


California INsight Regulations: Regulatory Activity Notice of October 23, 2025


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Regulatory Activity Notice of October 23, 2025

NOTICE	
TO:	All Admitted and Non-Admitted Insurance Companies, All Licensed Insurance Adjusters and Producers, and Other Licensees and Interested Parties
FROM:	Insurance Commissioner Ricardo Lara
DATE:	October 23, 2025
RE:	Federal Government Shutdown - Grace Period for Federal Workforce

This Notice is directed to all admitted and non-admitted insurance companies, insurance agents and brokers, and other related insurance organizations (insurance organizations) doing business in the State that transact or provide any insurance coverage in California including, life, health, auto, property, casualty, commercial, and other types of insurance.

The partial shutdown of the federal government is adversely impacting many California residents. As California Insurance Commissioner, I am is committed to protecting all California residents and businesses who may be impacted during this difficult time. **In light of the current difficult circumstances, I am requesting that all insurance organizations doing business in the State to make reasonable accommodations to prevent those impacted by the federal shutdown from losing coverage due to non-payment of premium, meeting underwriting guidelines, or having their insurance claims delayed or denied due to missed policy deadlines.**

More specifically, I am requesting that the insurance industry immediately consider implementing the following protective measures for policyholders who are federal employees:

**Grace Period for payment of premiums:** Insurance organizations are requested to postpone or withdraw any previous notice of cancellation or nonrenewal in which the cancellation or nonrenewal occurs on or after October 1, 2025, on any in-force policy due to non-payment of premium. Insurers are asked to continue coverage in cases of unpaid premium for at least 30 days or through the duration of the federal shutdown, whichever is longer. This request includes insurance companies and other related organizations to defer premium payments, extend grace periods, accept partial payment(s), and waive late fees and penalties that would normally be owed as a result of a late payment.

**Grace Period for Claims or Underwriting Deadlines:** Insurance organizations are requested to waive any policy or statutory deadlines on policyholders for at least thirty (30) days or through the duration of the federal shutdown, whichever is longer. This includes, but is not limited to, deadlines for the submission of a sworn proof of loss, other claim forms, examinations under oath, medical examinations, physical inspections of insured property, required repairs in order to meet underwriting guidelines, and any other policy, statutory, or insurer-imposed deadlines placed on the policyholder where failure to comply could result in the forfeiture limitation, or waiver of any policyholder(s) rights to coverage or benefits under any policy of insurance.

The insurance industry in California has stepped up to assist residents and businesses in prior times of need, most notably during the COVID-19 pandemic, recent wildfires, and other major events. It is my hope and expectation that insurers will likewise step up here.

Value Added Table	
Description	<p>Dated October 23, 2025. The California Department of Insurance (DOI) is issuing this notice to address the adverse impacts of the partial federal government shutdown on California residents, particularly federal employees. The DOI requests that all admitted and non-admitted insurance companies, licensed insurance adjusters, producers, and other related insurance organizations operating in California implement protective measures to ensure that policyholders affected by the shutdown do not lose their insurance coverage or face delays in claims processing due to non-payment of premiums or missed policy deadlines.</p> <p>The notice provides a grace period for premium payments, requesting insurers to postpone or withdraw any cancellation or nonrenewal notices issued on or after October 1, 2025, for policies canceled due to non-payment of premiums. Insurers are asked to continue coverage for at least 30 days or through the duration of the federal shutdown, whichever is longer. This includes deferring premium payments, extending grace periods, accepting partial payments, and waiving late fees and penalties associated with delayed payments.</p> <p>Additionally, the notice requests insurers to waive policy or statutory deadlines for claims submissions and underwriting requirements for at least 30 days or through the duration of the shutdown, whichever is longer. These deadlines include the submission of sworn proofs of loss, other claim forms, examinations under oath, medical examinations, physical inspections of insured property, required repairs to meet underwriting guidelines, and other insurer-imposed deadlines that could result in forfeiture or limitation of policyholder rights.</p> <p>The notice emphasizes the importance of the insurance industry's role in supporting California residents during challenging times, citing prior efforts during the COVID-19 pandemic, wildfires, and other major events. It calls on insurers to provide accommodations to policyholders impacted by the federal shutdown to ensure continuity of coverage and protection of benefits.</p>
Lines of Business	<p><b>Personal P&amp;C</b>  Personal Automobile, Personal Credit, Personal Earthquake, Personal Flood, Personal Homeowner Warranty, Personal Homeowners, Personal Inland Marine, Personal Liability, Personal Property, Personal Title, Personal Umbrella/Excess Liability, Personal Vehicle Service Contract, Personal Watercraft</p> <p><b>Commercial P&amp;C</b>  Commercial Aircraft, Commercial Automobile, Commercial Boiler and Machinery, Commercial Credit, Commercial Crime, Commercial Crop/Hail, Commercial Earthquake, Commercial Farmowners, Commercial Fidelity, Commercial Financial Guaranty, Commercial Flood, Commercial General Liability, Commercial Inland Marine, Commercial Medical Malpractice, Commercial Mortgage, Commercial Ocean Marine, Commercial Professional Liability, Commercial Property, Commercial Surety, Commercial Title, Commercial Umbrella/Excess Liability, Workers' Compensation</p> <p><b>Life</b>  Funeral Service Contract, Group Annuities, Group Blanket Life, Group Corporate Owned - Key Person, Group Credit Life, Group Deferred Annuities, Group Fixed Annuities, Group Industrial Life, Group Term Life, Group Universal Life, Group Variable Annuities, Group Variable Life, Group Whole Life, Individual Annuities, Individual Corporate Owned - Key Person, Individual Credit Life, Individual Deferred Annuities, Individual Fixed Annuities, Individual Industrial Life, Individual Term Life, Individual Universal Life, Individual Variable Annuities, Individual Variable Life, Individual Whole Life, Viatical Settlements</p> <p><b>Health</b>  Continuing Care Facilities, Group Accident, Group Blanket Medical and Disability, Group Comprehensive Major Medical, Group Credit Accident and Health, Group Critical Illness/Specified Disease, Group Dental, Group HMO/Managed Care, Group Industrial Health, Group Long Term Care, Group Long Term Disability, Group Medical/Surgical - Outpatient Benefits, Group Medicare Supplement, Group Short Term Disability, Group Stop Loss, Group Supplemental - Hospital Indemnity, Group Vision, Individual Accident, Individual Comprehensive Major Medical, Individual Credit Accident and Health, Individual Critical Illness/Specified Disease, Individual Dental, Individual HMO/Managed Care, Individual Industrial Health, Individual Long Term Care, Individual Long Term Disability, Individual Medical/Surgical - Outpatient Benefits, Individual Medicare Supplement, Individual Short Term Disability, Individual Stop Loss, Individual Supplemental - Hospital Indemnity, Individual Vision, Medicaid</p>
Functions	Actuarial Claims Finance/Accounting General Compliance Legal Policy Management Underwriting
Subject Category	011 - All Lines 300 - The policy 400 - Insurance representatives 580 - Fees and taxes 700 - Trade practices 720 - Information practices 760 - Premium rates / rating organizations 800 - Legal procedure / proceedings 840 - Government agencies
Status	New
Actions	New
CitationsAffected	Notice of October 23, 2025
Proposed	10/23/2025
Adopted	10/23/2025
Effective	10/23/2025

Last Modified	10/28/2025
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