BLACKROCK MUNIHOLDINGS CALIFORNIA INSURED FUND, INC.
Form N-CSR
September 05, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES

Investment Company Act file number 811-08573

Name of Fund: BlackRock MuniHoldings California Insured Fund, Inc.

Fund Address: P.O. Box 9011
Princeton, NJ 08543-9011

Name and address of agent for service: Robert C. Doll, Jr., Chief Executive Officer, BlackRock MuniHoldings California Insured Fund, Inc., 800 Scudders Mill Road, Plainsboro, NJ 08536. Mailing address: P.O. Box 9011, Princeton, NJ 08543-9011

Registrant's telephone number, including area code: (800) 882-0052

Date of fiscal year end: 06/30/07

Date of reporting period: 07/01/06 - 06/30/07

Item 1 - Report to Stockholders

EQUITIES   FIXED INCOME   REAL ESTATE
LIQUIDITY ALTERNATIVES   BLACKROCK SOLUTIONS

BlackRock MuniHoldings
California Insured Fund, Inc.

BLACKROCK

ANNUAL REPORT | JUNE 30, 2007

NOT FDIC INSURED
MAY LOSE VALUE
NO BANK GUARANTEE

BlackRock MuniHoldings California Insured Fund, Inc.

Availability of Quarterly Schedule of Investments

The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available on the SEC's Web site at http://www.sec.gov. The Fund's Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

Electronic Delivery

Electronic copies of most financial reports and prospectuses are available on the Fund's Web site. Shareholders can sign up for e-mail notifications of quarterly statements, annual and semi-annual reports and prospectuses by enrolling in the Fund's electronic delivery program.

Shareholders Who Hold Accounts with Investment Advisers, Banks or Brokerages:

Please contact your financial advisor to enroll. Please note that not all investment advisers, banks or brokerages may offer this service.

BlackRock Privacy Principles

BlackRock is committed to maintaining the privacy of its current and former fund investors and individual clients (collectively, "Clients") and to safeguarding their non-public personal information. The following information is provided to help you understand what personal information BlackRock collects, how we protect that information and why in certain cases we share such information with select parties.

If you are located in a jurisdiction where specific laws, rules or regulations require BlackRock to provide you with additional or different privacy-related rights beyond what is set forth below, then BlackRock will comply with those specific laws, rules or regulations.

BlackRock obtains or verifies personal non-public information from and about you from different sources, including the following: (i) information we receive from you or, if applicable, your financial intermediary, on applications, forms or other documents; (ii) information about your transactions with us, our affiliates, or others; (iii) information we receive from a consumer reporting agency; and (iv) from visits to our Web sites.

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A Letter to Shareholders

Dear Shareholder

At the mid-point of 2007, investor sentiment appeared quite buoyant, notwithstanding some undertones of caution. For equity markets, positive momentum as the year began was interrupted by a notable but transitory set-back at the end of February. Markets resumed their ascent through May, but entered a trading range in June as investors began to question the sustainability of the rally. For the most part, equities found support in robust merger-and-acquisition activity, healthy global economies, tame inflation, relatively low interest rates, still-positive earnings growth and attractive valuations. These tailwinds prevailed over such headwinds as a weakening U.S. economy, slowing housing market, credit-related lending problems, escalating geopolitical concerns and high energy prices, leading the Standard & Poor's (S&P) 500 Index to a new record high in May.

Meanwhile, turmoil in the subprime mortgage market and generally mixed economic signals weighed on bonds. In June, bond prices dropped precipitously as long-term yields rose to their highest levels in five years. The 10-year Treasury yield, which began 2007 at 4.68%, reached nearly 5.30% in mid-June before retracing to 5.03% by month's end. Notably, this year has brought some re-steepening of the yield curve, which had been flat to inverted throughout 2006. Still, at the end of June, yields along the curve remained below the federal funds rate of 5.25%, the level at which the Federal Reserve Board (the Fed) has left it since first pausing in August 2006. While first-quarter gross domestic product growth of 0.7% represented the slowest rate of expansion since 2002, the Fed reiterated that inflation, not a slowing economy, remains its primary concern. Many observers interpreted the Fed's reaction to mean that the economy has hit its low and is bound for renewed strength, thereby reducing the likelihood of an interest rate cut in the near future.

Against this backdrop, the major equity market indexes posted strong returns for the annual and semi-annual periods ended June 30, 2007, while fixed income assets were more mixed:

Total Returns as of June 30, 2007	6-month
U.S. equities (S&P 500 Index)	+ 6.96%
Small cap U.S. equities (Russell 2000 Index)	+ 6.45
International equities (MSCI Europe, Australasia, Far East Index)	+10.74
Fixed income (Lehman Brothers U.S. Aggregate Bond Index)	+ 0.98
Tax-exempt fixed income (Lehman Brothers Municipal Bond Index)	+ 0.14
High yield bonds (Lehman Brothers U.S. Corporate High Yield 2% Issuer Cap Index)	+ 2.96

We expect market volatility to linger throughout the second half of 2007. As you navigate the uncertainties, we encourage you to review your investment goals with your financial professional and to make portfolio changes, as needed. For more market insight, we invite you to view "What's Ahead in 2007: The Second-Quarter Update" and "Are You Prepared for Volatility?" at www.blackrock.com/funds. We thank you for entrusting BlackRock with your investment assets, and we look forward to continuing to serve you in the months and years ahead.

Sincerely,

/s/ Robert C. Doll, Jr.

Robert C. Doll, Jr.
Fund President and Director

The Benefits and Risks of Leveraging

BlackRock MuniHoldings California Insured Fund, Inc. utilizes leveraging to seek to enhance the yield and net asset value of its Common Stock. However, these objectives cannot be achieved in all interest rate environments. To leverage, the Fund issues Preferred Stock, which pays dividends at prevailing short-term interest rates, and invests the proceeds in long-term municipal bonds. The interest earned on these investments, net of dividends to Preferred Stock, is paid to Common Stock shareholders in the form of dividends, and the value of these portfolio holdings is reflected in the per share net asset value of the Fund's Common Stock. However, in order to benefit Common Stock shareholders, the yield curve must be positively sloped; that is, short-term interest rates must be lower than long-term interest rates. At the same time, a period of generally declining interest rates will benefit Common Stock shareholders. If either of these conditions change, then the risks of leveraging will begin to outweigh the benefits.

To illustrate these concepts, assume a fund's Common Stock capitalization of $100 million and the issuance of Preferred Stock for an additional $50 million, creating a total value of $150 million available for investment in long-term municipal bonds. If prevailing short-term interest rates are approximately 3% and long-term interest rates are approximately 6%, the yield curve has a strongly positive slope. The fund pays dividends on the $50 million of Preferred Stock based on the lower short-term interest rates. At the same time, the fund's total portfolio of $150 million earns the income based on long-term interest rates.

In this case, the dividends paid to Preferred Stock shareholders are significantly lower than the income earned on the fund's long-term investments, and therefore the Common Stock shareholders are the beneficiaries of the incremental yield. However, if short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental yield pickup on the Common Stock will be reduced or eliminated completely. At the same time, the market value of the fund's Common Stock (that is, its price as listed on the New York Stock Exchange) may, as a result, decline. Furthermore, if long-term interest rates rise, the Common Stock's net asset value will reflect the full decline in the price of the portfolio's investments, since the value of the fund's Preferred Stock does not fluctuate. In addition to the decline in net asset value, the market value of the fund's Common Stock may also decline.

As of June 30, 2007, the Fund's leverage amount, due to Auction Market Preferred Stock, was 39.71% of total net assets, before the deduction of Preferred Stock.

As a part of its investment strategy, the Fund may invest in certain securities whose potential income return is inversely related to changes in a floating interest rate ("inverse floaters"). In general, income on inverse floaters will decrease when short-term interest rates increase and increase when short-term interest rates decrease. Investments in inverse floaters may be characterized as derivative securities and may subject the Fund to the risks of reduced or eliminated interest payments and losses of invested principal. In addition, inverse floaters have the effect of providing investment leverage and, as a result, the market value of such securities will generally be more volatile than that of fixed rate, tax-exempt securities. To the extent the Fund invests in inverse floaters, the market value of the Fund's portfolio and the net asset value of the Fund's shares may also be more volatile than if the Fund did not invest in these securities. (See Note 1(c) to Financial Statements for details of municipal bonds held in trust.)

Swap Agreements

The Fund may invest in swap agreements, which are over-the-counter contracts in which one party agrees to make periodic payments based on the change in market value of a specified bond, basket of bonds, or index in return for periodic payments based on a fixed or variable interest rate or the change in market value of a different bond, basket of bonds or index. Swap agreements may be used to obtain exposure to a bond or market without owning or taking physical custody of securities. Swap agreements involve the risk that the party with whom the Fund has entered into the swap will default on its obligation to pay the Fund and the risk that the Fund will not be able to meet its obligations to pay the other party to the agreement.

Fund Summary as of June 30, 2007 (Unaudited)

Fund Information

Symbol on New York Stock Exchange	MUC
Initial Offering Date	February 27, 1998
Yield on Closing Market Price as of 6/30/07 ($13.92)*	5.00%
Current Monthly Distribution per Common Stock**	$ .058
Current Annualized Distribution per Common Stock**	$ .696
Leverage as of 6/30/07***	39.71%

* Yield on closing market price is calculated by dividing the current annualized distribution per share by the closing market price. Past performance does not guarantee future results.

** The distribution is not constant and is subject to change.

*** As a percentage of managed assets.

The table below summarizes the changes in the Fund's market price and net asset value:

	6/30/07	6/30/06	Change	High	
Market Price	$13.92	$13.94	(0.14%)	$15.39	$
Net Asset Value	$14.48	$14.44	0.28%	$15.20	$

The following charts show the Fund's portfolio composition and credit quality allocations of the Fund's long-term investments:

Portfolio Composition

Sector	6/30/07	6/30/06
City, County & State	27%	22%
Tax Revenue	16	19
Education	14	13
Lease Revenue	12	18
Power	10	6
Water & Sewer	10	12
Transportation	7	6
Hospital	3	3

Housing	1	1

Credit Quality Allocations*

Credit Rating	6/30/07	12/31/06
AAA/Aaa	97%	95%
AA/Aa	3	1
A/A	--	4

* Using the highest of S&P's and Moody's.

Dividend Policy

The Fund's dividend policy is to distribute all or a portion of its net investment income to its shareholders on a monthly basis. However, in order to provide shareholders with a more stable level of dividend distributions, the Fund may at times pay out less than the entire amount of net investment income earned in any particular month and may at times in any particular month pay out such accumulated but undistributed income in addition to net investment income earned in that month. As a result, the dividends paid by the Fund for any particular month may be more or less than the amount of net investment income earned by the Fund during such month. The Fund's current accumulated but undistributed net investment income, if any, is disclosed in the Statement of Net Assets, which comprises part of the financial information included in this report.

Schedule of Investments as of June 30, 2007 (in Thousands)

Face Amount	Municipal Bonds	Value
California -- 146.2%		
$1,000	ABAG Finance Authority for Nonprofit Corporations, California, COP (Children's Hospital Medical Center), 6% due 12/01/2029 (a)	$ 1,054
3,345	ABC California Unified School District, GO, Series A, 5.625% due 8/01/2020 (e)(j)	3,417
4,000	Acalanes, California, Unified High School District, GO, 5.80% due 8/01/2007 (e)(i)	4,047
10,000	Alameda, California, Unified School District, Capital Appreciation, GO (Election of 2004), Series B, 5.02% due 8/01/2035 (e)(f)	2,553
7,360	Alhambra, California, Unified School District, GO (Election of 2004), Series A, 5% due 8/01/2029 (c)	7,622
2,825	Banning, California, Unified School District, GO (Election of 2006), Series A, 5% due 8/01/2027 (c)	2,950
3,885	Berkeley, California, GO, Series C, 5.375% due 9/01/2007 (c)(i)	3,973

6,520	Berkeley, California, Unified School District, GO, Series I, 5.75% due 8/01/2008 (e)(i)	6,734
2,925	Cajon Valley, California, Union School District, GO, Series B, 5.50% due 8/01/2027 (b)	3,097
2,180	California Community College Financing Authority, Lease Revenue Bonds (Grossmont-Palomar-Shasta), Series A, 5.625% due 4/01/2026 (b)	2,306
	California Educational Facilities Authority, Revenue Refunding Bonds (Occidental College) (b)(i):	
5,815	5.625% due 10/01/2007	5,958
5,000	5.70% due 10/01/2007	5,124
3,500	California HFA, Home Mortgage Revenue Bonds, VRDN, AMT, Series N, 3.80% due 8/01/2021 (e)(h)	3,500
3,200	California HFA, Home Mortgage Revenue Bonds, VRDN, Series F, 3.90% due 2/01/2033 (a)(h)	3,200
	California HFA, S/F Mortgage Revenue Bonds, AMT, Class II (b):	
205	Series A-1, 6% due 8/01/2020	208
1,160	Series C-2, 5.625% due 8/01/2020 (d)	1,176
9,250	California Health Facilities Financing Authority Revenue Bonds (Kaiser Permanente), Series A, 5.50% due 6/01/2022 (e)(j)	9,563
	California Health Facilities Financing Authority, Revenue Refunding Bonds (Catholic Healthcare West), Series A (i):	
510	5.75% due 7/01/2007 (a)	510
1,840	6% due 7/01/2007 (b)	1,859
1,900	California Infrastructure and Economic Development Bank Revenue Bonds (Los Angeles County Department of Public Social Services), 5.75% due 9/01/2023 (a)	2,074
	California State, GO:	
2,000	5.50% due 6/01/2025 (c)	2,079
15	5.25% due 4/01/2027	16
	California State, GO, Refunding:	
1,075	5.75% due 12/01/2009 (i)	1,135
6,000	5.25% due 2/01/2026 (b)	6,271
20,000	California State Public Works Board, Lease Revenue Bonds (Various University of California Projects), Series C, 5.125% due 9/01/2007 (a)(i)	20,445
2,625	California State Public Works Board, Lease Revenue Refunding Bonds (Various Community College Projects), Series B, 5.625% due 3/01/2019 (a)	2,655
10,000	California State University, Systemwide Revenue Bonds, Series A, 5% due 11/01/2032 (c)	10,261
5,000	California State University, Systemwide Revenue Refunding Bonds, Series A, 5% due 11/01/2029 (e)	5,145

7,050	California State, Various Purpose, GO, 5.50% due 11/01/2033	7,519
14,000	California State, Veterans, GO, Refunding, AMT, Series BZ, 5.35% due 12/01/2021 (b)	14,035
4,915	California Statewide Communities Development Authority, Health Facility Revenue Bonds (Memorial Health Services), Series A, 6% due 10/01/2023	5,267
1,090	California Statewide Communities Development Authority Revenue Bonds (Los Angeles Orthopedic Hospital Foundation), 5.50% due 6/01/2019 (a)	1,102
	California Statewide Communities Development Authority, Revenue Refunding Bonds:	
5,000	(Kaiser Hospital Asset Management, Inc.), Series C, 5.25% due 8/01/2031	5,156
2,650	(Kaiser Permanente), Series A, 5% due 4/01/2031 (f)	2,678

Portfolio Abbreviations

To simplify the listings of BlackRock MuniHoldings California Insured Fund, Inc.'s portfolio holdings in the Schedule of Investments, we have abbreviated the names of many of the securities according to the list at right.

AMT Alternative Minimum Tax (subject to)
COP Certificates of Participation
DRIVERS Derivative Inverse Tax-Exempt Receipts
GO General Obligation Bonds
HFA Housing Finance Agency
M/F Multi-Family
ROLS Reset Option Long Securities
S/F Single-Family
VRDN Variable Rate Demand Notes

6 BLACKROCK MUNIHOLDINGS CALIFORNIA INSURED FUND, INC. JUNE 30, 2007

Schedule of Investments (continued) (in Thousands)

Face Amount	Municipal Bonds	Value
	California (continued)	
$ 4,500	Campbell, California, Redevelopment Agency, Tax Allocation Refunding Bonds (Central Campbell Redevelopment Project), Series A, 5% due 10/01/2032 (a)	$ 4,611
6,685	Castaic Lake, California, Water Agency Revenue Bonds, COP, Series C, 5% due 8/01/2030 (b)	6,867
8,705	Castaic Lake, California, Water Agency Revenue Bonds, COP (Water System Improvement Project), 5.50% due 8/01/2009 (a)(i)	9,089

9,905	Chaffey Community College District, California, GO (Election of 2002), Series B, 5% due 6/01/2030 (b)	10,245
2,750	Chula Vista, California, Public Financing Authority, Revenue Refunding Bonds, Series A, 5% due 9/01/2029 (b)	2,820
2,400	Coachella Valley, California, Unified School District, GO (Election of 2005), Series A, 5% due 8/01/2027 (c)	2,489
2,500	Colton, California, Joint Unified School District, GO, Series A, 5.375% due 8/01/2026 (c)	2,663
7,800	Contra Costa, California, Community College District, GO (Election of 2002), 5% due 8/01/2028 (b)	8,053
2,000	Contra Costa County, California, COP, Refunding (Merrithew Memorial Hospital Project), 5.50% due 11/01/2022 (b)	2,049
5,910	Corona, California, Department of Water and Power, COP, 5% due 9/01/2029 (b)	6,073
5,000	Corona-Norco, California, Unified School District, GO (Election of 2006), Series A, 5% due 8/01/2031 (e)	5,205
4,250	Coronado, California, Community Development Agency, Tax Allocation Bonds (Coronado Community Development Project), 5% due 9/01/2030 (a)	4,359
2,395	Covina-Valley, California, Unified School District, GO, Refunding, Series A, 5.50% due 8/01/2026 (e)	2,555
3,750	Culver City, California, Redevelopment Finance Authority, Tax Allocation Revenue Refunding Bonds, Series A, 5.60% due 11/01/2025 (e)	3,950
1,870	Davis, California, Joint Unified School District, Community Facilities District, Special Tax Refunding Bonds, Number 1, 5.50% due 8/15/2007 (b)(i)	1,874
6,015	East Bay, California, Municipal Utility District, Wastewater System Revenue Refunding Bonds, Sub-Series A, 5% due 6/01/2037 (a)	6,244
20,900	East Bay, California, Municipal Utility District, Water System Revenue Refunding Bonds, Series A, 5% due 6/01/2037 (c)	21,694
11,000	East Side Union High School District, California, Santa Clara County, Capital Appreciation, GO (Election of 2002), Series E, 5.125% due 8/01/2028 (e)(k)(f)	3,827
1,000	Escondido, California, COP, Refunding, Series A, 5.75% due 9/01/2024 (c)	1,059
5,000	Foothill-De Anza, California, Community College District, GO, Refunding, 5% due 8/01/2030 (c)	5,124
4,455	Fresno, California, Airport Revenue Bonds, AMT, Series B, 5.50% due 7/01/2020 (e)	4,628

5,200	Fullerton, California, Joint Union High School District, GO (Election of 2002), Series B, 5% due 8/01/2029 (c)	5,385
4,040	Garden Grove, California, COP (Financing Project), Series A, 5.50% due 3/01/2026 (a)	4,288
5,200	Glendale, California, Unified School District, GO, Series B, 5.125% due 9/01/2023 (e)	5,310
2,155	Hartnell, California, Community College District, GO (Election of 2002), Series B, 5% due 6/01/2031 (e)	2,235
4,565	Hemet, California, Unified School District, GO, Series A, 5.375% due 8/01/2026 (b)	4,806
1,700	Inglewood, California, Unified School District, GO, Series A, 5.60% due 10/01/2009 (c)(i)	1,784
2,300	Irvine, California, Unified School District, Special Tax (Community Facilities District Number 86-1), 5.375% due 11/01/2020 (a)	2,389
4,665	Irvine, California, Unified School District, Special Tax Refunding Bonds (Community Facilities District Number 86-1), 5.80% due 11/01/2020 (a)	4,788
2,500	La Quinta, California, Financing Authority, Local Agency Revenue Bonds, Series A, 5.25% due 9/01/2024 (a)	2,651
2	La Quinta, California, Financing Authority, Local Agency Tax Allocation and Revenue Refunding Bonds, ROLS, Series II-R-412X, 6.422% due 9/01/2034 (a)(g)	3
1,210	Little Lake, California, City School District, GO, Series B, 5.25% due 7/01/2022 (e)	1,274
1,485	Lompoc, California, Unified School District, GO (Election of 2002), Series C, 5% due 6/01/2032 (e)	1,545
4,000	Long Beach, California, Bond Finance Authority, Lease Revenue Bonds (Rainbow Harbor Refinancing Project), Series A, 5.25% due 5/01/2009 (a)(i)	4,146
11,110	Long Beach, California, Harbor Revenue Refunding Bonds, AMT, Series B, 5.20% due 5/15/2027 (b)	11,493
10,000	Los Angeles, California, Community Redevelopment Agency, Community Redevelopment Financing Authority Revenue Bonds (Bunker Hill Project), Series A, 5% due 12/01/2027 (e)	10,268
160	Los Angeles, California, M/F Housing Revenue Refunding Bonds, Senior Series G, 5.65% due 1/01/2014 (e)	161
	Los Angeles, California, Unified School District, GO, Refunding, Series B (c):	
5,000	5% due 7/01/2023	5,236
5,400	4.75% due 7/01/2026	5,471
10,000	Los Angeles, California, Unified School District, GO, Series E, 5% due 7/01/2030 (a)	10,347

5,000	Los Angeles, California, Wastewater System Revenue Refunding Bonds, Series A, 4.75% due 6/01/2035 (b)	5,026
5,000	Los Angeles, California, Water and Power Revenue Bonds (Power System), Sub-Series A-1, 5% due 7/01/2031 (e)	5,170

Schedule of Investments (continued) (in Thousands)

Face Amount	Municipal Bonds	Value
	California (continued)	
	Los Angeles County, California, Metropolitan Transportation Authority, Sales Tax Revenue Refunding Bonds:	
$ 9,000	Proposition A, First Tier Senior Series A, 5% due 7/01/2035 (a)	$ 9,306
3,750	Proposition C, Second Tier Senior Series A, 5.25% due 7/01/2010 (c)(i)	3,934
2,735	Los Gatos, California, Unified School District, GO (Election 2001), Series B, 5% due 8/01/2030 (e)	2,807
1,890	Los Rios, California, Community College District, GO (Election of 2002), Series B, 5% due 8/01/2027 (b)	1,949
2,000	Madera, California, Public Financing Authority, Water and Wastewater Revenue Refunding Bonds, 5% due 3/01/2036 (b)	2,064
6,365	Merced, California, Community College District, GO (School Facilities District Number 1), 5% due 8/01/2031 (b)	6,605
5,000	Merced, California, Irrigation District, Electrical System Revenue Refunding Bonds, 5.25% due 9/01/2036 (k)	5,243
	Metropolitan Water District of Southern California, Waterworks Revenue Bonds:	
3,550	Series A, 5% due 7/01/2035 (e)	3,666
9,000	Series B-1, 5% due 10/01/2033 (c)	9,223
5,000	Modesto, California, Schools Infrastructure Financing Agency, Special Tax Bonds, 5% due 9/01/2029 (a)	5,124
2,000	Montebello, California, Community Redevelopment Agency, Housing Tax Allocation Bonds, Series A, 5.45% due 9/01/2007 (e)(i)	2,046
4,150	Moorpark, California, Redevelopment Agency, Tax Allocation Bonds (Moorpark Redevelopment Project), 5.125% due 10/01/2031 (a)	4,293
2,315	Morgan Hill, California, Unified School District, GO, 5.75% due 8/01/2010 (c)(i)	2,465

3,275	Northern California Power Agency, Public Power Revenue Refunding Bonds (Hydroelectric Project Number 1), Series A, 5.125% due 7/01/2023 (b)	3,338
9,995	Oakland, California, Alameda County Unified School District, GO, Refunding, Series C, 5.50% due 8/01/2019 (c)	10,009
	Oakland, California, Alameda County Unified School District, GO, Series F (b):	
3,705	5.625% due 8/01/2020	3,883
5,245	5.625% due 8/01/2021	5,496
6,000	5.50% due 8/01/2024	6,255
5,000	Ohlone, California, Community College District, GO, Series B, 5% due 8/01/2030 (e)	5,175
10,000	Oxnard, California, Financing Authority, Wastewater Revenue Bonds (Redwood Trunk Sewer and Headworks Projects), Series A, 5.25% due 6/01/2034 (c)	10,512
10,000	Oxnard, California, Financing Authority, Water Revenue Bonds, 5% due 6/01/2031 (b)	10,349
6,475	Palm Desert, California, Financing Authority, Tax Allocation Revenue Bonds (Project Area Number 2), 5% due 8/01/2033 (b)	6,630
1,000	Palm Springs, California, COP, Refunding (Multiple Capital Facilities Project), 5.75% due 4/01/2017 (a)	1,025
1,600	Palm Springs, California, Financing Authority, Lease Revenue Refunding Bonds (Convention Center Project), Series A, 5.50% due 11/01/2035 (b)	1,730
9,100	Pleasanton, California, Unified School District, GO, Series E, 5.50% due 8/01/2008 (c)(i)	9,369
5,000	Port of Oakland, California, Port Revenue Refunding Bonds, Series I, 5.40% due 11/01/2017 (b)	5,126
	Port of Oakland, California, Revenue Bonds, AMT, Series K (c):	
3,500	5.75% due 11/01/2014	3,652
17,120	5.75% due 11/01/2029	17,836
9,070	Poway, California, Unified School District, Public Financing Authority, Special Tax Revenue Bonds, 5% due 9/15/2031 (a)	9,340
10,090	RNR School Financing Authority, California, Special Tax Bonds (Community Facilities District Number 92-1), Series A, 5% due 9/01/2036 (a)	10,343
5,085	Rancho Cordova, California, COP (City Hall Facility Acquisition Project), 5% due 2/01/2015 (i)(k)	5,401
2,205	Richmond, California, Joint Powers Financing Authority, Tax Allocation Revenue Bonds, Series A, 5.50% due 9/01/2018 (b)	2,317

Schedule of Investments (continued) (in Thousands)

10,735	Riverside, California, Unified School District, GO (Election of 2001), Series B, 5% due 8/01/2030 (b)	11,148
	Rohnert Park, California, Community Development Commission, Tax Allocation Revenue Bonds (Rohnert Park Redevelopment Project), Series R (c):	
5,245	5% due 8/01/2030	5,395
10,000	5% due 8/01/2037	10,255
2,125	Sacramento, California, Area Flood Control Agency, Special Assessment Refunding Bonds (Consolidated Capital Assessment District), Series A, 5% due 10/01/2032 (c)	2,207
8,775	Sacramento, California, City Financing Authority, Revenue Refunding Bonds, 5% due 12/01/2029 (c)	9,098
10,825	Sacramento, California, Municipal Utility District, Electric Revenue Refunding Bonds, Series L, 5.125% due 7/01/2022 (b)	11,034
2,500	Sacramento, California, Municipal Utility District Financing Authority, Revenue Bonds (Consumers Project), 5.125% due 7/01/2029 (b)	2,628
4,115	Saddleback Valley, California, Unified School District, GO, 5% due 8/01/2029 (e)	4,246
5,440	San Bernardino, California, Joint Powers Financing Authority, Lease Revenue Bonds (Department of Transportation Lease), Series A, 5.50% due 12/01/2020 (b)	5,478

Face Amount	Municipal Bonds	Value
California (continued)		
$ 1,480	San Bernardino County, California, COP, Refunding (Medical Center Financing Project), 5.50% due 8/01/2019 (b)	$ 1,482
12,555	San Diego, California, Community College District, GO (Election of 2002), 5% due 5/01/2030 (e)	12,982
5,055	San Diego, California, Public Facilities Financing Authority, Sewer Revenue Bonds, Series A, 5.25% due 5/15/2027 (c)	5,110
1,500	San Diego County, California, COP (Edgemoor Project and Regional System), Refunding, 5% due 2/01/2029 (a)	1,539
4,000	San Diego County, California, Water Authority, Water Revenue Bonds, COP, Series A, 5% due 5/01/2031 (e)	4,099

6,795	San Francisco, California, Bay Area Rapid Transit District, Sales Tax Revenue Bonds, 5.50% due 7/01/2009 (c)(i)	7,091
13,100	San Francisco, California, Bay Area Rapid Transit District, Sales Tax Revenue Refunding Bonds, Series A, 5% due 7/01/2030 (b)	13,554
6,430	San Francisco, California, City and County Airport Commission, International Airport Revenue Bonds, AMT, Second Series, Issue 24A, 5.50% due 5/01/2024 (e)	6,691
4,195	San Francisco, California, Community College District, GO (Election of 2001), Series C, 5% due 6/15/2031 (e)	4,351
5,530	San Joaquin County, California, COP, Refunding (County Administration Building), 5% due 11/15/2030 (b)	5,692
2,118	San Jose, California, Financing Authority, Lease Revenue Refunding Bonds, DRIVERS, VRDN, Series 1280Z, 5.97% due 12/01/2010 (a)(g)	2,197
	San Jose-Evergreen, California, Community College District, Capital Appreciation, GO (Election of 2004), Refunding, Series A (b)(f):	
10,410	5.17% due 9/01/2024	4,431
7,250	5.340% due 9/01/2029	2,310
7,785	San Juan, California, Unified School District, GO, 5.625% due 8/01/2010 (c)(i)	8,260
4,250	San Juan, California, Unified School District, GO (Election of 2002), 5% due 8/01/2028 (b)	4,367
5,650	San Mateo County, California, Transit District, Sales Tax Revenue Refunding Bonds, Series A, 5% due 6/01/2029 (b)	5,848
7,345	Sanger, California, Unified School District, GO (Election of 2006), 5% due 8/01/2027 (e)	7,695
14,000	Santa Clara, California, Redevelopment Agency, Tax Allocation Bonds (Bayshore North Project), Series A, 5.50% due 6/01/2023 (a)	14,517
6,050	Santa Clara, California, Subordinated Electric Revenue Bonds, Series A, 5% due 7/01/2028 (b)	6,217
9,750	Santa Clara County, California, Financing Authority, Lease Revenue Refunding Bonds, Series A, 5% due 11/15/2022 (a)	9,944
9,000	Santa Fe Springs, California, Community Development, Commission Tax Allocation Refunding Bonds (Consolidated Redevelopment Project), Series A, 5% due 9/01/2007 (b)(i)	9,198
5,110	Santa Monica, California, Redevelopment Agency, Tax Allocation Bonds (Earthquake Recovery Redevelopment Project), 6% due 7/01/2009 (a)(i)	5,382
2,855	Santa Rosa, California, High School District, GO (Election of 2002), 5% due 8/01/2028 (b)	2,934

10,910	Southern California Public Power Authority, Power Project Revenue Bonds (Magnolia Power Project), Series A-1, 5% due 7/01/2013 (a)(i)	11,535
3,200	Stockton, California, Public Financing Authority, Water Revenue Bonds (Water System Capital Improvement Projects), Series A, 5% due 10/01/2031 (b)	3,311
1,500	Stockton, California, Redevelopment Agency, Revenue Bonds (Stockton Events Center -- Arena Project), 5% due 9/01/2028 (c)	1,535
4,400	Tamalpais, California, Union High School District, GO (Election of 2006), 5% due 8/01/2028 (b)	4,576
13,025	Tracy, California, Area Public Facilities Financing Agency, Special Tax Refunding Bonds (Community Facilities District Number 87-1), Series H, 5.875% due 10/01/2019 (b)	13,770
6,655	Turlock, California, Public Finance Authority, Sewer Revenue Bonds, Series A, 5% due 9/15/2033 (c)	6,819
7,475	University of California, COP, Series A, 5.25% due 11/01/2007 (a)(i)	7,587
10,500	University of California, General Revenue Refunding Bonds, Series A, 5% due 5/15/2027 (a)	10,821
1,410	University of California Revenue Bonds, Series K, 5.25% due 9/01/2008 (c)(i)	1,449
16,000	University of California, Revenue Refunding Bonds (Multiple Purpose Projects), Series E, 5.125% due 9/01/2007 (b)(i)	16,192
	Vista, California, Unified School District, GO:	
10,000	Series A, 5.25% due 8/01/2025 (e)	10,448
2,550	Series B, 5% due 8/01/2028 (c)	2,620
6,075	Washington, California, Unified School District (Yolo County), Capital Appreciation, GO (Election of 2004), Series A, 4.98% due 8/01/2029 (c)(e)(f)	2,108
5,825	West Contra Costa, California, Unified School District, Capital Appreciation, GO (Election of 2002), Series C, 5.78% due 8/01/2029 (c)(e)(f)	2,021
	West Contra Costa, California, Unified School District, GO (e):	
6,690	(Election of 2002), Series B, 5% due 8/01/2032	6,842
2,595	(Election of 2005), Series A, 5% due 8/01/2026	2,693
3,145	Yorba Linda, California, Redevelopment Agency, Redevelopment Project Tax Allocation Revenue Bonds (Subordinate Lien), Series B, 5% due 9/01/2032 (a)	3,222

Schedule of Investments (concluded) (in Thousands)

Face Amount	Municipal Bonds	Value
Puerto Rico -- 4.5%		
	Puerto Rico Electric Power Authority, Power Revenue Bonds (i):	
$11,215	Series HH, 5.30% due 7/01/2010 (e)	$ 11,766
6,130	Series NN, 5.125% due 7/01/2013	6,515
8,120	Puerto Rico Electric Power Authority, Power Revenue Refunding Bonds, Series UU, 5% due 7/01/2024 (e)	8,538
	Total Municipal Bonds (Cost -- $871,050) -- 150.7%	892,202

	Municipal Bonds Held in Trust (n)	
California -- 25.5%		
12,000	Contra Costa County, California, COP, Refunding (Merrithew Memorial Hospital Project), 5.375% due 11/01/2017 (b)	12,296
7,165	La Quinta, California, Financing Authority, Local Agency Revenue Bonds, Series A, 5.125% due 9/01/2034 (a)	7,438
15,490	Peralta, California, Community College District, GO (Election of 2000), Series D, 5% due 8/01/2035 (e)	15,999
25,350	Port of Oakland, California, Revenue Refunding Bonds, AMT, Series L, 5.375% due 11/01/2027 (c)	26,452
34,260	Sacramento, California, Municipal Utility District Financing Authority, Revenue Bonds (Consumers Project), 5.125% due 7/01/2029 (b)	36,012
10,000	San Diego County, California, Water Authority, Water Revenue Refunding Bonds, COP, Series A, 5% due 5/01/2032 (b)	10,258
13,500	San Francisco, California, City and County Public Utilities Commission, Water Revenue Refunding Bonds, Series A, 5% due 11/01/2032 (b)	13,893
10,564	San Jose, California, Financing Authority, Lease Revenue Refunding Bonds (Civic Center Project), Series B, 5% due 6/01/2032 (a)	10,760
17,400	University of California, Limited Project Revenue Bonds, Series B, 5% due 5/15/2033 (e)	17,909
	Total Municipal Bonds Held in Trust (Cost -- $152,699) -- 25.5%	151,017

Shares Held	Short-Term Securities	Value
15	CMA California Municipal Money Fund, 3.18% (l)(m)	$ 15
	Total Short-Term Securities (Cost -- $15) -- 0.0%	15

Total Investments (Cost -- $1,023,764*) -- 176.2%	1,043,234
Other Assets Less Liabilities -- 2.1%	12,612
Liability for Trust Certificates, Including Interest Expense Payable -- (12.4%)	(73,597)
Preferred Stock, at Redemption Value -- (65.9%)	(390,196)
Net Assets Applicable to Common Stock -- 100.0%	$ 592,053

* The cost and unrealized appreciation (depreciation) of investments as of June 30, 2007, as computed for federal income tax purposes, were as follows:

Aggregate cost	$ 950,629
Gross unrealized appreciation	$ 24,167
Gross unrealized depreciation	(4,427)
Net unrealized appreciation	$ 19,740

(a) AMBAC Insured.
(b) MBIA Insured.
(c) FGIC Insured.
(d) FHA Insured.
(e) FSA Insured.
(f) Represents a zero coupon bond; the interest rate shown reflects the effective yield at the time of purchase.
(g) The rate disclosed is that currently in effect. This rate changes periodically and inversely based upon prevailing market rates.
(h) Security may have a maturity of more than one year at time of issuance, but has variable rate and demand features that qualify it as a short-term security. The rate disclosed is that currently in effect. This rate changes periodically based upon prevailing market rates.
(i) Prerefunded.
(j) Escrowed to maturity.
(k) XL Capital Insured.
(l) Investments in companies considered to be an affiliate of the Fund, for purposes of Section 2(a)(3) of the Investment Company Act of 1940, were as follows:

Affiliate	Net Activity	Dividend Income
CMA California Municipal Money Fund	(2,432)	$171

(m) Represents the current yield as of June 30, 2007.
(n) Securities represent underlying bonds transferred to a separate

securitization trust established in a tender option bond transaction in which the Fund may have acquired the residual interest certificates. These securities serve as collateral in a financing transaction. See Note 1(c) to Financial Statements for details of municipal bonds held in trust.

See Notes to Financial Statements.

Statement of Net Assets

As of June 30, 2007

Assets

Investments in unaffiliated securities, at value (identified cost -- $1,023,749,062)
Investments in affiliated securities, at value (identified cost -- $14,601)
Cash
- Interest
- Securities sold

Prepaid expenses

Total assets

Liabilities

Trust certificates
Payables:
- Securities purchased
- Dividends to Common Stock shareholders
- Interest expense
- Investment adviser
- Other affiliates

Accrued expenses

Total liabilities

Preferred Stock

Preferred Stock, at redemption value, par value $.10 per share (1,920 Class A Shares, 3,880 Class B Shares, 3,200 Class C Shares, 2,960 Class D Shares and 3,640 Class E Shares of AMPS* authorized, issued and outstanding at $25,000 per share liquidation preference)

Net Assets Applicable to Common Stock

Net assets applicable to Common Stock

Analysis of Net Assets Applicable to Common Stock

Common Stock, par value $.10 per share (40,874,458 shares issued and outstanding)

Paid-in capital in excess of par ....
Undistributed investment income -- net ....
Accumulated realized capital losses -- net ....
Unrealized appreciation -- net ....

Total accumulated losses -- net ....

Total -- Equivalent to $14.48 net asset value per share of Common Stock
(market price -- $13.92) ....

* Auction Market Preferred Stock.

See Notes to Financial Statements.

Statement of Operations

For the Year Ended June 30, 2007

Investment Income

Interest ....
Dividends from affiliates ....

Total income ....

Expenses

Investment advisory fees ....
Interest expense and fees ....
Commission fees ....
Accounting services ....
Professional fees ....
Transfer agent fees ....
Printing and shareholder reports ....
Custodian fees ....
Directors' fees and expenses ....
Pricing fees ....
Listing fees ....
Other ....

Total expenses before waiver and reimbursement ....
Waiver and reimbursement of expenses ....

Total expenses after waiver and reimbursement ....

Investment income -- net ....

Realized & Unrealized Gain (Loss) -- Net

Realized gain on:
Investments -- net ....

Financial futures contracts -- net ....

Change in unrealized appreciation on investments -- net ....

Total realized and unrealized gain -- net ....

Dividends to Preferred Stock Shareholders

Investment income -- net ....

Net Increase in Net Assets Resulting from Operations ....

See Notes to Financial Statements.

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets:

Operations

Investment income -- net ....
Realized gain -- net ....
Change in unrealized appreciation -- net ....
Dividends to Preferred Stock shareholders ....

Net increase (decrease) in net assets resulting from operations ....

Dividends to Common Stock Shareholders

Investment income -- net ....

Net decrease in net assets resulting from dividends to Common Stock shareholder .....

Stock Transactions

Net increase in net assets derived from stock transactions ....

Net Assets Applicable to Common Stock

Total increase (decrease) in net assets applicable to Common Stock ....
Beginning of year ....

End of year* ....

* Undistributed investment income -- net ....

See Notes to Financial Statements.

Financial Highlights

The following per share data and ratios have been derived from information provided in the financial statements.	For the Yea	
	2007	2006
Per Share Operating Performance		
Net asset value, beginning of year	$ 14.44	$ 15.40
Investment income -- net*	1.01	1.05
Realized and unrealized gain (loss) -- net	.07	(.85)
Dividends and distributions to Preferred Stock shareholders:		
Investment income -- net	(.31)	(.25)
Realized gain -- net	--	--
Total from investment operations	.77	(.05)
Less dividends and distributions to Common Stock shareholders:		
Investment income -- net	(.73)	(.91)
Realized gain -- net	--	--
Total dividends and distributions to Common Stock shareholders	(.73)	(.91)
Net asset value, end of year	$ 14.48	$ 14.44
Market price per share, end of year	$ 13.92	$ 13.94
Total Investment Return***		
Based on net asset value per share	5.46%	(.29%)
Based on market price per share	5.02%	(.98%)
Ratios Based on Average Net Assets Applicable to Common Stock		
Total expenses, net of waiver and reimbursement and interest expense and fees**	1.12%	1.10%
Total expenses, net of waiver and reimbursement**	1.60%	1.35%
Total expenses**	1.66%	1.41%
Total investment income -- net	6.81%	7.01%

Amount of dividends to Preferred Stock shareholders	2.11%	1.68%	
Investment income -- net, to Common Stock shareholders	4.70%	5.33%	
Ratios Based on Average Net Assets Applicable to Preferred Stock			
Dividends to Preferred Stock shareholders	3.27%	2.62%	
Supplemental Data			
Net assets applicable to Common Stock, end of year (in thousands)	$592,053	$589,404	$6
Preferred Stock outstanding, end of year (in thousands)	$390,000	$390,000	$3
Portfolio turnover	35%	34%	
Leverage			
Asset coverage per $1,000	$ 2,518	$ 2,511	$
Dividends Per Share on Preferred Stock Outstanding			
Series A -- Investment income -- net	$ 806	$ 641	$
Series B -- Investment income -- net	$ 828	$ 671	$
Series C -- Investment income -- net	$ 815	$ 662	$
Series D -- Investment income -- net	$ 806	$ 653	$
Series E -- Investment income -- net	$ 819	$ 659	$

* Based on average shares outstanding.

** Do not reflect the effect of dividends to Preferred Stock shareholders.

*** Total investment returns based on market value, which can be significantly greater or lesser than the net asset value, may result in substantially different returns. Total investment returns exclude the effect of sales charges.

See Notes to Financial Statements.

Notes to Financial Statements

1. Significant Accounting Policies:

On September 29, 2006, MuniHoldings California Insured Fund, Inc. was renamed BlackRock MuniHoldings California Insured Fund, Inc. (the "Fund"). The Fund is registered under the Investment Company Act of 1940, as amended, as a non-diversified, closed-end management investment company. The Fund's financial statements are prepared in conformity with U.S. generally accepted accounting principles, which may require the use of management accruals and estimates. Actual results may differ from these estimates. The Fund determines and makes available for publication the net asset value of its Common Stock on a daily basis. The Fund's Common Stock shares are listed on the New York Stock Exchange under the symbol MUC. The following is a summary of significant accounting policies followed by the Fund.

(a) Valuation of investments -- Municipal bonds are traded primarily in the over-the-counter ("OTC") markets and are valued at the last available bid price in the OTC market or on the basis of values as obtained by a pricing service. Pricing services use valuation matrixes that incorporate both dealer-supplied valuations and valuation models. The procedures of the pricing service and its valuations are reviewed by the officers of the Fund under the general direction of the Board of Directors. Such valuations and procedures are reviewed periodically by the Board of Directors of the Fund. Financial futures contracts and options thereon, which are traded on exchanges, are valued at their closing prices as of the close of such exchanges. Options written or purchased are valued at the last sale price in the case of exchange-traded options. Options traded in the OTC market are valued at the last asked price (options written) or the last bid price (options purchased). Swap agreements are valued by quoted fair values received daily by the Fund's pricing service. Investments in open-end investment companies are valued at their net asset value each business day. Securities and other assets for which market quotations are not readily available are valued at fair value as determined in good faith by or under the direction of the Board of Directors of the Fund.

(b) Derivative financial instruments -- The Fund may engage in various portfolio investment strategies both to increase the return of the Fund and to hedge, or protect, its exposure to interest rate movements and movements in the securities markets. Losses may arise due to changes in the value of the contract due to an unfavorable change in the price of the underlying security or if the counterparty does not perform under the contract.

- Financial futures contracts -- The Fund may purchase or sell financial futures contracts and options on such financial futures contracts. Financial futures contracts are contracts for delayed delivery of securities at a specific future date and at a specific price or yield. Upon entering into a contract, the Fund deposits, and maintains, as collateral such initial margin as required by the exchange on which the transaction is effected. Pursuant to the contract, the Fund agrees to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments are known as variation margin and are recorded by the Fund as unrealized gains or losses. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

- Options -- The Fund may write covered call options and purchase put options. When the Fund writes an option, an amount equal to the premium received by the Fund is reflected as an asset and an equivalent liability. The amount of the liability is subsequently marked-to-market to reflect the current market value of the option written. When a security is purchased or sold through an exercise of an option, the related premium paid (or received) is added to (or deducted from) the basis of the security acquired or deducted from (or added to) the proceeds of the security sold. When an option expires (or the Fund enters into a closing transaction), the Fund realizes a gain or loss on the option to the extent of the premiums received or paid (or gain or loss to the extent the cost of the closing transaction exceeds the premium paid or received).

Written and purchased options are non-income producing investments.

- Forward interest rate swaps -- The Fund may enter into forward interest rate swaps. In a forward interest rate swap, the Fund and the counterparty agree to make net periodic payments on a specified notional contract amount, commencing on a specified future effective date, unless terminated earlier. When the agreement is closed, the Fund records a realized gain or loss in an amount equal to the value of the agreement.

- Swaps -- The Fund may enter into swap agreements, which are OTC contracts in which the Fund and a counterparty agree to make periodic net payments on a specified notional amount. The net payments can be made for a set period of time or may be triggered by a

pre-determined credit event. The net periodic payments may be based on a fixed or variable interest rate; the change in market value of a specified security, basket of securities or index; or the return generated by a security. These periodic payments received or made by the Fund are recorded in the accompanying Statement of Operations as realized gains or losses, respectively. Gains or losses are also realized upon termination of the swap agreements. Swaps are marked-to-market daily and changes in value are recorded as unrealized appreciation (depreciation). Risks include changes in the returns of the underlying instruments, failure of the counterparties to perform under the contracts' terms and the possible lack of liquidity with respect to the swap agreements.

(c) Municipal bonds held in trust -- The Fund invests in leveraged residual certificates ("TOB Residuals") issued by tender option bond trusts ("TOBs"). A TOB is established by a third party sponsor forming a special purpose entity, into which the Fund, or an agent on behalf of the Fund, transfers municipal securities. A TOB typically issues two classes of beneficial interests: short-term floating rate certificates, which are sold to third party investors, and residual certificates, which are generally issued to the Fund which made the transfer or to affiliates of the Fund. The Fund's transfer of the municipal securities to a TOB does not qualify for sale treatment under Statement of Financial Accounting Standards No. 140 "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities," therefore the municipal securities deposited into a TOB are presented in the Fund's schedule of investments and the proceeds from the transaction are reported as a liability for trust certificates of the Fund. Similarly, proceeds from residual certificates issued to affiliates, if any, from the transaction are included in the liability for trust certificates. Interest income from the underlying security is recorded by the Fund on an accrual basis. Interest expense incurred on the secured borrowing and other expenses related to remarketing, administration and trustee services to a TOB are reported as expenses of the Fund. The floating rate certificates have interest rates that generally reset weekly and their holders have the option to tender certificates to the TOB for redemption at par at each reset date. The residual interests held by the Fund include the right of the Fund (1) to cause the holders of a proportional share of the floating rate certificates to tender their certificates at par, and (2) to transfer a corresponding share of the municipal securities from the TOB to the Fund. At June 30, 2007, the aggregate value of the underlying municipal securities transferred to TOBs was $151,017,121, the related liability for trust certificates was $72,864,500 and the range of interest rates on the liability for trust certificates was 3.74% to 3.78%.

Financial transactions executed through TOBs generally will underperform the market for fixed rate municipal bonds in a rising interest rate environment, but tend to outperform the market for fixed rate bonds when interest rates decline or remain relatively stable. Should short-term interest rates rise, the Fund's investment in TOB Residuals likely will adversely affect the Fund's investment income -- net and distributions to shareholders. Fluctuations in the market value of municipal securities deposited into the TOB may adversely affect the Fund's net asset value per share.

While the Fund's investment policies and restrictions expressly permit investments in inverse floating rate securities such as TOB Residuals, they generally do not allow the Fund to borrow money for purposes of making investments. The Fund's management believes that the Fund's restrictions on borrowings do not apply to the secured borrowings deemed to have occurred for accounting purposes.

(d) Income taxes -- It is the Fund's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is required.

(e) Security transactions and investment income -- Security transactions are recorded on the dates the transactions are entered into (the trade dates). Realized gains and losses on security transactions are determined on the identified cost basis. Dividend income is recorded on the ex-dividend dates. Interest income is recognized on the accrual basis. The Fund amortizes all premiums and discounts on debt securities.

(f) Dividends and distributions -- Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend dates.

(g) Reclassification -- U.S. generally accepted accounting principles require that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. Accordingly, during the current year, $285,247 has been reclassified between undistributed net investment income and accumulated net realized capital losses as a result of a permanent difference attributable to amortization methods on fixed income securities. This reclassification has no effect on net assets or net asset values per share.

(h) Recent accounting pronouncements -- In July 2006, the Financial Accounting Standards Board ("FASB") issued Interpretation No. 48 ("FIN 48"), "Accounting for Uncertainty in Income Taxes -- an interpretation of FASB Statement No. 109." FIN 48 prescribes the minimum recognition threshold a tax position must meet in connection with accounting for uncertainties in income tax positions taken or expected to be taken by an entity, including mutual funds, before being measured and recognized in the financial statements. Adoption of FIN 48 is required for the last net asset value calculation in the first required financial statement reporting period for fiscal years beginning after December 15, 2006. The impact on the Fund's financial statements, if any, is currently being assessed.

In September 2006, Statement of Financial Accounting Standards No. 157, "Fair Value Measurements" ("FAS 157"), was issued and is effective for fiscal years beginning after November 15, 2007. FAS 157 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. At this time, management is evaluating the implications of FAS 157 and its impact on the Fund's financial statements, if any, has not been determined.

In addition, in February 2007, Statement of Financial Accounting Standards No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities" ("FAS 159"), was issued and is effective for fiscal years beginning after November 15, 2007. Early adoption is permitted as of the beginning of a fiscal year that begins on or before November 15, 2007, provided the entity also elects to apply the provisions of FAS 157. FAS 159 permits entities to choose to measure many financial instruments and certain other items at fair value that are not currently required to be measured at fair value. FAS 159 also establishes presentation and disclosure requirements designed to facilitate comparisons between entities that choose different measurement attributes for similar types of assets and liabilities. At this time, management is evaluating the implications of FAS 159 and its impact on the Fund's financial statements, if any, has not been determined.

2. Investment Advisory Agreement and Transactions with Affiliates:

On September 29, 2006, BlackRock, Inc. and Merrill Lynch & Co., Inc. ("Merrill Lynch") combined Merrill Lynch's investment management business, Merrill Lynch Investment Managers, L.P. ("MLIM") and its affiliates, including Fund Asset Management, L.P. ("FAM"), with BlackRock, Inc. to create a new independent company. Merrill Lynch has a 49.8% economic interest and a 45% voting interest in the combined company and The PNC Financial Services Group, Inc. has approximately a 34% economic and voting interest. The new company operates under the BlackRock name and is governed by a board of directors with a majority of independent members.

On August 15, 2006, shareholders of the Fund approved a new Investment Advisory Agreement with BlackRock Advisors, Inc. BlackRock Advisors, Inc. was reorganized into a limited liability company and renamed BlackRock Advisors, LLC (the "Manager"). The new Investment Advisory Agreement between the Fund and the Manager became effective on September 29, 2006. Prior to September 29, 2006, FAM was the manager. The general partner of FAM is an indirect, wholly owned subsidiary of Merrill Lynch, which is the limited partner.

The Manager is responsible for the management of the Fund's portfolio and provides the necessary personnel, facilities, equipment and certain other services necessary to the operations of the Fund. For such services, the Fund pays a monthly fee at an annual rate of .55% of the Fund's average daily net assets, including proceeds from the issuance of Preferred Stock. The Manager (and previously FAM) has agreed to waive its management fee on the proceeds of Preferred Stock that exceeds 35% of the Fund's total net assets. For the period July 1, 2006 to September 29, 2006, FAM earned fees of $1,358,540, of which $91,218 was waived and for the period September 30, 2006 to June 30, 2007, the Manager earned fees of $4,107,458, of which $253,699 was waived. In addition, the Manager (and previously FAM) has agreed to reimburse its advisory fee by the amount of advisory fees the Fund pays to the Manager (and previously FAM) indirectly through its investment in CMA California Municipal Money Fund. For the period July 1, 2006 to September 29, 2006, FAM reimbursed the Fund in the amount of $9,748 and for the period September 30, 2006 to June 30, 2007, the Manager reimbursed the Fund in the amount of $12,986.

In addition, the Manager has entered into a sub-advisory agreement with BlackRock Investment Management, LLC ("BIM"), an affiliate of the Manager, under which the Manager pays BIM for services it provides a monthly fee that is a percentage of the management fee paid by the Fund to the Manager.

For the year ended June 30, 2007, the Fund reimbursed FAM and the Manager $5,033 and $14,880, respectively, for certain accounting services.

Prior to September 29, 2006, certain officers and/or directors of the Fund were officers and/or directors of FAM, MLIM, and/or Merrill Lynch.

Notes to Financial Statements (concluded)

Commencing September 29, 2006, certain officers and/or directors of the Fund are officers and/or directors of BlackRock, Inc. or its affiliates.

3. Investments:

Purchases and sales of investments, excluding short-term securities, for the year ended June 30, 2007 were $384,956,598 and $365,459,983, respectively.

4. Stock Transactions:

The Fund is authorized to issue 200,000,000 shares of stock, including Preferred Stock, par value $.10 per share, all of which were initially classified as Common Stock. The Board of Directors is authorized, however, to reclassify any unissued shares of stock without approval of holders of Common Stock.

Common Stock

Shares issued and outstanding during the years ended June 30, 2007 and June 30, 2006 increased by 54,952 and 162,205, respectively, as a result of dividend reinvestment.

Preferred Stock

Auction Market Preferred Stock are shares of Preferred Stock of the Fund, with a par value of $.10 per share and a liquidation preference of $25,000 per share that entitle their holders to receive cash dividends at an annual rate that may vary for the successive dividend periods. The yields in effect at June 30, 2007 were: Series A, 3.70%; Series B, 3.50%; Series C, 3.75%; Series D, 3.68%; and Series E, 3.80%.

The Fund pays commissions to certain broker-dealers at the end of each auction at an annual rate ranging from .25% to .375%, calculated on the proceeds of each auction. For the year ended June 30, 2007, Merrill Lynch, Pierce, Fenner & Smith Incorporated, an affiliate of the Manager, earned $253,066 as commissions.

5. Distributions to Shareholders:

The Fund paid a tax-exempt income dividend to holders of Common Stock in the amount of $.058000 per share on August 1, 2007 to shareholders of record on July 16, 2007.

The tax character of distributions paid during the fiscal years ended June 30, 2007 and June 30, 2006 was as follows:

	6/30/2007	6/30/2006
Distributions paid from:		
Tax-exempt income	$42,601,707	$47,502,785
Total distributions	$42,601,707	$47,502,785

As of June 30, 2007, the components of accumulated losses on a tax basis were as follows:

Undistributed tax-exempt income -- net	$ 1,549,517
Undistributed ordinary income -- net	161,143
Total undistributed earnings -- net	1,710,660
Capital loss carryforward	(31,882,311)*
Unrealized gains -- net	15,112,246**
Total accumulated losses -- net	$(15,059,405)

* On June 30, 2007, the Fund had a net capital loss carryforward of $31,882,311, of which $3,988,050 expires in 2008, $24,786,894 expires in 2009 and $3,107,367 expires in 2012. This amount will be available to offset like amounts of any future taxable gains.

** The difference between book-basis and tax-basis net unrealized gains is attributable primarily to the tax deferral of losses on straddles, the difference between book and tax amortization methods for premiums and discounts on fixed income securities and the difference between the book and tax treatment of residual interests in tender option bond trusts.

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of BlackRock MuniHoldings California Insured Fund, Inc.:

We have audited the accompanying statement of net assets, including the schedule of investments, of BlackRock MuniHoldings California Insured Fund, Inc. (formerly MuniHoldings California Insured Fund, Inc.) as of June 30, 2007, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement.The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of June 30, 2007 by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of BlackRock MuniHoldings California Insured Fund, Inc. as of June 30, 2007, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and its financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP
Princeton, New Jersey
August 21, 2007

Fund Certification (Unaudited)

In May 2007, the Fund filed its Chief Executive Officer Certification for the prior year with the New York Stock Exchange pursuant to Section 303A.12(a) of the New York Stock Exchange Corporate Governance Listing Standards.

The Fund's Chief Executive Officer and Chief Financial Officer Certifications pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 were filed with the Fund's Forms N-CSR and are available on the Securities and Exchange Commission's Web site at http://www.sec.gov.

Important Tax Information (Unaudited)

All of the net investment income distributions paid by BlackRock MuniHoldings California Insured Fund, Inc. during the taxable year ended June 30, 2007 qualify as tax-exempt interest dividends for federal income tax purposes.

Automatic Dividend Reinvestment Plan

How the Plan Works -- The Fund offers a Dividend Reinvestment Plan (the "Plan") under which income and capital gains dividends paid by the Fund are automatically reinvested in additional shares of Common Stock of the Fund. The Plan is administered on behalf of the shareholders by The Bank of New York (the "Plan Agent"). Under the Plan, whenever the Fund declares a dividend, participants in the Plan will receive the equivalent in shares of Common Stock of the Fund. The Plan Agent will acquire the shares for the participant's account either (i) through receipt of additional unissued but authorized shares of the Fund ("newly issued shares") or (ii) by purchase of outstanding shares of Common Stock on the open market on the New York Stock Exchange or elsewhere. If, on the dividend payment date, the Fund's net asset value per share is equal to or less than the market price per share plus estimated brokerage commissions (a condition often referred to as a "market premium"), the Plan Agent will invest the dividend amount in newly issued shares. If the Fund's net asset value per share is greater than the market price per share (a condition often referred to as a "market discount"), the Plan Agent will invest the dividend amount by purchasing on the open market additional shares. If the Plan Agent is unable to invest the full dividend amount in open market purchases, or if the market discount shifts to a market premium during the purchase period, the Plan Agent will invest any uninvested portion in newly issued shares. The shares acquired are credited to each shareholder's account. The amount credited is determined by dividing the dollar amount of the dividend by either (i) when the shares are newly issued, the net asset value per share on the date the shares are issued or (ii) when shares are purchased in the open market, the average purchase price per share.

Participation in the Plan -- Participation in the Plan is automatic, that is, a shareholder is automatically enrolled in the Plan when he or she purchases shares of Common Stock of the Fund unless the shareholder specifically elects not to participate in the Plan. Shareholders who elect not to participate will receive all dividend distributions in cash. Shareholders who do not wish to participate in the Plan must advise the Plan Agent in writing (at the address set forth below) that they elect not to participate in the Plan. Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by writing to the Plan Agent.

Benefits of the Plan -- The Plan provides an easy, convenient way for shareholders to make additional, regular investments in the Fund. The Plan promotes a long-term strategy of investing at a lower cost. All shares acquired pursuant to the Plan receive voting rights. In addition, if the market price plus commissions of the Fund's shares is above the net asset value, participants in the Plan will receive shares of the Fund for less than they could otherwise purchase them and with a cash value greater than the value of any cash distribution they would have received. However, there may not be enough shares available in the market to make distributions in shares at prices below the net asset value. Also, since the Fund does not redeem shares, the price on resale may be more or less than the net asset value.

Plan Fees -- There are no enrollment fees or brokerage fees for participating in the Plan. The Plan Agent's service fees for handling the reinvestment of distributions are paid for by the Fund. However, brokerage commissions may be incurred when the Fund purchases shares on the open market and shareholders will pay a pro rata share of any such commissions.

Tax Implications -- The automatic reinvestment of dividends and distributions will not relieve participants of any federal, state or local income tax that may be payable (or required to be withheld) on such dividends. Therefore, income and capital gains may still be realized even though shareholders do not receive cash. The value of shares acquired pursuant to the Plan will generally be excluded from gross income to the extent that the cash amount reinvested would be excluded from gross income. If, when the Fund's shares are trading at a market premium, the Fund issues shares pursuant to the Plan that have a greater fair market value than the amount of cash reinvested, it is possible that all or a portion of the discount from the market value (which may not exceed 5% of the fair market value of the Fund's shares) could be viewed as a taxable distribution. If the discount is viewed as a taxable distribution, it is also possible that the taxable character of this discount would be allocable to all the shareholders, including shareholders who do not participate in the Plan. Thus, shareholders who do not participate in the Plan might be required to report as ordinary income a portion of their distributions equal to their allocable share of the discount.

Contact Information -- All correspondence concerning the Plan, including any questions about the Plan, should be directed to the Plan Agent at The Bank of New York, Church Street Station, P.O. Box 11258, New York, NY 10286-1258, Telephone: 800-432-8224.

Officers and Directors

Name	Address & Age	Position(s) Held with Fund	Length of Time Served	Principal Occupation(s) During Past 5 Years
Interested Director				
Robert C. Doll, Jr.*	P.O. Box 9011 Princeton, NJ 08543-9011 Age: 52	Fund President and Director	2005 to present	Vice Chairman and Director of BlackRock, Inc., Global Chief Investment Officer for Equities, Chairman of the BlackRock Retail Operating Committee, and member of the BlackRock Executive Committee since 2006; President of the funds advised by Merrill Lynch Investment Managers, L. ("MLIM") and its affiliates ("MLIM/FAM-advised funds") from 2005 to 2006 and Chief Investment Officer thereof from 2001 to 2006; President of MLIM and Fund Asset Management, L.P. ("FAM") fro 2001 to 2006; Co-Head (Americas Region) thereof from 2000 to 2001 and Senior Vice President from 1999 to 2001; President and Director of Princeto Services, Inc. ("Princeton Services") and President of Princeton Administrators, L.P. ("Princeton Administrators") from 2001 to 2006; Chief Investment Officer of OppenheimerFunds, In in 1999 and Executive Vice President thereof fro 1991 to 1999.

* Mr. Doll is a director, trustee or member of an advisory board of certain other BlackRock Advisors, LLC and its affiliates act as investment adviser. Mr. Doll defined in the Investment Company Act, of the Fund based on his positions with Directors serve until their resignation, removal or death, or until December 31 As Fund President, Mr. Doll serves at the pleasure of the Board of Directors.

Name	Address & Age	Position(s) Held with Fund	Length of Time Served	Principal Occupation(s) During Past 5 Years
Independent Directors*				
James H. Bodurtha**	P.O. Box 9095 Princeton, NJ 08543-9095 Age: 63	Director	1997 to present	Director, The China Business Group, Inc. since 1996 and Executive Vice President thereof from 1996 to 2003; Chairman of the Board, Berkshire Holding Corporation since 1980; Partner, Squire, Sanders & Dempsey from 1980 to 1993.
Kenneth A. Froot	P.O. Box 9095 Princeton, NJ 08543-9095 Age: 49	Director	2005 to present	Professor, Harvard University since 1992; Professor, Massachusetts Institute of Technology from 1986 to 1992.

Officers and Directors (continued)

Name	Address & Age	Position(s) Held with Fund	Length of Time Served	Principal Occupation(s) During Past 5 Years

Independent Directors* (continued)

Joe Grills**	P.O. Box 9095 Princeton, NJ 08543-9095 Age: 72	Director	2002 to present	Member of the Committee of Investment of Employee Benefit Assets of the Association of Financial Professionals ("CIEBA") since 1986; Member of CIEBA's Executive Committee since 1988 and its Chairman from 1991 to 1992; Assistant Treasurer of International Business Machines Corporation ("IBM") and Chief Investment Officer of IBM Retirement Funds from 1986 to 1993; Member of the Investment Advisory Committee of the State of New York Common Retirement Fund from 1989 to 2006; Member of the Investment Advisory Committee of the Howard Hughes Medical Institute from 1997 to 2000; Director, Duke University Management Company from 1992 to 2004, Vice Chairman thereof from 1998 to 2004, and Director Emeritus thereof sinc 2004; Director, LaSalle Street Fund from 1995 to 2001; Director, Kimco Realty Corporation since 1997; Member of the Investment Advisory Committee of the Virginia Retirement System sinc 1998, Vice Chairman thereof from 2002 to 2005, and Chairman thereof since 2005; Director, Montpelier Foundation since 1998, its Vice Chairman from 2000 to 2006, and Chairman, thereof, since 2006; Member of the Investment Committee of the Woodberry Forest School since 2000; Member of the Investment Committee of the National Trust for Historic Preservation since 2000.
Herbert I. London	P.O. Box 9095 Princeton, NJ 08543-9095 Age: 68	Director	1997 to present	Professor Emeritus, New York University since 2005; John M. Olin Professor of Humanities, New York University from 1993 to 2005; and Professor thereof from 1980 to 2005; President, Hudson Institute since 1997 and Trustee thereof since 1980; Dean, Gallatin Division of New York University from 1976 to 1993; Distinguished Fellow, Herman Kahn Chair, Hudson Institute from 1984 to 1985; Chairman of the Board of Directors of Vigilant Research, Inc. since 2006; Member of the Board of Directors for Grantham University since 2006; Director of AIMS since 2006; Directo of Reflex Security since 2006; Director of InnoCentive, Inc. since 2006; Director of Cerego LLC since 2005; Director, Damon Corp. from 1991 1995; Overseer, Center for Naval Analyses from 1983 to 1993.

Officers and Directors (concluded)

Name	Address & Age	Position(s) Held with Fund	Length of Time Served	Principal Occupation(s) During Past 5 Years
Independent Directors* (concluded)				
Roberta Cooper Ramo	P.O. Box 9095 Princeton, NJ 08543-9095 Age: 64	Director	1999 to present	Shareholder, Modrall, Sperling, Roehl, Harris & Sisk, P.A. since 1993; President, American Bar Association from 1995 to 1996 and Member of the Board of Governors thereof from 1994 to 1997 Shareholder, Poole, Kelly & Ramo, Attorneys at Law, P.C. from 1977 to 1993; Director of ECMC Group (service provider to students, schools and lenders) since 2001; Director, United New Mexico Bank (now Wells Fargo) from 1983 to 1988; Director, First National Bank of New Mexico (now Wells Fargo) from 1975 to 1976; Vice President, American Law Institute since 2004.
Robert S. Salomon, Jr.	P.O. Box 9095 Princeton, NJ 08543-9095 Age: 70	Director	2002 to present	Principal of STI Management (investment adviser) from 1994 to 2005; Chairman and CEO of Salomon Brothers Asset Management Inc. from 1992 to 1995; Chairman of Salomon Brothers Equity Mutual Funds from 1992 to 1995; regular columnist with Forbes Magazine from 1992 to 2002; Director of Stock Research and U.S. Equity Strategist at Salomon Brothers Inc. from 1975 to 1991; Trustee Commonfund from 1980 to 2001.

* Directors serve until their resignation, removal or death, or until December 31

** Co-Chairman of the Board of Directors and the Audit Committee.

Name	Address & Age	Position(s) Held with Fund	Length of Time Served	Principal Occupation(s) During Past 5 Years
Fund Officers*				
Donald C. Burke	P.O. Box 9011 Princeton, NJ 08543-9011 Age: 47	Vice President and Treasurer	1997 to present and 1999 to present	Managing Director of BlackRock, Inc. since 2006; Investment Managers, L.P. ("MLIM") and Fund Asse First Vice President of MLIM and FAM from 1997 t 1999 to 2006; Vice President of MLIM and FAM fro
Karen Clark	P.O. Box 9011 Princeton, NJ 08543-9011 Age: 42	Fund Chief Compliance Officer	2007 to present	Managing Director of BlackRock, Inc. and Chief C BlackRock-advised funds since 2007; Director of Principal and Senior Compliance Officer, State S 2005; Principal Consultant, PricewaterhouseCoope Branch Chief, Division of Investment Management Inspections and Examinations, U.S. Securities an to 1998.
Alice A. Pellegrino	P.O. Box 9011 Princeton, NJ 08543-9011 Age: 47	Secretary	2004 to present	Director of BlackRock, Inc. since 2006; Director to 2006; Vice President of MLIM from 1999 to 200 from 1997 to 1999; Secretary of MLIM, FAM, FAM D Services from 2004 to 2006.

* Officers of the Fund serve at the pleasure of the Board of Directors.

Custodian

The Bank of New York
100 Church Street
New York, NY 10286

Transfer Agent

Common Stock:

The Bank of New York
101 Barclay Street -- 11 East
New York, NY 10286

Preferred Stock:

The Bank of New York
101 Barclay Street -- 7 West
New York, NY 10286

BlackRock MuniHoldings California Insured Fund, Inc. seeks to provide shareholders with current income exempt from federal and California income taxes. The Fund seeks to achieve this objective by investing primarily in a portfolio of long-term investment grade municipal obligations the interest on which, in the opinion of bond counsel to the issuer, is exempt from federal and California income taxes.

This report, including the financial information herein, is transmitted to shareholders of BlackRock MuniHoldings California Insured Fund, Inc. for their information. It is not a prospectus. Past performance results shown in this report should not be considered a representation of future performance. The Fund has leveraged its Common Stock and intends to remain leveraged by issuing Preferred Stock to provide the Common Stock shareholders with a potentially higher rate of return. Leverage creates risks for Common Stock shareholders, including the likelihood of greater volatility of net asset value and market price of shares of the Common Stock, and the risk that fluctuations in the short-term dividend rates of the Preferred Stock may affect the yield to Common Stock shareholders. Statements and other information herein are as dated and are subject to change.

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available (1) without charge, upon request, by calling toll-free 1-800-441-7762; (2) at www.blackrock.com; and (3) on the Securities and Exchange Commission's Web site at http://www.sec.gov. Information about how the Fund voted proxies relating to securities held in the Fund's portfolio during the most recent 12-month period ended June 30 is available (1) at www.blackrock.com and (2) on the Securities and Exchange Commission's Web site at http://www.sec.gov.

BlackRock MuniHoldings California Insured Fund, Inc.
P.O. Box 9011
Princeton, NJ 08543-9011

BLACKROCK

HOLDCA-6/07

Item 2 - Code of Ethics - The registrant has adopted a code of ethics, as of the end of the period covered by this report, that applies to the registrant's principal executive officer, principal financial officer and principal accounting officer, or persons performing similar functions. A copy of the code of ethics is available without charge at www.blackrock.com.

Item 3 - Audit Committee Financial Expert - The registrant's board of directors has determined that (i) the registrant has the following audit committee financial experts serving on its audit committee and (ii) each audit committee financial expert is independent: (1) Joe Grills and (2) Robert S. Salomon, Jr.

Item 4 - Principal Accountant Fees and Services

(a) Audit Fees -	Fiscal Year Ended June 30, 2007 - $57,350 Fiscal Year Ended June 30, 2006 - $32,500
(b) Audit-Related Fees -	Fiscal Year Ended June 30, 2007 - $3,500 Fiscal Year Ended June 30, 2006 - $3,500

The nature of the services include assurance and related services reasonably related to the performance of the audit of financial statements not included in Audit Fees.

(c) Tax Fees -	Fiscal Year Ended June 30, 2007 - $6,100 Fiscal Year Ended June 30, 2006 - $6,000

The nature of the services include tax compliance, tax advice and tax planning.

(d) All Other Fees -	Fiscal Year Ended June 30, 2007 - $0 Fiscal Year Ended June 30, 2006 - $0

(e)(1) The registrant's audit committee (the "Committee") has adopted policies and procedures with regard to the pre-approval of services. Audit, audit-related and tax compliance services provided to the registrant on an annual basis require specific pre-approval by the Committee. The Committee also must approve other non-audit services provided to the registrant and those non-audit services provided to the registrant's affiliated service providers that relate directly to the operations and the financial reporting of the registrant. Certain of these non-audit services that the Committee believes are a) consistent with the SEC's auditor independence rules and b) routine and recurring services that will not impair the independence of the independent accountants may be approved by the Committee without consideration on a specific case-by-case basis ("general pre-approval"). However, such services will only be deemed pre-approved provided that any individual project does not exceed $5,000 attributable to the registrant or $50,000 for all of the registrants the Committee oversees. Any proposed services exceeding the pre-approved cost levels will require specific pre-approval by the Committee, as will any other services not subject to general pre-approval (e.g., unanticipated but permissible services). The Committee is informed of each service approved subject to general pre-approval at the next regularly scheduled in-person board meeting.

(e)(2) 0%

(f) Not Applicable

(g) Fiscal Year Ended June 30, 2007 - $2,970,500
Fiscal Year Ended June 30, 2006 - $2,819,300

(h) The registrant's audit committee has considered and determined that the provision of non-audit services that were rendered to the registrant's investment adviser and any entity controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the registrant that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant's independence.

Regulation S-X Rule 2-01(c)(7)(ii) - $1,735,000, 0%

Item 5 - Audit Committee of Listed Registrants - The following individuals are members of the registrant's separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Exchange Act (15 U.S.C. 78c(a)(58)(A)):

James H. Bodurtha
Kenneth A. Froot
Joe Grills
Herbert I. London
Roberta Cooper Ramo
Robert S. Salomon, Jr.

Item 6 - Schedule of Investments - The registrant's Schedule of Investments is included as part of the Report to Stockholders filed under Item 1 of this form.

Item 7 - Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies - Proxy Voting Policies and Procedures Applicable to the Fund

Each Fund's Board of Directors has delegated to the Manager authority to vote all proxies relating to the Fund's portfolio securities. The Manager has adopted policies and procedures (the "Proxy Voting Procedures") with respect to the voting of proxies related to the portfolio securities held in the account of one or more of its clients, including a Fund. Pursuant to these Proxy Voting Procedures, the Manager's primary objective when voting proxies is to make proxy voting decisions solely in the best interests of each Fund and its shareholders, and to act in a manner that the Manager believes is most likely to enhance the economic value of the securities held by the Fund. The Proxy Voting Procedures are designed to ensure that the Manager considers the interests of its clients, including each Fund, and not the interests of the Manager, when voting proxies and that real (or perceived) material conflicts that may arise between the Manager's interest and those of the Manager's clients are properly addressed and resolved.

In order to implement the Proxy Voting Procedures, the Manager has formed a Proxy Voting Committee (the "Committee"). The Committee, which is a subcommittee of the Manager's Equity Investment Policy Oversight Committee ("EIPOC"), is comprised of a senior member of the Manager's equity management group who is also a member of EIPOC, one or more other senior investment professionals appointed by EIPOC, portfolio managers and investment analysts appointed by EIPOC and any other personnel EIPOC deems appropriate. The Committee will also include two non-voting representatives from the Manager's Legal Department appointed by the Manager's General Counsel. The Committee's membership shall be limited to full-time employees of the Manager. No person with any investment banking, trading, retail

brokerage or research responsibilities for the Manager's affiliates may serve as a member of the Committee or participate in its decision making (except to the extent such person is asked by the Committee to present information to the Committee on the same basis as other interested knowledgeable parties not affiliated with the Manager might be asked to do so). The Committee determines how to vote the proxies of all clients, including a Fund, that have delegated proxy voting authority to the Manager and seeks to ensure that all votes are consistent with the best interests of those clients and are free from unwarranted and inappropriate influences. The Committee establishes general proxy voting policies for the Manager and is responsible for determining how those policies are applied to specific proxy votes, in light of each issuer's unique structure, management, strategic options and, in certain circumstances, probable economic and other anticipated consequences of alternate actions. In so doing, the Committee may determine to vote a particular proxy in a manner contrary to its generally stated policies. In addition, the Committee will be responsible for ensuring that all reporting and recordkeeping requirements related to proxy voting are fulfilled.

The Committee may determine that the subject matter of a recurring proxy issue is not suitable for general voting policies and requires a case-by-case determination. In such cases, the Committee may elect not to adopt a specific voting policy applicable to that issue. The Manager believes that certain proxy voting issues require investment analysis - such as approval of mergers and other significant corporate transactions - akin to investment decisions, and are, therefore, not suitable for general guidelines. The Committee may elect to adopt a common position for the Manager on certain proxy votes that are akin to investment decisions, or determine to permit the portfolio manager to make individual decisions on how best to maximize economic value for a Fund (similar to normal buy/sell investment decisions made by such portfolio managers). While it is expected that the Manager will generally seek to vote proxies over which the Manager exercises voting authority in a uniform manner for all the Manager's clients, the Committee, in conjunction with a Fund's portfolio manager, may determine that the Fund's specific circumstances require that its proxies be voted differently.

To assist the Manager in voting proxies, the Committee has retained Institutional Shareholder Services ("ISS"). ISS is an independent adviser that specializes in providing a variety of fiduciary-level proxy-related services to institutional investment managers, plan sponsors, custodians, consultants, and other institutional investors. The services provided to the Manager by ISS include in-depth research, voting recommendations (although the Manager is not obligated to follow such recommendations), vote execution, and recordkeeping. ISS will also assist the Fund in fulfilling its reporting and recordkeeping obligations under the Investment Company Act.

The Manager's Proxy Voting Procedures also address special circumstances that can arise in connection with proxy voting. For instance, under the Proxy Voting Procedures, the Manager generally will not seek to vote proxies related to portfolio securities that are on loan, although it may do so under certain circumstances. In addition, the Manager will vote proxies related to securities of foreign issuers only on a best efforts basis and may elect not to vote at all in certain countries where the Committee determines that the costs associated with voting generally outweigh the benefits. The Committee may at any time override these general policies if it determines that such action is in the best interests of a Fund.

From time to time, the Manager may be required to vote proxies in respect of an issuer where an affiliate of the Manager (each, an "Affiliate"), or a money management or other client of the Manager, including investment companies for which the Manager provides investment advisory, administrative and/or other services (each, a "Client"), is involved. The Proxy Voting Procedures and the Manager's adherence to those procedures are designed to address such conflicts of interest. The Committee intends to strictly adhere to the Proxy Voting Procedures in all proxy matters, including matters involving Affiliates and Clients. If, however, an issue representing a non-routine matter that is material to an Affiliate or a widely known Client is involved such that the Committee does not reasonably believe it is able to follow its guidelines (or if the particular proxy matter is not addressed by the guidelines) and vote impartially, the Committee may, in its discretion for the purposes of ensuring that an independent determination is reached, retain an independent fiduciary to advise the Committee on how to vote or to cast votes on behalf of the Manager's clients.

In the event that the Committee determines not to retain an independent fiduciary, or it does not follow the advice of such an independent fiduciary, the Committee may pass the voting power to a subcommittee, appointed by EIPOC (with advice from the Secretary of the Committee), consisting solely of Committee members selected by EIPOC. EIPOC shall appoint to the subcommittee, where appropriate, only persons whose job responsibilities do not include contact with the Client and whose job evaluations would not be affected by the Manager's relationship with the Client (or failure to retain such relationship). The subcommittee shall determine whether and how to vote all proxies on behalf of the Manager's clients or, if the proxy matter is, in their judgment, akin to an investment decision, to defer to the applicable portfolio managers, provided that, if the subcommittee determines to alter the Manager's normal voting guidelines or, on matters where the Manager's policy is case-by-case, does not follow the voting recommendation of any proxy voting service or other independent fiduciary that may be retained to provide research or advice to the Manager on that matter, no proxies relating to the Client may be voted unless the Secretary, or in the Secretary's absence, the Assistant Secretary of the Committee concurs that the subcommittee's determination is consistent with the Manager's fiduciary duties.

In addition to the general principles outlined above, the Manager has adopted voting guidelines with respect to certain recurring proxy issues that are not expected to involve unusual circumstances. These policies are guidelines only, and the Manager may elect to vote differently from the recommendation set forth in a voting guideline if the Committee determines that it is in a Fund's best interest to do so. In addition, the guidelines may be reviewed at any time upon the request of a Committee member and may be amended or deleted upon the vote of a majority of Committee members present at a Committee meeting at which there is a quorum.

The Manager has adopted specific voting guidelines with respect to the following proxy issues:

o Proposals related to the composition of the board of directors of issuers other than investment companies. As a general matter, the Committee believes that a company's board of directors (rather than shareholders) is most likely to have access to important, nonpublic information regarding a company's business and prospects, and is, therefore, best-positioned to set corporate policy and oversee management. The Committee, therefore, believes that the foundation of good corporate governance is the election of qualified, independent corporate directors who are likely to diligently represent the interests of shareholders and oversee management of the corporation in a manner that will seek to maximize shareholder value over time. In individual cases, the Committee may look at a nominee's number of other directorships, history of representing shareholder interests as a director of other companies or other factors, to the extent the Committee deems relevant.

o Proposals related to the selection of an issuer's independent auditors. As a general matter, the Committee believes that corporate auditors have a responsibility to represent the interests of shareholders and provide an independent view on the propriety of financial reporting decisions of corporate management. While the Committee will generally defer to a corporation's choice of auditor, in individual cases, the Committee may look at an auditors' history of representing shareholder interests as auditor of other companies, to the extent the Committee deems relevant.

o Proposals related to management compensation and employee benefits. As a general matter, the Committee favors disclosure of an issuer's compensation and benefit policies and opposes excessive compensation, but believes that compensation matters are normally best determined by an issuer's board of directors, rather than shareholders. Proposals to "micro-manage" an issuer's compensation practices or to set arbitrary restrictions on compensation or benefits will, therefore, generally not be supported.

o Proposals related to requests, principally from management, for approval of amendments that would alter an issuer's capital structure. As a general matter, the Committee will support requests that enhance the rights of common shareholders and oppose requests that appear to be unreasonably dilutive.

o Proposals related to requests for approval of amendments to an issuer's charter or by-laws. As a general matter, the Committee opposes poison pill provisions.

o Routine proposals related to requests regarding the formalities of corporate meetings.

o Proposals related to proxy issues associated solely with holdings of investment company shares. As with other types of companies, the Committee believes that a fund's board of directors (rather than its shareholders) is best positioned to set fund policy and oversee management. However, the Committee opposes granting boards of directors authority over certain matters, such as changes to a fund's investment objective, which the Investment Company Act envisions will be approved directly by shareholders.

o Proposals related to limiting corporate conduct in some manner that relates to the shareholder's environmental or social concerns. The Committee generally believes that annual shareholder meetings are inappropriate forums for discussion of larger social issues, and opposes shareholder resolutions "micromanaging" corporate conduct or requesting release of information that would not help a shareholder evaluate an investment in the corporation as an economic matter. While the Committee is generally supportive of proposals to require corporate disclosure of matters that seem relevant and material to the economic interests of shareholders, the Committee is generally not supportive of proposals to require disclosure of corporate matters for other purposes.

Information about how a Fund voted proxies relating to securities held in the Fund's portfolio during the most recent 12 month period ended June 30 is available without charge (1) at www.blackrock.com and (2) on the Commission's web site at http://www.sec.gov.

Item 8 - Portfolio Managers of Closed-End Management Investment Companies - as of June 30, 2007.

(a)(1) BlackRock Apex Municipal Fund, Inc. is managed by a team of investment professionals comprised of Theodore R. Jaeckel, Jr., CFA, Managing Director at BlackRock, and Walter O'Connor, Managing Director at BlackRock. Each is a member of BlackRock's municipal tax-exempt management group. Mr. Jaeckel and Mr. O'Connor are responsible for setting the Fund's overall investment strategy and overseeing the management of the Fund. Mr. O'Connor is the Fund's lead portfolio manager and is responsible for the day-to-day management of the Fund's portfolio and the selection of its investments. Mr. Jaeckel has been a member of the Fund's management team since 2006 and Mr. O'Connor has been the Fund's portfolio manager since 1997.

Mr. Jaeckel joined BlackRock in 2006. Prior to joining BlackRock, he was a Managing Director (Municipal Tax-Exempt Fund Management) of Merrill Lynch Investment Managers, L.P. ("MLIM") from 2005 to 2006 and a Director of MLIM from 1997 to 2005. He has been a portfolio manager with BlackRock or MLIM since 1991.

Mr. O'Connor joined BlackRock in 2006. Prior to joining BlackRock, he was a Managing Director (Municipal Tax-Exempt Fund Management) of MLIM from 2003 to 2006 and was a Director of MLIM from 1997 to 2002. He has been a portfolio manager with BlackRock or MLIM since 1991.

(a)(2) As of June 30, 2007:

(ii) Number of Other Accounts Managed and Assets by Account Type	(iii) Numb Assets fo P

(i) Name of Portfolio Manager	Other Registered Investment Companies	Other Pooled Investment Vehicles	Other Accounts	Other Registered Investment Companies
Theodore R. Jaeckel, Jr.	80	0	1	0
	$27,998,012,168	$0	$34,091,152	$0
Walter O'Connor	80	0	0	0
	$27,998,012,168	$0	$0	$0

(iv) Potential Material Conflicts of Interest

BlackRock has built a professional working environment, firm-wide compliance culture and compliance procedures and systems designed to protect against potential incentives that may favor one account over another. BlackRock has adopted policies and procedures that address the allocation of investment opportunities, execution of portfolio transactions, personal trading by employees and other potential conflicts of interest that are designed to ensure that all client accounts are treated equitably over time. Nevertheless, BlackRock furnishes investment management and advisory services to numerous clients in addition to the Fund, and BlackRock may, consistent with applicable law, make investment recommendations to other clients or accounts (including accounts which are hedge funds or have performance or higher fees paid to BlackRock, or in which portfolio managers have a personal interest in the receipt of such fees), which may be the same as or different from those made to the Fund. In addition, BlackRock, its affiliates and any officer, director, stockholder or employee may or may not have an interest in the securities whose purchase and sale BlackRock recommends to the Fund. BlackRock, or any of its affiliates, or any officer, director, stockholder, employee or any member of their families may take different actions than those recommended to the Fund by BlackRock with respect to the same securities. Moreover, BlackRock may refrain from rendering any advice or services concerning securities of companies of which any of BlackRock's (or its affiliates') officers,

directors or employees are directors or officers, or companies as to which BlackRock or any of its affiliates or the officers, directors and employees of any of them has any substantial economic interest or possesses material non-public information. Each portfolio manager also may manage accounts whose investment strategies may at times be opposed to the strategy utilized for the Fund. In this connection, it should be noted that certain portfolio managers currently manage certain accounts that are subject to performance fees. In addition, certain portfolio managers assist in managing certain hedge funds and may be entitled to receive a portion of any incentive fees earned on such funds and a portion of such incentive fees may be voluntarily or involuntarily deferred. Additional portfolio managers may in the future manage other such accounts or funds and may be entitled to receive incentive fees.

As a fiduciary, BlackRock owes a duty of loyalty to its clients and must treat each client fairly. When BlackRock purchases or sells securities for more than one account, the trades must be allocated in a manner consistent with its fiduciary duties. BlackRock attempts to allocate investments in a fair and equitable manner among client accounts, with no account receiving preferential treatment. To this end, BlackRock has adopted a policy that is intended to ensure that investment opportunities are allocated fairly and equitably among client accounts over time. This policy also seeks to achieve reasonable efficiency in client transactions and provide BlackRock with sufficient flexibility to allocate investments in a manner that is consistent with the particular investment discipline and client base.

(a)(3) As of June 30, 2007:

Portfolio Manager Compensation

The elements of total compensation for portfolio managers on BlackRock's municipal team include a fixed base salary, annual performance-based cash and stock compensation (cash and stock bonus) and other benefits. BlackRock has balanced these components of pay to provide these portfolio managers with a powerful incentive to achieve consistently superior investment performance. By design, compensation levels for these portfolio managers fluctuate--both up and down--with the relative investment performance of the portfolios that they manage.

Base compensation. Like that of many asset management firms, base salaries represent a relatively small portion of a portfolio manager's total compensation. This approach serves to enhance the motivational value of the performance-based (and therefore variable) compensation elements of the compensation program.

Performance-Based Compensation. BlackRock believes that the best interests of investors are served by recruiting and retaining exceptional asset management talent and managing their compensation within a consistent and disciplined framework that emphasizes pay for performance in the context of an intensely competitive market for talent. To that end, BlackRock and its affiliates portfolio manager incentive compensation is based on a formulaic compensation program. BlackRock's formulaic portfolio manager compensation program includes: investment performance relative to a subset of closed-end, insured, California municipal debt funds over 1-, 3- and 5-year performance periods and a measure of operational efficiency. Portfolio managers are compensated based on the pre-tax performance of the products they manage. If a portfolio manager's tenure is less than 5 years, performance periods will reflect time in position. Portfolio managers are compensated based on products they manage. A

discretionary element of portfolio manager compensation may include consideration of: financial results, expense control, profit margins, strategic planning and implementation, quality of client service, market share, corporate reputation, capital allocation, compliance and risk control, leadership, workforce diversity, supervision, technology and innovation. All factors are considered collectively by BlackRock management.

Cash Bonus

Performance-based compensation is distributed to portfolio managers in a combination of cash and stock. Typically, the cash bonus, when combined with base salary, represents more than 60% of total compensation for portfolio managers.

Stock Bonus

A portion of the dollar value of the total annual performance-based bonus is paid in restricted shares of BlackRock stock. Paying a portion of annual bonuses in stock puts compensation earned by a portfolio manager for a given year "at risk" based on the company's ability to sustain and improve its performance over future periods. The ultimate value of stock bonuses is dependent on future BlackRock stock price performance. As such, the stock bonus aligns each portfolio manager's financial interests with those of the BlackRock shareholders and encourages a balance between short-term goals and long-term strategic objectives. Management strongly believes that providing a significant portion of competitive performance-based compensation in stock is in the best interests of investors and shareholders. This approach ensures that portfolio managers participate as shareholders in both the "downside risk" and "upside opportunity" of the company's performance. Portfolio managers therefore have a direct incentive to protect BlackRock's reputation for integrity.

Other Compensation Programs

Portfolio managers who meet relative investment performance and financial management objectives during a performance year are eligible to participate in a deferred cash program. Awards under this program are in the form of deferred cash that may be benchmarked to a menu of BlackRock mutual funds (including their own fund) during a five-year vesting period. The deferred cash program aligns the interests of participating portfolio managers with the investment results of BlackRock products and promotes continuity of successful portfolio management teams.

Other Benefits

Portfolio managers are also eligible to participate in broad-based plans offered generally to employees of BlackRock and its affiliates, including broad-based retirement, 401(k), health, and other employee benefit plans.

(a)(4) Beneficial Ownership of Securities. As of June 30, 2007, neither Mr. Jaeckel nor Mr. O'Connor beneficially owned any stock issued by the Fund.

Item 9 - Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers - Not Applicable

Item 10 - Submission of Matters to a Vote of Security Holders - The registrant's Nominating Committee will consider nominees to the Board recommended by shareholders when a vacancy becomes available. Shareholders who wish to recommend a nominee should send nominations which include biographical information and set forth the qualifications of the proposed nominee to the registrant's Secretary. There have been no material changes to these procedures.

Item 11 - Controls and Procedures

11(a) - The registrant's principal executive and principal financial officers or persons performing similar functions have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the "1940 Act")) are effective as of a date within 90 days of the filing of this report based on the evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act and Rule 13a-15(b) under the Securities and Exchange Act of 1934, as amended.

11(b) - There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d)) that occurred during the second fiscal quarter of the period covered by this report that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 12 - Exhibits attached hereto

12(a)(1) - Code of Ethics - See Item 2

12(a)(2) - Certifications - Attached hereto

12(a)(3) - Not Applicable

12(b) - Certifications - Attached hereto

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BlackRock MuniHoldings California Insured Fund, Inc.

By: /s/ Robert C. Doll, Jr.

Robert C. Doll, Jr.,
Chief Executive Officer of
BlackRock MuniHoldings California Insured Fund, Inc.

Date: August 20, 2007

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Robert C. Doll, Jr.

Robert C. Doll, Jr.,
Chief Executive Officer of
BlackRock MuniHoldings California Insured Fund, Inc.

Date: August 20, 2007

By: /s/ Donald C. Burke

Donald C. Burke,

Chief Financial Officer of
BlackRock MuniHoldings California Insured Fund, Inc.

Date: August 20, 2007