Inventory of the Dept. of Insurance Records

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Inventory of the Dept. of Insurance Records

Inventory: F3720

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Office of the Secretary of State
Sacramento, California

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Agency History
The Division of Insurance was created in 1929 within the Department of Investment (ch. 277) as a federation of five independent departments in order that these agencies might be represented on the Governor's Council. The word division was substituted for department in the title of these agencies to make the form of organization correspond with that of other state departments. Each division remained an autonomous unit, with no change of organization resulting from the creation of the Department of Investment.

The divisions within the Department of Investment included: Banking, Corporations, Insurance, Real Estate, and Building and Loan Supervision. The Superintendent of Banks, and the Commissioners of Corporations, Insurance, Real Estate, and Building and Loans constituted a Board of Investment whereupon the board chairman, a rotating position, became known as the Director of Investment.

The Insurance Commissioner was designated as administrative head of the Division of Insurance and served as a member on the Board of Investment. The Division of Insurance became a department in 1941 (ch. 1180) and remained under the control of the Insurance Commissioner.

The responsibilities of the Department of Insurance include; regulating insurance companies for solvency through periodic audits and surveillance of their annual reports, granting or denying security permits to applying insurance and title
companies, reviewing and approving or disapproving insurance policies, establishing rates and rules for Workmen's Compensation Insurance, regulating compliance with general rating law, acting as receiver of insurance companies beset with financial or other difficulties, and maintaining offices in San Francisco, Sacramento, Los Angeles, and San Diego to receive complaints from the public concerning insurance claims or misconduct of agents or brokers. Investigations are conducted by the department as a result of these complaints.

From 1941 until 1949, the Department of Insurance reorganized internally several times. The divisions within the department were Administration (actuarial and insurance rate regulation), Compliance and Legal (compliance, policy complaints, investigation, and disciplinary preceedings), Examination and Financial analysis, Licenses (issuance and examination qualification) and Conservations and Liquidations.

This finding aid consists of two parts: Part I includes papers of Department of Investment, Division of Insurance, 1923-24,32-40 and Part II includes papers of the Department of Insurance, 1938-66,69. Records dated 1938-39 which originated prior to the creation of Department of Insurance were contained in the Subject Files, Department of Finance relating to auditing of the departments books and records and in the Hearing Transcripts regarding licensing of insurance agents and group disability insurance.

PART I: RECORDS OF THE DIVISION OF INSURANCE, DEPARTMENT OF INVESTMENT

   Physical Description: 1ff.
   Scope and Content Note
   Arrangement
   Arranged chronologically.
   Copies of letters received from Attorney General's Office relating to taxation and liquidation of insurance companies, and responsibilities of disability insurance companies.

   Physical Description: 1ff.
   Scope and Content Note
   Arrangement
   Arranged chronologically.
   Letters received and copies of letters sent concerning unlicensed insurance brokers and companies, violations of Anti-Rebate Law, and price cutting of premiums which have hidden exclusion clauses.

   Physical Description: 5ff.
   Scope and Content Note
   Arrangement
   Arranged alphabetically by insurance company name and chronological thereunder. Transcripts relate to application of insurance companies for certification of authority to transact business and rate rules for insurance of Workmen's Compensation Benefits for death and disability from industrial dust diseases. This series also includes letters received, copies of letters sent, and memoranda pertaining to Pneumoconiosis rating plans.
PART I: RECORDS OF THE DIVISION OF INSURANCE, DEPARTMENT OF INVESTMENT


Physical Description: 5ff.
Scope and Content Note
Arrangement
Arranged alphabetically by insurance company and chronological thereunder.
California law requires insurance companies to dispose of property within five years after acquisition pursuant to Stats. 1935, ch. 253, sec. 1151.
Letters received, copies of letters sent, and reports of real estate holdings for various insurance companies.


Physical Description: 1ff.
Scope and Content Note
Arrangement
Arranged chronologically.
Statements filed by insurance companies also contain letters received and copies of letters sent relating to analysis of statement of premiums.


Physical Description: 1ff.
Scope and Content Note
Arrangement
Arranged chronologically.
Compiled by Hugh H. Earle, Oregon Insurance Commissioner and President of the Western Conference of Insurance Commissioners.
Includes cover letter and summary listing replies to premium tax questionnaire from eleven western states pertaining to practice of companies in ascertaining premiums for taxation.

PART II: RECORDS OF THE DEPARTMENT OF INSURANCE

Records of the Administration Division

Physical Description: 7ff.
Scope and Content Note
Arrangement
Arranged chronologically.
Copy of letter received by Commissioner A. Caminetti, Jr. concerning pending legislation in regard to transferring certain duties of Insurance Commissioner to State Board of Equalization, Apr. 17, 1947; copies of Commissioner Maynard Garrison memoranda from S. Gundelfinger, Statement Analyst and Principle Insurance Examiner, dealing with the effect federal agencies have on state supervised insurance; methods of valuation of preferred stock by life insurance companies; tax investigations; and pending legislation, 1943-47; letters received, copies of letters sent, and memoranda of Commissioner Wallace K. Downey from Leo Selinger, Supervisor of Insurance Examinations and Financial Analysis, relating to such subjects as authorization to transact business; valuation of stocks and bonds; report of examination; insurance policies and premiums; annual financial statements; policyholder dividends; fire insurance under-writing; foreign stock insurers; and premium taxes, 1947-50; copies of letters sent, memoranda, press releases, telephone and telegram messages, monthly reports, and summaries of public addresses of Commissioner F. Britton McConnell containing information concerning stock or policyholder dividends; N.A.I.C. participation (The National Association of Insurance Commissioners considers insurance problems of a national scope); group disability insurance; Attorney General Opinions; deductible insurance agreements; departmental investigations of companies; legal decisions; state and national legislation; auto contracts warranty; budget matters; fraudulent insurance advertising; insurance policies and premiums; Workmen's Compensation Rates; and Federal Trade Commission, Jan. - Dec., 1957. See also Series 11.

8. COMMISSIONER MAYNARD GARRISON’S SPEECHES AND PUBLICATIONS. 1943-44. F3720:22.

Physical Description: 1ff.
Scope and Content Note
Arrangement
Arranged chronologically.
Copies of speeches, articles, and related memoranda concerning history of the Department of Insurance; reports to the Governor; federal government intervention with insurance business; and insurance business in general.


Physical Description: 3ff.
Scope and Content Note
Arrangement
Arranged chronologically.
Letters received, copies of letters sent, memoranda and teletype messages of H.A. Benjamin referring mainly to liquidation of insurance companies, 1940,41,43-50; letters received, copies of letters sent, and memoranda of S. Gundelfinger relating to such subjects as annual statements of various companies; legal opinions on premium tax laws, and alien insurers, 1941,43,44,46-48; and copies of memoranda of John R. Maloney from Leo Selinger, Supervisor of Insurance Examinations and Financial Analysis, includes such information as disability premiums, pending legislation, and analysis of financial statements, 1947-49.

Physical Description: 1ff.
Scope and Content Note
Arrangement
Arranged chronologically.
Typescript copies of opinions regarding sections of the Insurance Code pertaining to license renewal of insurance agents or brokers; issuance of group life insurance policies; actions of admitted foreign or non-domestic insurers; and refusal to reinstate policyholders of military age.


Physical Description: 5cf.
Scope and Content Note
Arrangement
Arranged alphabetically by subject and chronological thereunder. Contains correspondence of Commissioners stated in Series 7 and Stafford R. Grady, 1963-66. Series is composed of letters received, copies of letters sent, copies of Attorney General Opinions, legal briefs, reports, department bulletins, surveys, summaries, minutes, rough drafts, speeches, hearings, telegrams, press releases, newsletters, news clippings, published articles, and memoranda dealing with such subjects as audit of financial statements; rejection of policy applications under heading of, Colored Risks; effect of State Community Property Law on life insurance policies; investments of insurance companies; allocation of marine premiums; allotment of military premiums; extending time which companies can own real estate, includes lists of property titles for sale; revising Schedule W (Workmen's Compensation Policy Forms); taxation of premiums; statements of trustee assets for alien insurers; accident and health insurance relating to pre-paid voluntary insurance; American Bar Association's Nuclear Energy Insurance Committee; approval of insurance company names; automobile collision overcharges; automobile insurance referring to cancellation by mail; California Safe Driver Insurance Plan; automobile insurance rate revision; Assigned Risk Plan; Commission of California State Government Organization (Little Hoover Commission); Workmen's Compensation Study Commission; Department of Insurance pertaining to Actuarial Division, miscellaneous correspondence including Administrative Survey Report of 1944, rate regulation, rulings, bulletins, hearings, and staff meetings, Board of Investment; fraudulent claims; Assembly Interim Committee on Finance & Insurance, includes survey and report findings on Workmen's Compensation in California; Mortgage Guarantee Insurance Act; National Association of Insurance Commissioners relates to committees on Accident & Health Insurance, Federal Liaison, Preservation of State Regulation, Conflict of Interest, Flood & Hurricane, Reinsurance and Variable Annuities and Pension Plan Funding; National Bureau of Casualty Underwriters; Pacific Fire Rating Bureau; Rating & Advisory Organizations; Reciprocal, Retaliatory, and Extraterritorial Laws; reinsurance; Surplus Line Associations; United States Senate Committee on Judiciary regarding Anti-Trust & Monopoly Investigations; and Workmen's Compensation Insurance.

Records of the Legal and Compliance Division

Physical Description: 3½cf.
Scope and Content Note
Arrangement
Arranged alphabetically by subject name and chronological thereunder. Includes correspondence of Assistant Chief of Legal and Compliance Division and also Commissioners A. Caminetti, Jr.; Maynard Garrison; Wallace K. Downey; John R. Maloney; F. Britton McConnell; Stafford R. Grady; and Richards D. Barger, 1969.

This series comprises letters received, copies of letters sent, legal briefs, summaries, notices, questionnaires, reports, policy forms, telegrams, press releases, and memoranda covering such subjects as the Department of Insurance’s Legal & Compliance Division regarding multiple-letter investigations, change of company name or address, applications for stock and securities permits, disciplinary cases, and certificates of authority and exemption; disapproved insurance companies, includes correspondence and specimen policy forms; liquidation of the International Guaranty & Insurance Co.; licensed insurance companies; medical payments; Mexican Contract Labor; military enclaves pertaining to War Risk Insurance, Accident War Exclusions, solicitations by insurance companies; and insurance investigations; and policy complaints encompassing Special General Correspondence, General Correspondence, and follow-up investigations. Special General Correspondence deals with unusual complaints such as business ethics of certain insurance companies, insurance companies’ failure to honor legitimate claims, and unlicensed companies doing business in California.

13. HEARING TRANSCRIPTS AND RELATED CORRESPONDENCE.

Physical Description: 11½cf.
Scope and Content Note
Arrangement
Arranged numerically by geographic locations and chronologically thereunder. This series contains samples of transcripts included in several broken sub-series having numerical designations. S.F., R.H., L.A., LA-B., and SAC. indicate locations of hearings; San Francisco, Los Angeles, and Sacramento, respectively. R.H. represents hearings held in San Francisco and Los Angeles. A typical hearing designation might be S.F. 5397 or R.H. 16. A miscellaneous group of unnumbered S.F. hearings is arranged chronologically.

Transcripts relate to licensing insurance salesmen and companies; changes in Workmen’s Compensation Insurance Rates, Automobile Assigned Risk Plans, and employee health and welfare programs; investigations of unlawful practices; valuation of properties and securities in annual statements; and revisions in departmental rules and regulations. Correspondence accompanies some S.F. and R.H. hearings and department rules, and includes letters received, copies of letters sent, memoranda, drafts, notes, telegrams, press releases, subpoenas, and exhibits. Exhibits consist of such records as proof of publication; affidavits of citizenship; summaries of premium costs; digest of manual revisions; license applications; rating schedules; underwriter reports; and department rulings.

Records of the Examination and Financial Analysis Division
   Physical Description: 1ff.
   Scope and Content Note
   Arrangement
   Arranged chronologically.
   Letters received, copies of letters sent, and memoranda deals with division operations.
   Typical correspondence relates to examination of annual financial statements; statistical reports on number and types of licensed insurance companies in California; summary of distribution of premium taxes; uncollectible premiums charged off; ratio of premium writings to capital and surplus; and examination report procedures.

Records of the License Division

   Physical Description: 5ff.
   Scope and Content Note
   Arrangement
   Arranged chronologically.
   Series includes letters received, copies of letters sent, telegrams, and memoranda regarding such subjects as issuance and cancellation of licenses; procedures for broker license applicants; lists of licensed bail agents in California; renewal of insurance agent licenses; inter-office license and examination procedures; issuance of licenses to minors; complaints against insurance licensees; approval of broker bonds; number of licenses issued annually; non-resident licensing laws; license renewals; reciprocity agreements; and qualifications of applicants for brokers licenses.

   Physical Description: 9ff.
   Scope and Content Note
   Arrangement
   Arranged numerically by license number and chronologically thereunder.
   This broken series of records represents a sample of licenses relating to insurance solicitors. Letters received, copies of letters sent, memoranda, notices of intention, bonds, license applications, certificates of appointment, notices of cancellation and inactive licenses. Covers such subjects as filing fees; endorsement of co-partnerships; renewals; failure to fulfill license examination requirements; effective dates of appointments; termination of insurance broker bonds and appointments; and resignations.

Physical Description: 2ff.
Scope and Content Note
Arrangement
Arranged chronologically.
Includes tabulations, copies of memoranda, bulletins, questionnaires, published articles, and examinations relating to changes in qualifying examinations for insurance agents. A large portion of this series consists of statistical tabulations pertaining to number of certificate holders who took examination; number who failed to appear for examination; number actually examined; number who passed examination; and number who failed. Inter-office license and examination procedures; survey of department examinations; approved training courses for qualifying examination; examination related complaints; and samples of Life and Disability Examinations complete this series.

Records of the Conservation and Liquidation Division


Physical Description: 2ff.
Scope and Content Note
Arrangement
Arranged chronologically.
This division acts as receiver (conservator) of insurance companies beset with financial or other difficulties.
Copies of memoranda and teletype messages relating to the operations of the Conservation and Liquidation Division and pertaining to abolition of the Liquidation Unit; transfer of functions from Liquidation to the Examination Division; status of estates in liquidation and conservation; financial reports of companies in conservatorship; court hearings concerning liquidations; and list of companies in conservation or liquidation.