October 15, 2025
Initiative 25-0012A2

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

ELIMINATES REQUIREMENT THAT ELECTED INSURANCE COMMISSIONER APPROVE INCREASES IN PROPERTY AND AUTOMOBILE INSURANCE RATES. INITIATIVE STATUTE. Repeals law requiring that insurers obtain Insurance Commissioner's approval before raising property and automobile insurance rates. Instead, new rates take immediate effect; afterwards, Insurance Commissioner may disapprove their use in future policies, but not for policies that have already issued. Eliminates requirement that automobile rates be based primarily on driver's safety record, years of driving experience, and miles driven. Instead, Insurance Commissioner will establish new criteria, which may include factors considered in other states (e.g., credit score, employment status). Eliminates compensation for public intervenors who challenge rate increases. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: **Likely reduction in state spending to regulate insurance companies. These savings would be very small compared to the state's total budget.** (25-0012A2)