Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Buffy Wicks, Chair
SB 1301 (Allen) – As Amended June 25, 2026

Policy Committee: Insurance Vote: 13 - 2

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

SUMMARY:

This bill extends the timeframe by which an insurer must provide a policyholder with a notice of non-renewal for a property and requires the insurer to provide the policyholder with an opportunity to remediate the property to meet underwriting guidelines and maintain coverage.

Specifically, this bill:

1) Requires, beginning January 1, 2028, an insurer to notify a policyholder of a property's renewal or non-renewal at least 90 days, instead of 45 days and 75 days, respectively, before the policy's expiration and, for a non-renewal or renewal with a reduction of coverage, requires the notice to contain information about the basis for the decision and the policyholder's right to dispute.

2) Requires an insurer to notify a policyholder if the insurer finds that a policy does not meet underwriting guidelines due to a condition that can be remedied by the policyholder at least 120 days before the policy's expiration; requires the notification to include an explanation of the remediation or other information that would allow the policyholder to maintain coverage; requires the insurer to provide the policyholder, upon request and within 15 days, all non-proprietary information relating to the insurer's decision; requires the policyholder to have at least 90 days to perform necessary remediation; and requires the insurer to issue a written determination within 15 days of receiving evidence of remediation.

3) Requires an insurer to provide a policyholder with the opportunity to dispute inaccurate or incomplete information used by the insurer to non-renew or reduce policy coverage and requires the insurer to issue a written determination within 15 days of receiving a dispute.

4) Prohibits an insurer from refusing to issue or renew a residential property insurance policy solely on the basis of: (a) certain previous claims filed by the applicant, policyholder, or previous owner of the insured property; (b) the policyholder's previous inquiry about the policy; or (c) the age of the property's roof if the policyholder obtains an independent inspection of the roof confirming at least five years of remaining useful life.

5) Requires, by April 1, 2029, and annually thereafter, an insurer to report to the Insurance Commissioner (IC) certain localized information for the previous year regarding residential property insurance policies, including non-renewals, reductions in coverage, and remediation efforts, and requires, by September 1, 2029, and annually thereafter, the IC to publish an aggregate report of such information on the Department of Insurance (CDI) website.

FISCAL EFFECT:

Costs of approximately $467,000 in fiscal year (FY) 2026-27, $465,000 in FY 2027-28, $802,000 in FY 2028-29, and $789,000 in FY 2029-20 and annually thereafter to CDI for additional staff positions to support increased consumer complaints and subsequent enforcement of expanded notification, disclosure, remediation, and dispute requirements; to review a significant volume of rate filings submitted by insurance companies regarding policy renewals; and to annually collect, verify, and report renewal and remediation information from over 100 insurance companies (Insurance Fund).

COMMENTS:

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

> California policyholders receive a nonrenewal notice from their insurers at the fourth highest rate in the nation. Losing insurance coverage unnecessarily risks the livelihood of families and increases reliance on our FAIR Plan which has increased policy underwriting by 146 percent since 2022. These nonrenewal notices are often opaque and do not sufficiently specify why a policyholder is being dropped. Increased transparency would allow policyholders to appropriately repair or adjust their property to reduce risk of damage, improve insurability and affordability, and minimize reliance on the FAIR Plan.

2) **Property Insurance Non-renewals.** Existing law requires an insurer to provide a policyholder with a renewal offer at least 45 days before a property insurance policy expires and a non-renewal notice at least 75 days prior, which must include the specific reason for the non-renewal decision. This bill imposes additional requirements on an insurer that non-renews a policy or renews a policy with a reduction of coverage by requiring an insurer to provide such notice at least 90 days prior and additionally notify a policyholder 120 days prior if the insurer determines the the policy does not meet underwriting guidelines due to a condition that can be remedied by the policyholder. Additionally, this bill establishes a process by which the policyholder may remediate the property to maintain coverage and dispute information used by the insurer to non-renew or reduce coverage, and prohibits an insurer from refusing to issue or renew a policy on the sole basis of certain conditions.

   As noted in the Assembly Insurance Committee's analysis of this bill:

> This measure has many beneficial provisions that hopefully help policyholders maintain coverage or at least provide a better understanding of why one may be non-renewed. However, given the withdrawal of insurers over the last few years, one must always consider market implications and balance the two. As the IC has stated publicly at numerous oversight hearings, insurers are not required to stay in California…

3) **Support and Opposition.** This bill is co-sponsored by Consumer Watchdog and Every Fire Survivor's Network, which argue, "While wildfire risk is in the headlines as a leading reason for nonrenewals, loss of coverage is often due to the short notice consumers receive, the vague reasons provided by the insurer, and the lack of information provided about any

potential path to retaining coverage." This bill is also supported by other consumer groups, environmental groups, and local government entities.

This bill is opposed by a coalition of insurer associations, led by the American Property Casualty Insurance Association, which argues this bill contains "several significant provisions that would impose unnecessary operational burdens on insurers, limit the ability to effectively underwrite risk, and ultimately undermine efforts to improve insurance availability in California."

4) **Related Legislation.** AB 1559 (Calderon) prohibits an insurer form basing a decision to terminate coverage on an aerial image taken of the insured property older than 180 days, among other provisions. AB 1559 was referred to, but not heard by, the Senate Privacy, Digital Technologies, and Consumer Protection Committee.

   AB 2038 (Harabedian) increases by one year the time periods for which an insurer must renew or is prohibited from canceling or non-renewing certain residential property insurance policies after a disaster or state of emergency, respectively. AB 2038 is pending on the Seante Appropriations Committee's suspense file.

Analysis Prepared by: Irene Ho / APPR. / (916) 319-2081