

Date of Hearing: April 29, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1800 (Krell) – As Introduced February 10, 2026

Policy Committee: Insurance Vote: 17 - 0

Urgency: No State Mandated Local Program: Yes Reimbursable: No

SUMMARY:

This bill expands the scope of the portable electronics insurance agent license issued by the Department of Insurance (CDI) to include optical products.

Specifically, this bill:

- 1) Revises the existing “portable electronics insurance agent license” to become the “portable electronics or optical products insurance agent license” and authorizes CDI to issue such a license to a portable electronics or optical products vendor.
- 2) Defines “optical product” as having the same meaning in Section 9855 of the Business and Professions Code (prescription and non-prescription eyewear, excluding contact lenses of any kind).

FISCAL EFFECT:

CDI anticipates no fiscal impact from this bill. However, it is possible for this bill to result in costs, potentially in excess of \$150,000, to CDI to administer the licensure process and oversee compliance and public education efforts for a new product and vendor type (Insurance Fund). While certain big-box retailers in California likely already sell both portable electronics and optical products, this bill authorizes hundreds (potentially thousands) of prescription and non-prescription eyewear retailers to offer this new line of insurance.

COMMENTS:

- 1) **Purpose.** According to the author:

While currently, California consumers can purchase a protection plan or receive a manufacturer’s warranty for their optical products, there is no way for these consumers to purchase insurance for these products. This can leave Californians vulnerable to an expensive loss if their eyewear is damaged, lost, stolen, or destroyed. AB 1800 solves this by establishing a process where vendors can offer insurance for these products, ensuring that consumers are adequately protected in case of an unfortunate event.

This bill is supported by Asurion, which provides insurance for portable electronics, among other items, and the American Property Casualty Insurance Association.

- 2) **Background. *Limited Lines Insurance Model.*** The limited lines insurance model facilitates the sale of narrowly defined, relatively simple insurance products by simplifying the licensure process and authorizing such transactions by people who may not need to be licensed agents or brokers. For example, under the portable electronics limited lines model, a vendor of portable electronics may apply for and receive a license to act as an insurance agent to sell portable electronics insurance on behalf of an insurer specified in the vendor's license application. The vendor may also authorize endorsees, or workers who meet certain age and training requirements, to sell portable electronics insurance in connection with the sale of a portable electronics item. The agent, or vendor, is responsible for a violation of law committed by the endorsee.

Portable Electronics Insurance. A limited lines regulatory framework for the sale of insurance for "communications equipment" by a retail vendor in connection with the sale of the equipment was created in 2002. As the prevalence and sophistication of such communications equipment grew, especially with the advent of smartphones, AB 690 (Solario), Chapter 165, Statutes of 2011, updated the limited line to more generally apply to "portable electronics," defined as a personal, self-contained, easily carried by an individual, battery-operated electronic communication, viewing, listening, recording, gaming, computing, or global positioning device.

Optical Products Scope Creep. Similar to portable electronics, optical products are often carried on one's person and are not covered by a typical homeowner's insurance policy. However, some insurers offer a personal articles policy as an add-on to a homeowner's or renter's insurance policy, which covers items such as jewelry, collectibles, and electronics against theft, loss, or damage. Such add-on policies likely cover optical products, but must be transacted by a licensed insurance agent or broker and are generally not authorized at the point-of-sale of the item from a retail vendor.

This bill adds coverage of an optical product sold by an optical products vendor to the existing portable electronics limited lines insurance model. As noted in the Assembly Insurance Committee's analysis of this bill, CDI has "expressed concerns that this bill would create a precedent for expanding the portable electronics insurance limited line to include many consumer products for which it was never intended." The analysis further notes that smart glasses would likely already be covered under the existing limited line, so:

As the range of products potentially covered by a limited line expands, the nature of the insurance becomes more complex, and arguably more demanding of the extensive training and vetting required to become a licensed property and casualty insurance agent or broker. Conversely, as more individual limited lines are created, the administrative burden on the regulator for conducting the licensure process and overseeing the industry increases.