CONCURRENCE IN SENATE AMENDMENTS
AB 69 (Calderon)
As Amended August 17, 2026
Majority vote

SUMMARY

1) Provides that commencing January 1, 2028, the FAIR Plan to share its policyholder information with insurers participating in its clearinghouse programs, with the goal of allowing such an insurer to offer their policies to FAIR Plan policyholders, enabling them to find insurance in the admitted market.

2) Requires under the provisions above, that if there is an agent or broker of record listed on a FAIR Plan policy, the interested insurer must make such a coverage offer simultaneously to both the FAIR Plan policyholder as well as the affiliated agent or broker of record.

3) Requires, beginning May 1, 2027, every admitted and non-admitted insurer that participates in the FAIR Plan clearinghouse programs to report to the FAIR Plan on a quarterly basis the number of policies the insurer has issued to its policyholders. The FAIR Plan must then report aggregated numbers within 30 days to the Insurance Commissioner, the Assembly Committee on Insurance, and the Senate Committee on Insurance, and post the aggregated numbers on its website.

4) States the FAIR Plan must provide its policyholders with annual notice, as specified, that policyholders should consider contacting their broker to determine if other coverage is available.

5) Specifies that the FAIR Plan must require registered agents and brokers to complete its Brokers and FAIR Plan course, which provides training on the FAIR Plan's and the broker's responsibility to advise policyholders on the voluntary market options.

6) Adds that an agent or broker must assist a person seeking their help in obtaining basic property insurance coverage by providing information on the FAIR Plan's clearinghouse programs.

7) Requires that the FAIR Plan must post a list of admitted and nonadmitted insurers that participate in its clearinghouse programs on its website, and update that list quarterly.

8) Includes provisions to address chaptering issues with AB 1680 (Calderon, 2026) and AB 2061 (Chen, 2026).

Senate Amendments

1) Add provisions to address chaptering issues with AB 1680 (Calderon, 2026) and AB 2061 (Chen, 2026).

2) Require, beginning May 1, 2027, every admitted and non-admitted insurer that participates in the FAIR Plan clearinghouse programs to report to the FAIR Plan on a quarterly basis the number of policies the insurer has issued to its policyholders. The FAIR Plan must then report aggregated numbers within 30 days to the Insurance Commissioner, the Assembly

Committee on Insurance, and the Senate Committee on Insurance, and post the aggregated numbers on its website.

3) Provides that commencing January 1, 2028, the FAIR Plan to share its policyholder information with insurers participating in its clearinghouse programs, with the goal of allowing such an insurer to offer their policies to FAIR Plan policyholders, enabling them to find insurance in the admitted market.

4) Require under the provisions above, that if there is an agent or broker of record listed on a FAIR Plan policy, the interested insurer must make such a coverage offer simultaneously to both the FAIR Plan policyholder as well as the affiliated agent or broker of record.

5) Specify that the FAIR Plan must require registered agents and brokers to complete its Brokers and FAIR Plan course, which provides training on the FAIR Plan's and the broker's responsibility to advise policyholders on the voluntary market options.

6) Add that an agent or broker must assist a person seeking their help in obtaining basic property insurance coverage by providing information on the FAIR Plan's clearinghouse programs.

7) Require that the FAIR Plan must post a list of admitted and nonadmitted insurers that participate in its clearinghouse programs on its website, and update that list quarterly.

COMMENTS

This measure is the result of the Assembly Insurance Committee's Outcome Reviews Hearing held on March 18, 2026. This hearing evaluated the FAIR Plan clearinghouse program and identified shortcomings. AB 69 addresses the shortcomings by requiring more consumer transparency, more reporting and a clearer path for FAIR Plan policyholders to have access to the admitted market.

The California FAIR Plan is an association of all insurance companies licensed by CDI that provide basic property and casualty insurance in California. It was created in response to urban disturbances, notably the Watts Riots in Los Angeles. The purpose of the FAIR Plan is to provide "basic" property insurance in the event of a market failure. At inception, that was essentially urban commercial property. Ultimately, it has expanded to include homeowners' insurance anywhere in the state, provided that such insurance "cannot be obtained" in the normal manner in the market.

The FAIR Plan was established to ensure that urban property owners, mostly businesses, would have "fair access" to the property insurance necessary to continue to operate in a market that insurers viewed as too risky to cover. That risk evaluation resulted in a substantial market withdrawal by insurers from the urban property market. Despite its initial creation as an urban/business "insurer of last resort," the FAIR Plan expanded to provide coverage in "designated" brush fire regions of the state. It operated fairly well in this manner until the mid-1990's, when, as a consequence of the genuine homeowners' insurance crisis that followed the Northridge earthquake in 1994, the entire state was designated as the appropriate FAIR Plan coverage region.

FAIR Plan policies are capped at limits of $3.3 million for residential properties, and $20 million per structure (up to $100 million) for commercial properties. These caps were increased by the Insurance Commissioner in 2020 for residential and 2023 for commercial. Commercial went from $8.4 million per location in 2021, to $20 million per location in 2023, to $20 million per structure with a $100 million max, finalized in July 2025 and set to sunset in 2028.

FAIR Plan residential dwelling policies now cover manufactured homes and mobile homes. FAIR Plan commercial policies can also cover homeowners' associations, condo associations, farms, and businesses.

By statute, the FAIR Plan policy is not as broad as traditional homeowners' policies. Nonetheless, it is a fully sound and guaranteed policy that satisfies lenders' security requirements and protects the property against the primary risk factor faced by homeowners: [wild]fire. Other coverages should be readily available in the market (typically through the purchase of a "difference-in-conditions" or "DIC" policy), which provide wraparound coverage that, coupled with a FAIR Plan policy, results in the same protection provided by a standard homeowner's policy.

According to the FAIR Plan, as of June 2026, the FAIR Plan's total exposure in California is $768 billion and as of June, 2026, the FAIR Plan's policies in force reached 696,562. The FAIR Plan updates these statistics quarterly, on their website.

According to the Author
According to the author, "Depopulation of California's FAIR Plan is a top priority. As the insurance market begins to stabilize we need to ensure a clear path is accessible for those policyholders who are candidates for the voluntary market, where insurance is more affordable and polices cover more. This measure adds an additional forethought to a broker of record prior to renewing any policyholders in the FAIR Plan."

Arguments in Support

According to the California Department of Insurance, "The clearinghouse can only work if insurers have a way to identify consumers and make coverage offers. AB 69 would make it easier for FAIR Plan policyholders to learn about coverage options in the voluntary market. The Clearinghouse program was created to help move consumers from the FAIR Plan back to private insurers, but current law limits participating insurers to contacting only the policyholder's agent or broker of record. AB 69 would allow participating insurers to contact FAIR Plan policyholders directly through the Clearinghouse while simultaneously making an offer to the agent or broker of record, if any. Consumers would still decide whether to remain with the FAIR Plan or accept another available policy.

The bill also supports the broader efforts of my Sustainable Insurance Strategy (SIS) to reduce the number of policyholders relying on the FAIR Plan. Current restrictions have limited the Clearinghouse's ability to connect consumers with other coverage options, including interest previously expressed by surplus lines insurers seeking to participate in depopulation efforts. Allowing more direct contact could make the Clearinghouse"

Arguments in Opposition
None on file.

FISCAL COMMENTS

The Senate Appropriations Committee identified this measure as a 28.8 candidate.

VOTES:

ASM INSURANCE: 17-0-0
YES: Calderon, Wallis, Addis, Alvarez, Ávila Farías, Berman, Chen, Ellis, Gipson, Hadwick, Harabedian, Krell, Nguyen, Ortega, Petrie-Norris, Michelle Rodriguez, Valencia

ASM APPROPRIATIONS: 14-0-1
YES: Wicks, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Hart, Pacheco, Pellerin, Solache, Ta, Tangipa
ABS, ABST OR NV: Sanchez

ASSEMBLY FLOOR: 78-0-1
YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas
ABS, ABST OR NV: Ortega

UPDATED

VERSION: August 17, 2026

CONSULTANT: Kathleen O'Malley / INS. / (916) 319-2086 FN: 0004295