



The Surplus Line
Association of California

12667 Alcosta Boulevard
Suite 450
San Ramon, CA 94583

P 415.434.4900
F 415.434.3117

slacal.com

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Re: Commissioner Renews Request for Insurers to Initiate or Expand Coverage for California Foster Family Agencies

On Wednesday, October 22, California Insurance Commissioner Ricardo Lara issued a [follow-up notice](#), again requesting that insurers, including surplus line insurers, initiate or expand coverage for Foster Family Agencies (FFAs) in California.

Further, the notice requests that insurers considering issuing coverage in this area provide ideas on how to make such coverage more accessible and overcome any barriers to providing such coverage.

Commissioner Lara had advised, [in a previous notice issued on August 23, 2024](#), that many of the state's 200 FFAs were on the verge of losing their risk-pooling liability coverage, without which they cannot legally operate.

The follow-up notice issued on Wednesday noted that the state legislature this year enacted Assembly Bill 102, the California Budget Act of 2025, which made available \$31.5 million for the California Department of Social Services to distribute to eligible, licensed FFAs for insurance purposes. It also said that if Commissioner Lara determines that liability coverage for FFAs is substantially unavailable in the voluntary insurance marketplace, he may need to explore the need for alternative solutions to secure insurance coverage.

Any questions about the commissioner's notice can be directed to Ken Allen, Deputy Commissioner for Rate Regulation, at Ken.Allen@insurance.ca.gov.