

Insights

VC DIVERSITY REPORTING IN CALIFORNIA PUT ON HOLD

Mar 24, 2026

On March 17, 2026, the California Department of Financial Protection and Innovation (the “DFPI”) announced that implementation and enforcement of the “Fair Investment Practices by Venture Capital Companies” (the “FIPVCC”) is suspended until further notice.

We [previously reported](#) that California Governor Newsom enacted Senate Bill 164, “Fair Investment Practices by Venture Capital Companies” (the “FIPVCC”), which would require venture capital companies that meet certain criteria (“Covered Entities”) to collect and report demographic information by April 1, 2026. The registration for the reporting process opened on March 1, 2026. The DFPI announced that it plans to initiate rulemaking in response to stakeholders’ comments to the FIPVCC. Until final regulations are established, Covered Entities are not required to submit further registrations or file reports by the April 1, 2026 deadline.

The DFPI plans to initiate the rulemaking process later this year with the goal of promoting clarity, collaboration, and transparency. The DFPI notes that the approach “will ensure that the regulations adopted are clear, practical, and effective in achieving the objectives of the law.” Over the next few months, before the formal rulemaking process commences, the DFPI will seek and accept input from venture capital companies, industry associations, founders, investors, and other relevant parties. Once the formal rulemaking process is initiated, it must be completed within one year.

Companies who want to receive notifications of timing updates and opportunities to provide comments can subscribe on the [DFPI website](#). Subscribers and registrants will be notified once the formal rulemaking process is initiated. In the meantime, companies and stakeholders can contact the DFPI directly with questions on the FIPVCC and its reporting requirements.

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