
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair

2025 - 2026 Regular Session

SB 1301 (Allen) - Residential property insurance: nonrenewals

Version: February 20, 2026

Urgency: No

Hearing Date: May 14, 2026

Policy Vote: INS. 5 - 2

Mandate: No

Consultant: Janelle Miyashiro

Bill Summary: SB 1301, beginning July 1, 2027, requires insurers to provide a specific rationale for the nonrenewal, cancellation, or elimination of residential property insurance coverage within established timeframes and requires insurers submit annual reports to the California Department of Insurance (CDI) regarding policy issuances, nonrenewals, and remediation outcomes by location, which CDI must then aggregate and publish online. SB 1301 also extends the required notice period for insurers to inform policyholders of a coverage renewal, nonrenewal, or reduction. Under these provisions, insurers must disclose the specific reasons for such decisions and provide policyholders the opportunity to dispute or remedy identified issues to retain their current coverage.

***** ANALYSIS ADDENDUM – SUSPENSE FILE *****

The following information is revised to reflect amendments
adopted by the committee on May 14, 2026

Fiscal Impact: Unknown potential increase in administrative and enforcement workload for CDI to monitor compliance with the bill's expanded notification and reporting mandates, and to aggregate and publish localized remediation data annually (Insurance Fund). CDI may need to undertake rulemaking to standardize reporting formats, define minimum standards for the specific rationales provided in consumer disclosures, and establish procedures for the policyholder dispute and remediation process. The creation of a formal dispute and remediation framework may result in a higher volume of consumer complaints and subsequent enforcement actions, the fiscal impact of which is indeterminate.

Author Amendments:

- Reduce the policyholder notification timeframe for renewals, nonrenewals, limit reductions, or coverage elimination from 180 to 90 days before policy expiration. Reduce the mandatory policy extension requirement from 180 to 90 days.
- Revise the mandated remediation extension to instead require an insurer to provide one extension of up to 90 days beyond the notice date if the policyholder requires additional time to complete property remediation. Authorize insurers to contact policyholders to verify their intent to perform these property changes.
- Reduce the timeframes by which insurers must acknowledge receipt of remediation evidence or any coverage-related disputes, corrections, or amendments.
 - Strike related timeframe extension provisions for policyholders.

- Require insurers to extend policy coverage for 30 days from the date a coverage decision is delivered, if the notice of nonrenewal, limit reduction, or cancellation is issued less than 30 days before taking effect.
- Revise the information insurers must annually report to CDI.
- Clarify that insurers may still consider roof age when issuing, renewing, or determining eligibility for a residential property insurance policy.
- Make other conforming changes.
- Add a coauthor.

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