

July 22, 2025

The Honorable Susan Rubio
Chair, Senate Committee Insurance
1021 O Street, Suite 8710
Sacramento, CA 95814-4900

RE: **AB 290 (Bauer-Kahan) California FAIR Plan Association: automatic payments.
Notice of Support** (As Amended on July 3, 2025)

Dear Senator Rubio,

The City of San Marcos is pleased to support AB 290 (Bauer-Kahan), which would require the California FAIR Plan Association to create an automatic payment system and accept automatic payments for premiums from policyholders, prohibit an automatic payment amount from being different than if the policyholder made a payment through another method and prohibit cancellation or nonrenewal of a FAIR Plan policy solely because the policyholder is not enrolled in automatic payments. Also, AB 290 bill would provide a 10-day period for the policyholder to pay any outstanding installment premium.

Currently the California FAIR Plan does not have an automatic payment system, although they have stated that they are working on one. Additionally, the FAIR Plan does not currently provide a grace period for payment of outstanding installment payments on policy.

AB 290 would require the California FAIR Plan to establish and accept an automatic payment system, for policy holders. It also provides grace periods, ensuring policyholders have a chance to fix payment mistakes before coverage is disrupted.

For these reasons the City of San Marcos supports **AB 290**.

Sincerely,

Rebecca D. Jones
Mayor