SENATE THIRD READING
SB 1301 (Allen)
As Amended August 13, 2026
Majority vote

SUMMARY

Provides new processes that insurers must follow when an insurer refuses to renew a policy, among other provisions.

Major Provisions

1) Requires an insurer that refuses to renew a policy to provide the policyholder with a detailed, plain language explanation of the grounds for the nonrenewal.

2) Requires an insurer to provide the policyholder with all the nonaerial imagery relied upon as a basis for the decision, upon request within 15 days, as well as any property inspection findings or property inspection reports relied upon.

3) Provides that if the nonrenewal is due in whole or in part to an assessment of the wildfire risk associated with the property, the insurer shall provide the policyholder with their wildfire risk score or other wildfire risk classification, including the following, as applicable:

   a) A plain language description of each property-specific characteristic that led to the determination; or,

   b) A plain language description of each surrounding area characteristic that led to the determination.

4) Specifies the requirement above does not require the insurer to provide information that they provide to the policyholder in connection with the wildfire risk score or other wildfire risk classification pursuant to Section 2644.9 of Title 10 of the California Code of Regulations.

5) Requires that if an insurer finds that a policy does not meet its underwriting guidelines due to a condition that can be remediated by the policyholder, the insurer must at least 120 days before the policy expiration, provide the policyholder with both of the following:

   a) A detailed, plain language explanation of any remediation, additional information, or other change to the property that is consistent with the insurer's underwriting guidelines and that would qualify the policyholder to obtain renewal of the policy, along with direction on how to provide evidence of the action or other change, or the information, and,

   b) A period of not less than 90 days to perform the necessary remediation or other change to the property or to provide additional information.

6) Allows an insurer to contact the policyholder to verify that the policyholder will be performing remediation or another change to their property pursuant #4, above.

7) Requires a policyholder to furnish the insurer evidence of remediation. If the insurer seeks additional verification, the insurer may perform an onsite physical or virtual inspection of the property to verify remediation at the insurer's expense.

8) Requires an insurer to renew a policy if remediation, additional information, or other change to the property is verified by the insurer.

9) Requires the insurer to issue a written determination within 15 days of receipt of additional information or evidence of any remediation or other change to the property.

10) Requires an insurer to provide a policyholder with a reasonable opportunity to dispute, or to correct or amend any inaccurate or incomplete information relied upon by the insurer in connection with a decision to not renew or to impose a reduction of limits or an elimination of coverage of a policy.

    a) Allows a policyholder to request that an insurer conduct an onsite physical inspection of the property to verify the information relied upon by the insurer in connection with a decision to not renew a policy.

    b) Requires an insurer to issue a written determination within 15 days of receipt of any dispute, correction, or amendment.

11) Requires an insurer, on or before April 1, 2029 and annually thereafter, to submit to the Insurance Commissioner (IC) a report for the previous calendar year containing specified information for policies written in California:

12) Requires the IC, on or before September 1, 2029 and annually thereafter to prepare and publish on the California Department of Insurance (CDI) internet website an aggregated report for the previous calendar year of all information reported by insurers.

13) Prohibits an insurer from refusing to renew, a residential property insurance policy solely on the basis of any of the following claims by the applicant or policyholder, or any previous owner or occupant of the property to be insured:

    a) A claim that is filed but is not paid or payable.

    b) A claim that is within the claimant's deductible.

    c) A claim that is not covered by the policy.

    d) A claim concerning a property that is no longer owned by the applicant or policyholder.

    e) A claim by the applicant or policyholder in which the loss was not the direct result of intentional conduct or gross negligence by the applicant or policyholder and for which the risk of loss has been mitigated through the removal of the hazard, the repair of the damage or defect, or other changes to the property or to the condition that caused the loss.

14) Provides that #14 does not apply if the applicant or policyholder has had at least three claims regarding the same damage, defect, or other condition of the property over the previous three years.

15) Prohibits an insurer from refusing renew, a residential property insurance policy based in whole or in part on whether a policyholder has previously inquired about the insurance policy, including, but not limited to, an inquiry concerning the scope or nature of coverage available under the policy.

16) Provides that beginning January 1, 2028, an insurer shall not refuse to issue or renew, or determine eligibility for, a residential property insurance policy solely on the basis of the age of the roof if the policyholder obtains and pays for an independent inspection of the roof that confirms at least five years of useful roof life remaining. Allows an insurer to take in consideration the age of the roof when issuing or renewing, or determining eligibility for, a residential property insurance policy.

17) Repeals, on January 1, 2028, Insurance Code Section 678, which deals with policyholder notification of renewal or nonrenewal and associated timelines.

18) Enacts on January 1, 2028, a replacement Section 678 of the Insurance Code with extended timelines and associated requirements. At least 45 days before the policy expiration, an insurer shall deliver to the policyholder an offer of renewal, as specified, of the policy contingent upon payment of premium. Additionally, insurers must deliver notices of nonrenewal of the policy or a notice of renewal at least 90 days before the policy expiration.

    a) Provides, if the policy does not meet the underwriting guidelines due to a condition that can be remediated by the policyholder, then the insurer will have to deliver or mail to the policyholder at least 120 days before the policy expiration date.

19) Provides that all provisions of this bill apply to residential property insurance policies and do not become operative until January 1, 2028.

COMMENTS

This measure addresses multiple issues in a piecemeal approach. The measure puts together a fairly tight framework on the approach an insurer takes when non-renewing. The expectation is that the policyholder is provided with a clear explanation of why a reduction of coverage or non-renewal was provided. Additionally, the bill puts together a framework for a policyholder to remediate the property and potentially maintain their policy. The measure also contains a reporting requirement to be conducted by insurers to the IC, an issuance and renewal provision attached to claims, a new and separate process pertaining to the age of a roof, and repeals and replaces Insurance Code 678 which changes when a policyholder must receive renewal from 45 days to 90 days and a non-renewal notice from 75 days to 90 days. If a property is determined to have an opportunity to remediate, the policyholder must be provided 120 days before policy expiration.

California's Existing Framework: An insurer must deliver or mail at least 45 days before a policy expires, a renewal offer stating the new terms and premium, or 75 days prior, a written non-renewal notice. If the insurer chooses not to renew, the notice must include the specific reason or reasons for that decision and contact information.

According to the Author
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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.

SB 1301 requires insurers to provide a nonrenewal notice three months in advance, detail the specific reasons why the nonrenewal notice was issued, and offer an opportunity for the policyholder to maintain coverage if appropriate remedying action is taken. Those performing remedying action are eligible for additional time beyond three months to complete work if they require it. The bill also prohibits nonrenewal notices because of specifying reasons that don't pertain to the risk of the property, helping policyholders appropriately maintain their coverage."

Arguments in Support
According to the sponsor Consumer Watchdog, "SB 1301 cuts through the miscommunication and confusion by creating clear disclosure of reasons for renewal, any path to repair, and more time to respond or shop for new coverage. These changes will help the many hundreds of thousands of Californians who have struggled to keep their insurance."

Arguments in Opposition
None on file.

FISCAL COMMENTS

According to the Assembly Appropriations Committee, costs of an unknown amount, potentially in the low hundreds of thousands of dollars, 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).

VOTES

SENATE FLOOR: 29-7-4
YES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Grayson, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Reyes, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener
NO: Alvarado-Gil, Choi, Grove, Jones, Seyarto, Strickland, Valladares
ABS, ABST OR NV: Dahle, Gonzalez, Niello, Ochoa Bogh

ASM INSURANCE: 13-2-2
YES: Calderon, Addis, Alvarez, Ávila Farías, Berman, Gipson, Harabedian, Krell, Nguyen, Ortega, Petrie-Norris, Michelle Rodriguez, Valencia
NO: Ellis, Hadwick
ABS, ABST OR NV: Wallis, Chen

ASM APPROPRIATIONS: 11-2-2
YES: Wicks, Arambula, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache
NO: Dixon, Tangipa
ABS, ABST OR NV: Hoover, Ta

UPDATED

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