Level*)

Chief Deputy Insurance Commissioner, Exempt

7. Relationship with Department Director (*Select one)*

☑ Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.

☐ Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(*Explain*):

8. Organizational Level *(Select one)*

☐ 1st ☑ 2nd ☐ 3rd ☐ 4th ☐ 5th (mega departments only - 17,001+ allocated positions)

## B. SUMMARY OF REQUEST

9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

Under the general direction of the Chief Deputy Insurance Commissioner, the Deputy Commissioner (DC), Administration and Licensing Services Branch (ALSB), functions as a member of the Executive team and is responsible for the development, implementation, administration and assessment of a wide range of administrative functions, processes, and policies throughout the Department including short-term and long-term planning for facilities, budgeting, information technology, human resources, procurement, and licensing, as well as providing recommendations to the Commissioner and the Executive team about administrative and budget policies and decisions. The DC organizes and directs the FBMD, the HRMD, the ITD, and the LSD. Additionally, the DC partners with Office of Civil Rights (OCR), Organizational Accountability Office (OAO), and Office of Strategic Planning and Initiatives (OSPI) on various projects.

Organizes and directs through the ALSB subordinate managers' actions, the following administrative functions:
- Financial Management – An annual budget of over $300 million with 13 unique revenue streams, full range of accounting functions including financial statements and all business services functions for the organization including procurement, contracts, facilities, and asset management.

- Human Resources – All matters relating to human resources in the organization for the Department's 1,400 authorized positions including health and safety, reasonable accommodation, performance and discipline, labor relations, and employee engagement and recognition. Supports the organization in the recruitment, training, and retention of a high-quality workforce.

- Information Technology – Supports the information technology infrastructure, including telecommunication and internet and intranet application servers to meet business and operational needs.

- Licensing Services – All licensing functions for approximately 425,000 individuals and business entities pursuant to specific requirements in the California Insurance Code and California Code of Regulations.

Advises the Insurance Commissioner, Chief Deputy Insurance Commissioner, and Executive staff on a wide range of administrative and licensing issues. Provides leadership and policy formulation for administrative functions within the ALSB.

Provides the Insurance Commissioner, Chief Deputy Insurance Commissioner, and Executive Staff with on-going policy guidance and direction relating to all administrative functions. Evaluates and makes recommendations on program proposals involving all areas of ALSB. Also provides input on program proposals with divisional or cross-divisional fiscal impacts.

Establishes, maintains, and fosters effective working relationships with control agencies and other governmental and non-governmental stakeholders relevant to CDI operations. Represents the Department in meetings, discussions, and workgroups that include state entities such as the Legislature, Governor's Office, Department of Finance, Department of General Services, Department of Human Resources, and the Legislative Analyst's Office. May give testimony regarding the Department's budget before the Legislature on behalf of the Insurance Commissioner.

## B. SUMMARY OF REQUEST (continued)

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- ☑ Program is directly related to department's primary mission and is critical to achieving the department's goals.
- ☐ Program is indirectly related to department's primary mission.
- ☐ Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description:

CDI serves the people of California as the primary regulator of the state's insurance industry. Through regulation of the insurance industry, it is CDI's mission to ensure a competitive and sustainable insurance market, investigating fraud, and advocating for consumers. CDI fulfills this mission through six key regulatory functions: financial solvency oversight; licensing and certification of insurance companies, agents, and brokers; premium rate and insurance product examination; consumer services and market conduct; enforcement of insurance laws and fraud detection; and premium tax collection. Additionally, CDI has established five strategic goals to support its mission: consumer protection, workforce strength, operational efficiency, fiscal stewardship, and effective leadership.

The ALSB DC is responsible for developing policies and overseeing administrative support activities for the CDI, including budgets, accounting, business services, human resources, and information technology. The division’s responsibilities, spanning fiscal management, business operations, information technology, and human resources, are foundational to the department’s ability to execute its programs and deliver on its goals. For example, accurate budget planning and financial oversight ensure that resources are allocated efficiently to support high-priority initiatives such as consumer protection and industry oversight. Similarly, robust information technology policies enable the department to adequately address business priorities through reliable, supportable, and scaleable technology solutions and services. The position is responsible for ensuring cohesiveness as it relates to the department meeting state mandates and requirements for staffing, funding, technology and facility infrastructure, while working to support the core mission and operational activities within the department.

Additionally, the ALSB DC also has policy oversight for licensing services, which maintains the integrity of the state's insurance market by implementing and enforcing laws relating to the qualifications and licensing requirements for persons and organizations conducting insurance business in California. In addition, licensing services also develop and administer licensing examinations; conduct through and extensive background investigations on those seeking to transact insurance in California; and analyze complaints on minor violations of the California Insurance Code. As one of the key regulatory functions, the ALSB DC's oversight of licensing services is vital to perpetuating a competitive and sustainable insurance market.

The ALSB Deputy Commissioner plays a vital role in providing sound policy direction, compliance oversight, risk mitigation, workforce management, and operational continuity. The responsibilities of this position directly impact the Department's ability to adapt to regulatory changes and meet strategic goals, while ensuring operational efficiency.

## B. SUMMARY OF REQUEST (continued)

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

On September 21, 2023, the Governor issued executive order N-13-23, which requested the Insurance Commissioner to take prompt regulatory action to strengthen and stabilize California's insurance market. In response to this order, the Insurance Commissioner created the Sustainable Insurance Strategy (SIS), including the release of Bulletin 2024-7 on August 9, 2024, among many other Department regulatory actions. This Bulletin committed staff at the CDI to initiate organizational and programmatic changes in order to expedite the department's rate application review process, further assist insurers in getting the rate changes deemed justifiable by the CDI, and continue to make insurance available and affordable to all Californians. The AHB serves a vital role in meeting the objectives of the Governor's executive order, and the Insurance Commissioner's SIS by providing evidentiary hearings and proposed decisions, as needed and upon the Insurance Commissioner's request.

Given the full implementation of the Insurance Commissioner's Sustainable Insurance Strategy, there is heightened and on-going interest by the Governor, the State Legislature, the U.S. Congress especially the California congressional delegation, insurance policyholders, consumer groups, the press, other states' insurance regulators, and the regulated insurance industry on this strategy, including expeditious dispensing of any matters directly referred to AHB by the Insurance Commissioner and subsequent hearings called by AHB in furtherance of that delegated authority.

Additionally, the Insurance Commissioner issued a directive providing AHB the authority to perform duties related to issues arising pursuant to Article 10 of Division 1, Part 2, Chapter 9 of the California Insurance Code (Proposition 103). This directive established specific time frames for the AHB to conduct administrative and noncompliance hearings, review proposed stipulations and settlements, review intervenor requests for compensation, and submit proposed decisions to the Commissioner for review, adoption, amendment, or rejection. In addition to the authority granted related to Proposition 103, the Commissioner further directed the AHB to conduct administrative hearings on licensing application requests pursuant to Insurance Code Section 1033, and to propose decisions to the Commissioner within a specified time frame.

The AHB previously reported under the ALSB DC. However, the CDI recognized that the duties of the AHB did not align with the administrative and licensing functions, and required more specialized oversight. In realigning functions, the CDI established a new CEA, Chief Administrative Law Judge (ALJ), position and redirected AHB to report under the Office of Special Counsel. This ensured that AHB had an appropriate organizational structure to support the mission-critical work, while also adhering to Insurance Code Section 21.5, whereby the AHB does not report directly to the Insurance Commissioner, nor directly or indirectly to any employee in the CDI's Legal Branch.

## C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

The ALSB DC serves as the advisor to the Insurance Commissioner, Chief Deputy Commissioner, and members of the Executive team on complex and sensitive administrative policy matters pertaining to accounting, budgets, business services, facilities management, human resources, information security and technology, labor relations, and licensing. The ALSB DC ensures policies reflect applicable federal and state laws, regulatory requirements, and control agency best practices. The position is further responsible for ensuring policy and process alignment with the Department's Strategic goals and objectives, and compliance with regulatory requirements and risk mitigation, in accordance with the State Leadership Accountability Act.

The ALSB DC has principal policy oversight over the following policy areas:

Financial Management: The position oversees the development of departmental budget policies, including preparing annual budgets, requesting new positions, and submitting Budget Change Proposals, to ensure consistency and defensibility when requests go before the Department of Finance. Policy considerations under this position include long term planning, such as multi-year forecasting and budget monitorying, and establishment of reporting standards to identify and correct expenditure issues. The position periodically participates in preparing the department's position on fiscal impact analysis for proposed legislation. The position also contributes to policy guidance on financial reporting standards and audit readiness, ensuring the department is prepared for control agency reviews and can respond promptly to audit findings.

Business and Facility Management: The CEA oversees the development of departmental procurement, contract and purchasing policies, including establishing internal controls on procurement and authority delegation. These policies help ensure the Department's fiscal reporting meets State Controller's Office (SCO) and FI$Cal requirements. Additionally, the CEA provides policy guidance on reporting and retention standards to ensure the department is prepared for control agency compliance reviews and provide prompt responses to audit findings. Further, the position oversees policy and process creation related to facilities and fleet management, such as emergency planning and preparedness, and compliance reporting, in accordance with State and Federal regulations.

Information Technology: The position oversees the development of departmental information technology policies, such as information security and privacy, acceptable use, and confidentiality, in alignment with State Administrative Manual (SAM) requirements. In addition, with the expanding role of Machine Learning and Generative AI, this CEA also guides policy directives related to the adoption and use of these technologies, while establishing a clear framework and requirements for their use. The IT policies managed by the ALSB DC enhance IT security, innovate and advance the Department's technology framework, and ensure operational integrity.

Human Resources Management and Labor Relations: The position oversees the development of departmental human resources and labor relations, including personnel management, organizational and classification oversight, merit-based hiring, and good-faith labor practices. The ALSB DC, in collaboration with OCR and OSPI, develops policies for workforce modernization, such as flexible work environments, succession planning, and employee performance optimization. The position participates in preparing the department's position on personnel and labor impact analysis for proposed legislation, as needed. Further, this CEA ensures policies align with the Department's delegated authority, and compliance with control agency (State Personnel Board, California Department of Human Resources, State Controller's Office, etc.) requirements, Memorandums of Understanding, California Code of Regulation, and State laws.

Licensing Services: The position oversees the development of departmental licensing services policies in accordance with California Insurance Code and California Code of Regulations. The CEA develops licensing policy necessary for program administration, including curriculum review and licensing examination development; background investigations; minor complaint resolutions; and licensee qualification determinations. Given the unique and expansive oversight of the LSD, with over 400,000 licensees, the policies developed by this position have significant breadth and impact on the public and insurance industry activities in California.

The policy influence of this role is extensive and intricate, as it impacts interactions with applicants, employees, consumers, licensees, corporations, other agencies, legislature, and the GO. The policy influence directly affects the stability and integrity of the California insurance market, the safety of California consumers, and the Department's ability to meet its strategic goals. Overall, policies within the positions purview aim to promote accountability, enhance efficiency, mitigate risks, meet regulatory requirements and compliance objectives, and strategically align with the needs of the department to meet mission-critical functions.

## C. ROLE IN POLICY INFLUENCE (continued)

13. What is the CEA position's scope and nature of decision-making authority?

The ALSB DC has the authority to make broad, high-level decisions over administrative and licensing functions. The CEA regularly interacts with other executive level staff to address complex administrative topics, and makes decisions with significant operational, legal, and fiscal implications that directly impact compliance, accountability, and the effective management of departmental resources. The position's cross-functional decisions require balancing statutory and regulatory mandates, organizational goals, risk management considerations, and stakeholder interests, often under conditions of ambiguity or competing priorities.

This position determines administrative and licensing priorities, with consideration given to integration of new legislative programs, impact to internal and external stakeholders, and alignment with the Department's mission. The CEA ensures that strategic objectives are consistently implemented and successfully achieved across all divisions and programs. The position establishes frameworks to ensure compliance with state financial, operational, and administrative standards. This includes evaluating the implications of new laws and regulations on department-wide operations and ensuring that policies are effectively integrated into the Department's structure.

The ALSB DC represents the Department in high-level engagements with legislative bodies, state agencies, external stakeholders, and the Governor's Administration. The CEA's engagement helps build consensus and secure support for critical programs and initiatives.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

The position is responsible for both developing and implementing new policies, while continously monitoring existing policies for compliance with evolving laws, rules, and regulations. For both new and existing policies, this position focuses on continuously developing and refining strategic policies to address emerging challenges, such as resource allocation, risk management, workforce development, and licensing regulations. Simultaneously, the position ensures the effective application of policies to align with evolving departmental priorities, such as compliance with statewide initiatives, legislative and regulatory changes, and operational standards. This approach ensures the Department abides by applicable laws, rules, and regulations, while meeting strategic goals and objectives in alignment with the Department's mission.