

## ASSEMBLY THIRD READING

AB 1795 (Gipson)

As Amended May 18, 2026

2/3 vote. Urgency

**SUMMARY**

Requires that the California Environmental Protection Agency (CalEPA) develop, by June 30, 2027, health-based standards and requirements for minimum sampling, testing, and chemical screening levels for residential properties that have sustained smoke damage as a result of a wildland-urban interface (WUI) fire or urban conflagration; establishes a framework for the application and implementation of these standards, to include the development of training and certification requirements for insurance adjusters and persons who sample, test, or restore residential properties; requirements for insurers; and requirements pertaining to specified responsibilities for the California Department of Insurance (CDI); provides that this bill is an urgency statute.

**Major Provisions**

- 1) Requires CalEPA, on or before June 30, 2027, to develop health-based standards and requirements for minimum sampling, testing, and chemical screening levels for residential properties that have sustained smoke damage as a result of a WUI fire or urban conflagration; requires the standards and requirements to include protocols, parameters, and thresholds for prerediation testing, postremediation testing, and clearance of a residential property for habitation after remediation is completed; requires CalEPA to consult with agencies that include, but are not limited to, the Department of Toxic Substances Control (DTSC), Office of Environmental Health Hazard Assessment (OEHHA), California Air Resources Board (CARB), California Department of Public Health (CDPH), air pollution control districts, and local public health departments, as necessary; and, requires CalEPA to adopt regulations to implement or make more specific the above provisions.
- 2) Authorizes CalEPA to impose, in addition to the standards and requirements described in bullet 1 above, additional standards and requirements pertaining to a specific wildfire, including requirements for the identification of contaminants, additional minimum sampling and testing recommendations or requirements, or additional chemical screening levels for residential properties that have sustained smoke damage; provides that these requirements, pertaining to a specific wildfire, shall be exempt from specified state laws that govern rulemaking.
- 3) Establishes multiple definitions, including that "impact zone" means a ZIP Code that is either within the fire perimeter, as specified; or adjacent to the fire perimeter, as specified, and downwind of the fire perimeter based on maps generated by the National Oceanic and Atmospheric Administration.
- 4) Requires CalEPA, by January 1, 2028, to consult with CDI, CDPH, the Department of Industrial Relations (DIR), Contractors State License Board (CSLB), State Water Resources Control Board (State Water Board), and any other state or local government agency, as may be necessary, to establish training and certification requirements for a person who inspects, evaluates, samples, tests, analyzes, remediates, or restores residential properties that have

sustained smoke damage as a result of a WUI fire or urban conflagration, including industrial hygienists, restoration professionals, and laboratories.

- 5) Prohibits an insurer from terminating coverage for additional living expenses for a covered smoke damage claim submitted under a policy of residential property insurance, as a result of a WUI fire or urban conflagration until the property has been cleared for habitation pursuant to CalEPA's standards and requirements, subject to the applicable policy limit.
- 6) Provides that CalEPA's standards and requirements shall apply to all covered smoke damage claims within the impact zone submitted under policies of residential property insurance as a result of a WUI fire or urban conflagration.
- 7) Provides that, if a smoke damage insurance claim is settled on the basis of a written scope or estimate prepared by or for the insurer, the insurer shall supply the claimant with a copy of each document upon which the settlement is based; requires the estimate to be for an amount that will restore the damaged property to no less than its preloss condition and allow for restoration to be completed in a manner that meets or exceeds CalEPA's standards and requirements, all other laws and regulations applicable to the specific work being performed, and accepted trade and industry standards as long as these do not conflict with CalEPA's standards and requirements.
- 8) Requires CDI, by January 1, 2028, to develop training and certification programs, as specified, for insurance adjusters and public insurance adjusters in inspecting, evaluating, sampling, or testing smoke damage caused by a WUI fire or urban conflagration involving residential properties on behalf of insureds, and to implement and enforce these programs, as specified.

## COMMENTS

*WUI fire implications for communities:* According to CARB, the frequency and severity of wildfires have been increasing, both in the state and all over the world. The Eaton, Palisades, Camp, and Tubbs fires, as well as major wildfires in other states, including the 2023 Lahaina fire in Hawaii and 2021 Marshall Fire in Colorado, are all examples of WUI fires. The United States Fire Administration defines "WUI fire" to mean a type of wildfire that burns in the "zone of transition between unoccupied land and human development...the line, area or zone where structures and other human development meet or intermingle with undeveloped wildland or vegetative fuels."

Although the area burned in the WUI comprises a relatively small percentage of the overall burn area caused by wildfires, the majority of damage to human structures, including homes, businesses, and schools, occurs in the WUI. When fires in the WUI burn into densely populated areas, wildfires can transition into urban conflagrations, in which fires spread rapidly from structure-to-structure. In the wake of these fires, both the interiors and exteriors of structures can become polluted by smoke residue, ash, and debris, which in turn can contain toxic chemicals.

*Indoor contaminants after WUI fires:* In December 2025, the *New York Times* (NYT) article "How did this family end up back in a toxic house?" reported findings from an investigation, in which the NYT asked a family impacted by the Eaton Fire for permission to have a certified professional test for lead and other heavy metals in each room of their house, and to submit strands of hair so scientists could measure the family's exposure to metals over time. The

family's home had already undergone cleaning recommended by their insurance company, which included ripping out their attic insulation; vacuuming and mopping their floors; wiping countertops and other surfaces; laundering carpets and drapes; and using air scrubbers in every room. The readings, taken a month after the family had moved back into their home, showed that six out of 11 samples collected in the house had "unsafe levels of contaminants, including extremely high levels of lead." The NYT also found that readings for lead on the floor next to the refrigerator and where the kitchen tile met the dining room floor were 27 times and seven times, respectively, the federal hazard limit for lead established under the United States Environmental Protection Agency's (US EPA) lead-based paint program. In addition, the investigation found a lead level near 8,000 micrograms/square foot ( $\mu\text{g}/\text{ft}^2$ ) in a sample taken from the Heating, Ventilation, and Air Conditioning (HVAC) in the attic. For context, the US EPA's action levels—the level at which the US EPA recommends abatement under its lead-based paint program—for lead in dust on floors, window sills, and window troughs are  $5 \mu\text{g}/\text{ft}^2$ ,  $40 \mu\text{g}/\text{ft}^2$ , and  $100 \mu\text{g}/\text{ft}^2$ , respectively. Hair samples from the family showed "measurable spikes in heavy metals after [the family] returned to the home in August, indicating a period of elevated exposure."

*The need for uniform, health-protective standards:* For homes, schools, and workplaces that remain standing, but have been impacted by WUI fire smoke and debris, there are no uniform state or federal standards pertaining to investigation, testing, and remediation for indoor chemical hazards. While there are screening and remediation goals for soil contaminants, testing protocols have been inconsistently applied. Residents returning to their homes have reported feeling concerned about whether it is safe to do so, as illustrated in the NYT article described above:

"Every day, he vacuums, mops and wipes every surface in his house, which stands on one of the blocks in Altadena, Calif., that survived the flames of the Los Angeles wildfires, but not the smoke.

He works in deliberate lines across the kitchen tile, then along the baseboards, then into the corners where the smoke pooled nearly a year ago—following a map only he can see.

It's the only way to quiet his thoughts: Is it safe for his children, 6-year-old Sylvia and 9-year-old Milo, to walk barefoot on the kitchen tiles? Should he wash the toys they drop on the floor with bleach, or with soap and water? The darkest thoughts are about his wife, Cathlene Pineda, 41, a jazz pianist who is on medication for cancer. If the toxins were in the house, he wonders, could they bring the cancer back?"

*The Smoke Claims and Remediation Task Force:* In May 2025, the California Department of Insurance (CDI) established the Smoke Claims and Remediation Task Force (Task Force). The Task Force was charged with: 1) evaluating existing best practices and recommending uniform standards for inspecting, testing, and remediating properties with smoke damage; 2) recommending standards for determining whether structures damaged are below, at, or above, established levels for health and safety of occupants; and 3) determining which state and local government agencies must be involved in creating and enforcing these standards, including to mitigate the submission of fraudulent or exaggerated smoke claims.

In July 2025, CDI announced appointments to the Task Force. The Task Force was comprised of representatives from CDI, CDPH, the Los Angeles County Department of Public Health, the Department of Forestry and Fire Protection, United Policyholders, the Consumer Federation of California Education Foundation; Safeguard EnviroGroup, Inc.; Anderson Group International;

HRA Environmental Consultants, Inc.; Forensic Analytical Consulting Services; Personal Insurance Federation of California; and the American Property Casualty Insurance Association.

On March 9, 2026, CDI released the Task Force's findings in a report. According to the report, the topic that elicited the most discussion involved a "tiered classification" concept, which posits that "the degree of smoke damage to an impacted home varies by the density of smoke in the area, direction of the wind, proximity of the home to the wildfire burn zone, duration of the fire, characteristics of the home, and other factors." With this concept in mind, the Task Force discussed a potential framework comprised of an "objective standard," based on the distance of homes from the fire perimeter, and a "wildfire-specific standard," based on designation of an "ash zone," defined as the area covered by settled, fine particulate residue, including soot, char, and ash carried by a smoke plume and winds. The aim of this tiered framework is to ensure that there are "default" standards available for immediate implementation in the wake of a WUI fire or urban conflagration (achieved through the impact zone approach), while allowing for flexibility via an alternative approach (the designation of a smoke exposure zone) in cases where major wind events disperse contaminants in ways that cannot be captured by the default impact zones.

*This bill:* As noted above, there are no pre-existing, wildfire-specific state or federal standards for indoor contaminants, and the science underlying these contaminants and their health implications is complex and emerging. Despite these challenges, there is a critical need for health-based standards and an associated regulatory framework to protect the health and safety of California's residents and communities, in an era of increasingly severe and frequent wildfires. Two bills this year—AB 1795 and AB 1642 (Harabedian) of the current legislative session—have taken up the challenge of tackling this issue and advancing critical conversations about how to approach it.

AB 1795 aims to fill this gap by requiring CalEPA to develop health-based standards for sampling, testing, and chemical screening levels for homes that have sustained smoke damage after a WUI fire or urban conflagration. AB 1795 also establishes a framework for the application and implementation of these standards, to include the development of training and certification requirements for insurance adjusters and persons who sample, test, or restore residential properties; requirements for insurers; and requirements pertaining to specified responsibilities for CDI.

### **According to the Author**

"AB 1795 creates a consistent statewide framework for handling wildfire smoke damage insurance claims which would be the first in the nation. This bill would require that homes contaminated after a wildfire are properly evaluated and restored to a safe and habitable condition—and hold insurance companies accountable when standards are not met. Right now, the absence of statewide standards has created confusion, unfair claims handling, and uncertainty for families already coping with unimaginable losses. Consumer protection is my number one priority, and establishing clear rules will ensure that homeowners are protected and survivors can safely move back into their restored homes knowing they do not face life-long health risks. After a wildfire, recovery should not depend on a homeowner's ability to navigate complex insurance disputes while their life is already turned upside down. More than a year after the most devastating fires Los Angeles has ever seen, there is no reason to delay. I am dedicated to

swift passage of AB 1795, the Smoke Damage Recovery Act, to pave the way for a better process that insurance policyholders can rely upon."

### **Arguments in Support**

According to Ricardo Lara, Insurance Commissioner at CDI:

"Residential property insurance policies that cover the peril of fire also cover smoke damage caused by fire, and insurers are required to cover restoration of properties to pre-loss condition. However, California has no statewide standards governing the inspection or testing of smoke-damaged homes, no minimum sampling or clearance protocols, no mandated remediation methods, and no training or certification requirements for professionals who assess or remediate smoke damage...The absence of enforceable standards has resulted in inconsistent insurer practices, including denials of testing, partial claim denials, and refusals to reimburse for pre- or post-remediation testing. Homeowners and tenants face uncertainty about whether their homes are safe to reenter, and many have been forced to pay for testing or remediation out of pocket. Without statewide standards, neither insurers nor regulators have a clear framework to ensure that smoke-damaged homes are restored to safe, habitable, pre-loss condition, and the resulting instability contributes to rising costs in the residential property insurance market.

AB 1795 would create a comprehensive statewide framework for residential property insurance policies to ensure consistent, science-based handling of smoke-damage claims. It will establish minimum protocols for inspection, sampling, and testing of smoke-related contaminants and sets clear thresholds for determining whether a property is safe. This bill will mandate insurer compliance with remediation protocols and clarify their obligation to cover the cost of restoring properties to a pre-loss condition. Finally, AB 1795 also identifies the state agencies responsible for implementing and enforcing the standards and creates penalties for noncompliance."

### **Arguments in Opposition**

Writing in an opposed-unless-amended position, a coalition that includes wildfire survivor, community-based, and environmental organizations states:

"We represent more than 4,000 Altadena residents whose homes survived the Eaton Fire but were contaminated by smoke, ash, and hazardous debris. Our compiled testing data was presented to the CDI Smoke Claims and Remediation Task Force and incorporated as Appendix K of the Task Force Report. It showed that 100% of tested homes in Altadena were positive for lead before remediation, and 96% of remediated homes still showed detectable lead and 35% still showed asbestos after professional remediation...The April 27 amendments moved the bill in the wrong direction..."

We acknowledge the following provisions as genuine progress.

- 1) The smoke damage definition was fixed. The prior version allowed insurers to argue that contamination did not count as smoke damage if they decided restoration was not needed. That circular language is gone.

- 2) Health-based standards are now the anchor for CalEPA's testing framework. The right agencies are in the consultation process.
- 3) CalEPA is required to consult with DTSC, OEHHA, CARB, and the State Department of Public Health.

We are asking this Committee to hold the bill until the following amendments are made.

- 1) Make CalEPA health-based clearance the sole restoration standard. Remove the trade standards (IICRC) language from Section 2060.2.
- 2) Require pre- and post-remediation testing for every covered claim, with no visual inspection gate.
- 3) Add a causation presumption. Where WUI debris is present and contamination is detected, the fire is presumed to have caused it.
- 4) Restore the rebuttable presumptions as the explicit basis for the insurer's testing cost obligation, not merely the policy terms.
- 5) Fix the 120-day deadline. The clock must run from discovery of contamination, not fire containment. Provide an 18-month window for fires occurring before the bill's effective date.
- 6) Add a savings clause. The bill establishes minimums. It does not limit or displace existing insurer obligations under California law.
- 7) Add floor language to each substantive provision clarifying it does not replace broader existing regulatory duties.
- 8) Expand scope to all structures. Schools, workplaces, and exteriors must be included.

Once these amendments are in place, restoring the open claims provision would mean the bill reaches the 13,000-plus survivors with active claims from the January 2025 fires. Without the amendments, restoring that provision would apply a weakened framework to open claims and could leave survivors worse off than they are today under existing California law."

Writing in opposition, a coalition of insurance industry groups comprised of the American Property Casualty Insurance Association, the National Association of Mutual Insurance Companies, Pacific Association of Domestic Insurance Companies, and the Personal Insurance Federation of California describes several concerns, including the following:

"The changes made in Assembly Insurance Committee address certain concerns from the industry and improve the feasibility of the bill. However, we continue to have concerns around the correct legal standard, cost concerns for policy holders and insurers, and technical revisions to the insurance contract terms.

Insurers have requested that reference to 'direct physical loss' be tied to the 'preloss condition' remediation standard throughout the bill. Including 'preloss condition' requirements throughout the bill without reference to the threshold requirement of 'direct physical loss' leaves open the door for continuation of the current legal disputes about which claims are valid and which aren't...

In recent years we have seen the costs for smoke claims grow exponentially. These are claims where a home does not have a single ember touch the home, and in some cases are exhausting million-dollar policies. These are unpredictable costs and are well outside what companies have anticipated, or charged, for smoke claims coverage. If AB 1795 moves forward as drafted companies will have to anticipate that the entirety of a homeowner's policy could be exhausted through smoke claims, thus eliminating any benefit that mitigation could have provided for availability and affordability. To address this concern and continue towards greater market availability and affordability we have suggested to the author and sponsor that a sublimit on smoke should be included...

This bill currently sets higher standards for insurer performance on smoke claims than for claims related to total losses. Throughout the bill we have made recommendations where certain safeguards are needed in consideration of contract terms for vendor selection, timeliness where shortages of vendors frustrate performance, and alignment with existing law. We view these provisions as being technical in nature to ensure that insurers are able to perform their negotiated contract obligations."

## FISCAL COMMENTS

According to the Assembly Appropriations Committee, the following agencies, boards, departments, and offices anticipate costs should AB 1795 be enacted: \$6 million in ongoing annual costs and ongoing annual contracting costs of an unknown, but potentially significant amount to CalEPA; one-time costs of \$14,000 to CDI; ongoing annual costs of \$624,000 to OEHHA; ongoing annual costs of \$373,000 to CARB; one-time costs of \$1.4 million in fiscal year 2027-28, followed by ongoing annual costs of \$600,000 for DTSC; and costs of an unknown amount to the State Water Board, DIR, CSLB, and other impacted agencies.

## VOTES

### **ASM ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: 5-1-1**

**YES:** Connolly, Bauer-Kahan, Lee, McKinnor, Papan

**NO:** Castillo

**ABS, ABST OR NV:** Ellis

### **ASM INSURANCE: 14-2-1**

**YES:** Calderon, Addis, Alvarez, Ávila Farías, Berman, Ellis, Gipson, Harabedian, Krell, Nguyen, Ortega, Petrie-Norris, Michelle Rodriguez, Valencia

**NO:** Wallis, Hadwick

**ABS, ABST OR NV:** Chen

### **ASM APPROPRIATIONS: 11-4-0**

**YES:** Wicks, Aguiar-Curry, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache

**NO:** Hoover, Dixon, Ta, Tangipa

## UPDATED

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