



March 2, 2026

Before the California Insurance Commissioner

RE: REG-2025-00006. INTERVENOR AND ADMINISTRATIVE HEARING BUREAU FAIRNESS AND ACCOUNTABILITY (as amended February 13, 2026)

Comments of coalition of consumer, labor, senior, immigrant, low-income, and public advocates and concerned civic organizations on proposed regulations.

The undersigned organizations respectfully submit our comments opposing the proposed Department of Insurance regulations, as amended February 13, 2026, in the above referenced matter.

In November 2025, most of the undersigned organizations submitted our joint comments and urged the Department to withdraw Reg-2025-00006 in order to protect important consumer protections created by Proposition 103. Our current comments incorporate the objections we raised in November 2025, including but not limited to the Department of Insurance's failure to establish by substantial evidence, as required by the Administrative Procedures Act, that the proposed regulation is necessary to effectuate the purposes of Proposition 103, which is to "protect consumers from arbitrary insurance rates and practices, to encourage a competitive insurance marketplace, to provide for an accountable Insurance Commissioner, and to ensure that insurance is fair, available, and affordable for all Californians." Reg-2025-0006 is a rule making proceeding, not an exempt rate setting proceeding, and is subject to the requirements of the APA.

The February 13, 2026 set of amendments continue the attack on consumer intervention to achieve the same result as the initial proposed regulation: stifling consumer voices in the setting of insurance rates and regulations. These amendments contain vague and ambiguous language that can easily be interpreted to:

- Eliminate consumer challenges to rate hikes under 7%. Proposition 103 limits the right of consumers to require a hearing to rate increases that exceed 7%. The amended regulation appears to redefine intervention to rule out the ability to challenge home, auto, and business insurance rate increases that fall below that percentage. Insurance companies could avoid consumer scrutiny by filing compound 6.9% increases indefinitely.
- Let the Commissioner change the rules after the work is done. Even after advocates invest months of complex legal and actuarial work and advance their own funds, the Commissioner could deny payment based on vague standards applied retroactively if he later decides their work was:
 - (1) not focused on the issues the Commissioner unilaterally decides were important or "material";
 - (2) about topics the Commissioner or the Department disagrees with or chose not to pursue;
 - (3) similar to the work of the Department's staff — even if the consumer advocate raised the issue first and provided independent actuarial analysis that confirmed or refined it, strengthening the integrity of the decision; or
 - (4) unnecessary "for any other reason" — a sweeping, open-ended catch-all that gives the Commissioner virtually unchecked discretion to deny compensation.

- Allow the Commissioner to limit the legal issues that a consumer advocate can raise by denying compensation because he disagrees with the arguments.
- Permit the Commissioner to retroactively decide that a consumer representation organization does not “represent the interests of consumers” in a particular case.
- Deny compensation for consumer advocates’ time responding to insurance companies’ aggressive tactics urging the Commissioner to deny compensation, or for preparing and defending a request for compensation.
- Bar independent, objective administrative law judges from reviewing consumer requests for compensation, concentrating that power in the Commissioner’s office.

Californians have experienced skyrocketing premium rates in automobile, homeowner’s, renter’s, condominium owner’s, and other lines of personal property and casualty insurance. Consumer participation through intervention in the California ratemaking process provides an effective check on the power of the insurance industry even though it is only used in a tiny fraction of rate filings. The proposed Reg-2025-00006 as amended would undermine effective consumer representation in insurance rate setting and other matters, adversely affect policyholders, and violate the language and intent of Proposition 103.

We respectfully urge the Insurance Commissioner to protect the important consumer protection tool that intervention provides and withdraw Reg-2025-00006.

Sincerely,

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