

BLACKROCK MUNIHOLDINGS CALIFORNIA INSURED FUND, INC.
Form N-CSRS
March 06, 2008

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

FORM N-CSRS

CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES

Investment Company Act file number 811-08573

Name of Fund: BlackRock MuniHoldings California Insured Fund, Inc. (MUC)

Fund Address: 100 Bellevue Parkway, Wilmington, DE 19809

Name and address of agent for service: Donald C. Burke, 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, Option 4

Date of fiscal year end: 06/30/2008

Date of reporting period: 07/01/2007 - 12/31/2007

Item 1 - Report to Stockholders

EQUITIES FIXED INCOME REAL ESTATE
LIQUIDITY ALTERNATIVES BLACKROCK SOLUTIONS

BlackRock MuniHoldings
California Insured Fund, Inc. (MUC)

BLACKROCK

SEMI-ANNUAL REPORT
DECEMBER 31, 2007 | (UNAUDITED)

NOT FDIC INSURED
MAY LOSE VALUE
NO BANK GUARANTEE

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A Letter to Shareholders

Dear Shareholder

Financial markets endured heightened volatility during 2007, culminating in mixed results for some of the major benchmark indexes:

Total Returns as of December 31, 2007	6-month
U.S. equities (S&P 500 Index)	-1.37%
Small cap U.S. equities (Russell 2000 Index)	-7.53
International equities (MSCI Europe, Australasia, Far East Index)	+0.39
Fixed income (Lehman Brothers U.S. Aggregate Bond Index)	+5.93
Tax-exempt fixed income (Lehman Brothers Municipal Bond Index)	+3.22
High yield bonds (Lehman Brothers U.S. Corporate High Yield 2% Issuer Cap Index)	-0.67

Past performance is no guarantee of future results. Index performance shown for illustrative purposes only. You cannot invest directly in an index.

Subprime mortgage woes dominated headlines for much of 2007, spawning a widespread liquidity and credit crisis with ramifications across global markets. The Federal Reserve Board (the "Fed") stepped in to inject liquidity into the markets and bolster investor confidence, cutting the federal funds rate by 0.50% in September, 0.25% in October and 0.25% in December, which brought the target short-term interest rate to 4.25%. In taking action, the central bankers, who had long deemed themselves inflation fighters, were seeking to stem the fallout from the credit crunch and forestall a wider economic unraveling.

Amid the volatility, equity markets displayed surprising resilience. Market fundamentals generally held firm, dividend payouts and share buybacks continued, and valuations remained attractive. To some extent, the credit turmoil dampened corporate merger-and-acquisition (M&A) activity, a key source of strength for equity markets, but 2007 remained a record year for global M&A nonetheless. As the returns indicate, the most recent six months were more trying, reflecting the slowing U.S. economy, a troubled housing market and a more difficult corporate earnings backdrop. Overall, large cap stocks outperformed small caps as investors grew increasingly risk averse. International markets fared better than their U.S. counterparts, benefiting from generally stronger economies.

In fixed income markets, mixed economic signals and subprime fallout resulted in a flight to quality. Investors shunned bonds associated with the housing and

credit markets in favor of higher-quality Treasury issues. The yield on 10-year Treasury issues, which touched 5.30% in June (its highest level in five years), fell to 4.04% by year-end, while prices correspondingly rose. The tax-exempt bond market waffled amid the economic uncertainty and concerns around the credit worthiness of bond insurers, but set a new-issuance record in 2007. A drop in municipal bond prices created buying opportunities, and the heightened supply was generally well absorbed.

As you navigate the uncertainties inherent in the financial markets, we encourage you to start the year by reviewing your investment goals with your financial professional and making portfolio changes, as needed. For more reflection on 2007 and our 10 predictions for 2008, please ask your financial professional for a copy of "What's Ahead in 2008: An Investment Perspective," or view it online at www.blackrock.com/funds. As always, we thank you for entrusting BlackRock with your investment assets, and we look forward to continuing to serve you in the new year and beyond.

Sincerely,

/s/ Rob Kapito

Rob Kapito
 President, BlackRock Advisors, LLC

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THIS PAGE NOT PART OF YOUR FUND REPORT

Fund Summary as of December 31, 2007

Investment Objective

BlackRock MuniHoldings California Insured Fund, Inc. (MUC) 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.

Fund Information

Symbol on New York Stock Exchange	MUC
Initial Offering Date	February 27, 1998
Yield on Closing Market Price as of December 31, 2007 (\$12.79)* ..	5.21%
Tax Equivalent Yield**	8.02%
Current Monthly Distribution per Common Stock***	\$.0555
Current Annualized Distribution per Common Stock***	\$.666
Leverage as of December 31, 2007****	40%

* 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.
 ** Tax equivalent yield assumes the maximum federal tax rate of 35%.
 *** The distribution is not constant and is subject to change.
 **** As a percentage of managed assets, which is the total assets of the Fund

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(including any assets attributable to Auction Market Preferred Stock that may be outstanding) minus the sum of accrued liabilities (other than debt representing financial leverage).

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

	12/31/07	6/30/07	Change	High	Low
Market Price	\$12.79	\$13.92	(8.12%)	\$13.97	\$12.26
Net Asset Value	\$14.54	\$14.48	0.41%	\$14.77	\$14.06

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

Portfolio Composition

Sector	12/31/07	6/30/07
City, County & State	25%	22%
Education	20	13
Tax Revenue	15	19
Water & Sewer	13	12
Power	9	6
Lease Revenue	7	18
Transportation	6	6
Hospital	3	3
Housing	2	1

Credit Quality Allocations*

Credit Rating	12/31/07	6/30/07
AAA/Aaa	97%	97%
A/A	3	3

* Using the higher of Standard & Poor's or Moody's Investors Service ratings.

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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 Auction Market 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 Auction Market 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 Auction Market 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 Auction Market 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 Auction Market 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 December 31, 2007, the Fund's leverage amount, due to Auction Market Preferred Stock, was 40% of total net assets, before the deduction of Auction Market 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 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.)

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.

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Schedule of Investments as of December 31, 2007 (Unaudited) (in Thousands)

Face Amount	Municipal Bonds	Value

California -- 147.7%		

\$ 1,000	ABAG Finance Authority for Nonprofit Corporations, California, COP (Children's Hospital Medical Center), 6% due 12/01/2009 (a) (h)	\$ 1,065

3,345	ABC California Unified School District, GO, Series A, 5.625% due 8/01/2020 (c) (e)	3,418

10,000	Alameda, California, Unified School District, Capital Appreciation, GO (Election of 2004), Series B, 5.02% due 8/01/2035 (e) (i)	2,582

7,360	Alhambra, California, Unified School District, GO (Election of 2004), Series A, 5% due 8/01/2029 (d)	7,647

3,100	Anaheim, California, Redevelopment Agency, Tax Allocation Refunding Bonds (Merged Redevelopment Project Area), Series A, 5% due 2/01/2031 (e)	3,171

2,825	Banning, California, Unified School District, GO (Election of 2006), Series A, 5% due 8/01/2027 (d)	2,970

	Berkeley, California, Unified School District, GO, Series I (e) (h):	
2,000	5.75% due 8/01/2008	2,052
4,520	5.875% due 8/01/2008	4,641

8,350	Bonita, California, Unified School District, GO (Election of 2004), Series B, 5% due 8/01/2029 (d)	8,711

3,640	Burbank-Glendale-Pasadena Airport Authority, California, Airport Revenue Refunding Bonds, AMT, Series B, 5.25% due 7/01/2018 (a)	3,862

2,925	Cajon Valley, California, Union School District, GO, Series B, 5.50% due 8/01/2027 (g)	3,098

2,180	California Community College Financing Authority, Lease Revenue Bonds (Grossmont-Palomar-Shasta), Series A, 5.625% due 4/01/2026 (g)	2,306

	California HFA, Home Mortgage Revenue Bonds, VRDN (a) (m):	
300	AMT, Series R, 3.50% due 8/01/2023	300
11,770	Series F, 3.50% due 2/01/2033	11,770

	California HFA, S/F Mortgage Revenue Bonds, AMT, Class I (g):	
195	Series A-1, 6% due 8/01/2020	197
1,160	Series C-2, 5.625% due 8/01/2020 (b)	1,175

	California Health Facilities Financing Authority Revenue Bonds (Kaiser Permanente), Series A:	
9,250	5.50% due 6/01/2022 (c) (e)	9,510
1,500	5% due 4/01/2037	1,453

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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)	2,080

2,000	California State, GO:	2,079
15	5.50% due 6/01/2025 (d)	15
	5.25% due 4/01/2027	

6,000	California State, GO, Refunding:	6,359
5,000	5.25% due 2/01/2026 (g)	5,033
	5% due 6/01/2037	

2,625	California State Public Works Board, Lease Revenue Refunding Bonds (Various Community College Project), Series B, 5.625% due 3/01/2019 (a)	2,635

10,000	California State University, Systemwide Revenue Bonds, Series A, 5% due 11/01/2032 (d)	10,244

	California State University, Systemwide Revenue Refunding Bonds:	
5,000	Series A, 5% due 11/01/2029 (e)	5,167
16,215	Series C, 5% due 11/01/2028 (g)	16,885

7,050	California State, Various Purpose, GO, 5.50% due 11/01/2033	7,483

14,000	California State, Veterans, GO, Refunding, AMT, Series BZ, 5.35% due 12/01/2021 (g)	14,036

4,915	California Statewide Communities Development Authority, Health Facility Revenue Bonds (Memorial Health Services), Series A, 6% due 10/01/2023	5,199

	California Statewide Communities Development Authority Revenue Bonds:	
3,600	(Kaiser Permanente), Series B, 5% due 3/01/2041	3,448
1,090	(Los Angeles Orthopedic Hospital Foundation), 5.50% due 6/01/2019 (a)	1,103

	California Statewide Communities Development Authority, Revenue Refunding Bonds:	
5,000	(Kaiser Hospital Asset Management, Inc.), Series C, 5.25% due 8/01/2031	5,034
2,650	(Kaiser Permanente), Series A, 5% due 4/01/2031	2,596

4,500	Campbell, California, Redevelopment Agency, Tax Allocation Refunding Bonds (Central Campbell Redevelopment Project), Series A, 5% due 10/01/2032 (a)	4,593

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)

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COP	Certificates of Participation
DRIVERS	Derivative Inverse Tax-Exempt Receipts
GO	General Obligation Bonds
HFA	Housing Finance Agency
IDR	Industrial Development Revenue Bonds
M/F	Multi-Family
ROLS	Reset Option Long Securities
S/F	Single-Family
VRDN	Variable Rate Demand Notes

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Schedule of Investments (continued) (in Thousands)

Face Amount	Municipal Bonds	Value

California (continued)		

\$ 8,705	Castaic Lake, California, Water Agency Revenue Bonds, COP (Water System Improvement Project), 5.50% due 8/01/2009 (a) (h)	\$ 9,122

9,905	Chaffey Community College District, California, GO (Election of 2002), Series B, 5% due 6/01/2030 (g)	10,303

3,330	Chula Vista, California, IDR (San Diego Gas and Electric Company), AMT, Series D, 5% due 12/01/2027 (a)	3,374

2,750	Chula Vista, California, Public Financing Authority, Revenue Refunding Bonds, Series A, 5% due 9/01/2029 (g)	2,799

2,400	Coachella Valley, California, Unified School District, GO (Election of 2005), Series A, 5% due 8/01/2027 (d)	2,501

2,500	Colton, California, Joint Unified School District, GO, Series A, 5.375% due 8/01/2026 (d)	2,685

7,800	Contra Costa, California, Community College District, GO (Election of 2002), 5% due 8/01/2028 (g)	8,096

6,600	Contra Costa County, California, Public Financing Authority, Tax Allocation Revenue Refunding Bonds (Contra Costa Centre Project Areas), Series A, 5% due 8/01/2037 (g)	6,751

5,910	Corona, California, Department of Water and Power, COP, 5% due 9/01/2029 (g)	6,034

4,250	Coronado, California, Community Development Agency, Tax Allocation Bonds (Coronado Community Development Project), 5% due 9/01/2030 (a)	4,342

5,000	Corona-Norco, California, Unified School District, GO (Election of 2006), Series A, 5% due 8/01/2031 (e)	5,244

2,395	Covina-Valley, California, Unified School District, GO,	

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	Refunding, Series A, 5.50% due 8/01/2026 (e)	2,578
3,750	Culver City, California, Redevelopment Finance Authority, Tax Allocation Revenue Refunding Bonds, Series A, 5.60% due 11/01/2025 (e)	3,942
6,545	East Bay, California, Municipal Utility District, Wastewater System Revenue Refunding Bonds, Sub-Series A (a): 5% due 6/01/2033	6,835
6,015	5% due 6/01/2037	6,272
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 (i) (1)	3,778
465	Escondido, California, COP, Refunding, Series A, 5.75% due 9/01/2024 (d)	494
3,745	Folsom, California, Public Financing Authority, Special Tax Revenue Refunding Bonds, Series A, 5% due 9/01/2028 (a)	3,837
5,000	Foothill-De Anza, California, Community College District, GO, Refunding, 5% due 8/01/2030 (d)	5,137
4,455	Fresno, California, Airport Revenue Bonds, AMT, Series B, 5.50% due 7/01/2020 (e)	4,609
5,200	Fullerton, California, Joint Union High School District, GO (Election of 2002), Series B, 5% due 8/01/2029 (d)	5,403
4,040	Garden Grove, California, COP (Financing Project), Series A, 5.50% due 3/01/2026 (a)	4,316
5,200	Glendale, California, Unified School District, GO, Series B, 5.125% due 9/01/2023 (e)	5,301
2,155	Hartnell, California, Community College District, GO (Election of 2002), Series B, 5% due 6/01/2031 (e)	2,250
4,565	Hemet, California, Unified School District, GO, Series A, 5.375% due 8/01/2026 (g)	4,819
6,365	Hollister, California, Joint Powers Finance Authority, Wastewater Revenue Refunding Bonds (Refining and Improvement Project), Series 1, 5% due 6/01/2037 (e)	6,595
1,700	Inglewood, California, Unified School District, GO, Series A, 5.60% due 10/01/2009 (d) (h)	1,792
2,300	Irvine, California, Unified School District, Special Tax (Community Facilities District Number 86-1), 5.375% due 11/01/2020 (a)	2,382
4,665	Irvine, California, Unified School District, Special Tax Refunding Bonds (Community Facilities District Number 86-1), 5.80% due 11/01/2020 (a)	4,767

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2,500	La Quinta, California, Financing Authority, Local Agency Revenue Bonds, Series A, 5.25% due 9/01/2024 (a)	2,672
3	La Quinta, California, Financing Authority, Local Agency Tax Allocation and Revenue Refunding Bonds, ROLS, Series II-R-412X, 6.682% due 9/01/2034 (a) (k)	3
1,210	Little Lake, California, City School District, GO, Series B, 5.25% due 7/01/2022 (e)	1,293
1,485	Lompoc, California, Unified School District, GO (Election of 2002), Series C, 5% due 6/01/2032 (e)	1,556
4,000	Long Beach, California, Bond Finance Authority, Lease Revenue Bonds (Rainbow Harbor Refinancing Project), Series A, 5.25% due 5/01/2009 (a) (h)	4,157
9,000	Los Angeles County, California, Metropolitan Transportation Authority, Sales Tax Revenue Refunding Bonds, Proposition A, First Tier Senior-Series A, 5% due 7/01/2035 (a)	9,324
12,000	Los Angeles, California, Community College District, GO (Election of 2003), Series E, 5% due 8/01/2031 (e)	12,545
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)	10,270
2,000	Los Angeles, California, Department of Water and Power, Waterworks Revenue Bonds, Sub-Series A-2, 5% due 7/01/2035 (a)	2,080
160	Los Angeles, California, M/F Housing Revenue Refunding Bonds, Senior Series G, 5.65% due 1/01/2014 (e)	161
5,000	Los Angeles, California, Unified School District, GO (Election of 2004), Series H, 5% due 7/01/2032	5,249
9,650	Los Angeles, California, Unified School District, GO, Refunding, Series A-1, 5% due 7/01/2021	10,250

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Schedule of Investments (continued) (in Thousands)

Face Amount	Municipal Bonds	Value
California (continued)		
\$10,000	Los Angeles, California, Unified School District, GO, Series E, 5% due 7/01/2030 (a)	\$10,412

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20,000	Los Angeles, California, Wastewater System Revenue Refunding Bonds, Series A, 4.75% due 6/01/2035 (g)	20,148
5,000	Los Angeles, California, Water and Power Revenue Bonds (Power System), Sub-Series A-1, 5% due 7/01/2031 (e)	5,203
2,735	Los Gatos, California, Unified School District, GO (Election 2001), Series B, 5% due 8/01/2030 (e)	2,810
1,890	Los Rios, California, Community College District, GO (Election of 2002), Series B, 5% due 8/01/2027 (g)	1,952
2,000	Madera, California, Public Financing Authority, Water and Wastewater Revenue Refunding Bonds, 5% due 3/01/2036 (g)	2,076
6,365	Merced, California, Community College District, GO (School Facilities District Number 1), 5% due 8/01/2031 (g)	6,649
5,000	Merced, California, Irrigation District, Electrical System Revenue Refunding Bonds, 5.25% due 9/01/2036 (l)	5,172
	Metropolitan Water District of Southern California, Waterworks Revenue Bonds:	
3,550	Series A, 5% due 7/01/2035 (e)	3,696
9,000	Series B-1, 5% due 10/01/2033 (d)	9,290
5,000	Modesto, California, Schools Infrastructure Financing Agency, Special Tax Bonds, 5% due 9/01/2029 (a)	5,079
1,685	Monrovia, California, Financing Authority, Lease Revenue Bonds (Library Project), 5% due 12/01/2037 (a)	1,754
4,150	Moorpark, California, Redevelopment Agency, Tax Allocation Bonds (Moorpark Redevelopment Project), 5.125% due 10/01/2031 (a)	4,258
2,315	Morgan Hill, California, Unified School District, GO, 5.75% due 8/01/2010 (d) (h)	2,489
9,100	Napa, California, Water Revenue Bonds, 5% due 5/01/2035 (a)	9,492
3,275	Northern California Power Agency, Public Power Revenue Refunding Bonds (Hydroelectric Project Number 1), Series A, 5.125% due 7/01/2023 (g)	3,330
	Oakland, California, Alameda County Unified School District, GO, Series F (g) (h):	
6,000	5.50% due 8/01/2010	6,359
8,950	5.625% due 8/01/2010	9,513
9,355	Oakland, California, Redevelopment Agency, Tax Allocation Refunding Bonds (Coliseum Area Redevelopment Project), Series B, 5% due 9/01/2036 (a)	9,552

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5,000	Ohlone, California, Community College District, GO, Series B, 5% due 8/01/2030 (e)	5,208
10,000	Oxnard, California, Financing Authority, Wastewater Revenue Bonds (Redwood Trunk Sewer and Headworks Projects), Series A, 5.25% due 6/01/2034 (d)	10,491
10,000	Oxnard, California, Financing Authority, Water Revenue Bonds, 5% due 6/01/2031 (g)	10,411
6,475	Palm Desert, California, Financing Authority, Tax Allocation Revenue Bonds (Project Area Number 2), 5% due 8/01/2033 (g)	6,606
1,600	Palm Springs, California, Financing Authority, Lease Revenue Refunding Bonds (Convention Center Project), Series A, 5.50% due 11/01/2035 (g)	1,727
9,300	Palomar Pomerado Health Care District, California, GO (Election of 2004), Series A, 5.125% due 8/01/2037 (g)	9,704
6,980	Peralta, California, Community College District, GO (Election of 2007), Series B, 5% due 8/01/2032 (d)	7,318
9,100	Pleasanton, California, Unified School District, GO, Series E, 5.50% due 8/01/2008 (d) (h)	9,324
3,500	Port of Oakland, California, Revenue Bonds, AMT, Series K (d): 5.75% due 11/01/2014	3,655
19,815	5.75% due 11/01/2029	20,454
3,000	Poway, California, Redevelopment Agency, Tax Allocation Refunding Bonds, 5% due 6/15/2033 (g)	3,073
9,070	Poway, California, Unified School District, Public Financing Authority, Special Tax Revenue Bonds, 5% due 9/15/2031 (a)	9,401
2,500	Rancho Cucamonga, California, Redevelopment Agency, Tax Allocation Refunding Bonds (Rancho Redevelopment Project), Series A, 5% due 9/01/2034 (g)	2,556
4,630	Redwoods, California, Community College District, GO (Election of 2004), 5% due 8/01/2031 (g)	4,795
2,205	Richmond, California, Joint Powers Financing Authority, Tax Allocation Revenue Bonds, Series A, 5.50% due 9/01/2018 (g)	2,333
10,735	Riverside, California, Unified School District, GO (Election of 2001), Series B, 5% due 8/01/2030 (g)	11,222
2,125	Sacramento, California, Area Flood Control Agency, Special Assessment Refunding Bonds (Consolidated Capital Assessment District), Series A, 5% due 10/01/2032 (d)	2,222
8,775	Sacramento, California, City Financing Authority,	

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	Revenue Refunding Bonds, 5% due 12/01/2029 (d)	8,976
10,825	Sacramento, California, Municipal Utility District, Electric Revenue Refunding Bonds, Series L, 5.125% due 7/01/2022 (g)	11,046
2,500	Sacramento, California, Municipal Utility District Financing Authority, Revenue Bonds (Consumers Project), 5.125% due 7/01/2029 (g)	2,629
4,115	Saddleback Valley, California, Unified School District, GO, 5% due 8/01/2029 (e)	4,267
3,490	Salinas, California, Union High School District, GO (Election of 2002), Series B, 5% due 6/01/2026 (g)	3,671
1,480	San Bernardino County, California, COP, Refunding (Medical Center Financing Project), 5.50% due 8/01/2019 (g)	1,483

8 BLACKROCK MUNIHOLDINGS CALIFORNIA INSURED FUND, INC. DECEMBER 31, 2007

Schedule of Investments (continued) (in Thousands)

Face Amount	Municipal Bonds	Value
California (continued)		
\$ 5,440	San Bernardino, California, Joint Powers Financing Authority, Lease Revenue Bonds (Department of Transportation Lease), Series A, 5.50% due 12/01/2020 (g)	\$ 5,449
1,500	San Diego County, California, COP (Edgemoor Project and Regional System), Refunding, 5% due 2/01/2029 (a)	1,530
4,000	San Diego County, California, Water Authority, Water Revenue Bonds, COP, Series A, 5% due 5/01/2031 (e)	4,091
12,555	San Diego, California, Community College District, GO (Election of 2002), 5% due 5/01/2030 (e)	13,062
5,055	San Diego, California, Public Facilities Financing Authority, Sewer Revenue Bonds, Series A, 5.25% due 5/15/2027 (d)	5,111
6,795	San Francisco, California, Bay Area Rapid Transit District, Sales Tax Revenue Bonds, 5.50% due 7/01/2009 (d) (h)	7,110
23,100	San Francisco, California, Bay Area Rapid Transit District, Sales Tax Revenue Refunding Bonds, Series A, 5% due 7/01/2030 (g)	23,977
6,430	San Francisco, California, City and County Airport Commission, International Airport Revenue Bonds,	

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	AMT, Second Series, Issue 24A, 5.50% due 5/01/2024 (e)	6,652
4,195	San Francisco, California, Community College District, GO (Election of 2001), Series C, 5% due 6/15/2031 (e)	4,383
5,530	San Joaquin County, California, COP, Refunding (County Administration Building), 5% due 11/15/2030 (g)	5,668
5,000	San Jose, California, Airport Revenue Refunding Bonds, AMT, Series A, 5% due 3/01/2037 (a)	4,939
2,118	San Jose, California, Financing Authority, Lease Revenue Refunding Bonds, DRIVERS, Series 1280Z, 6.202% due 12/01/2010 (a)(k)	2,209
10,410	San Jose-Evergreen, California, Community College District, Capital Appreciation, GO (Election of 2004), Refunding, Series A (g) (i): 5.17% due 9/01/2024	4,496
7,250	5.34% due 9/01/2029	2,344
7,785	San Juan, California, Unified School District, GO, 5.625% due 8/01/2010 (d) (h)	8,348
4,250	San Juan, California, Unified School District, GO (Election of 2002), 5% due 8/01/2028 (g)	4,371
5,650	San Mateo County, California, Transit District, Sales Tax Revenue Refunding Bonds, Series A, 5% due 6/01/2029 (g)	5,880
5,000	San Ramon, California, Public Financing Authority, Tax Allocation Revenue Bonds, Series A, 5% due 2/01/2038 (a)	5,100
7,345	Sanger, California, Unified School District, GO (Election of 2006), 5% due 8/01/2027 (e)	7,778
9,750	Santa Clara County, California, Financing Authority, Lease Revenue Refunding Bonds, Series A, 5% due 11/15/2022 (a)	9,954
14,000	Santa Clara, California, Redevelopment Agency, Tax Allocation Bonds (Bayshore North Project), Series A, 5.50% due 6/01/2023 (a)	14,491
6,050	Santa Clara, California, Subordinated Electric Revenue Bonds, Series A, 5% due 7/01/2028 (g)	6,207
5,110	Santa Monica, California, Redevelopment Agency, Tax Allocation Bonds (Earthquake Recovery Redevelopment Project), 6% due 7/01/2009 (a) (h)	5,384
5,000	Santa Monica-Malibu Unified School District, California, GO (Election of 2006), Series A, 5% due 8/01/2032 (d)	5,226
2,855	Santa Rosa, California, High School District, GO (Election of 2002), 5% due 8/01/2028 (g)	2,937

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1,550	Sierra, California, Joint Community College District, GO (School Facility Improvement District Number 2 -- Western Nevada), Series A, 5% due 8/01/2028 (d)	1,605
3,200	Stockton, California, Public Financing Authority, Water Revenue Bonds (Water System Capital Improvement Projects), Series A, 5% due 10/01/2031 (g)	3,323
4,400	Tamalpais, California, Union High School District, GO (Election of 2006), 5% due 8/01/2028 (g)	4,609
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 (g)	13,977
6,655	Turlock, California, Public Finance Authority, Sewer Revenue Bonds, Series A, 5% due 9/15/2033 (d)	6,810
10,500	University of California, General Revenue Refunding Bonds, Series A, 5% due 5/15/2027 (a)	10,816
1,410	University of California Revenue Bonds, Series K, 5.25% due 9/01/2008 (d) (h)	1,445
6,750	Vista, California, COP (Community Projects), 5% due 5/01/2037 (g)	6,865
10,000	Vista, California, Unified School District, GO, Series A, 5.25% due 8/01/2025 (e)	10,566
2,550	Vista, California, Unified School District, GO, Series B, 5% due 8/01/2028 (d)	2,623
6,075	Washington, California, Unified School District (Yolo County), Capital Appreciation, GO (Election of 2004), Series A, 4.98% due 8/01/2029 (d) (i)	2,019
5,825	West Contra Costa, California, Unified School District, Capital Appreciation, GO (Election of 2002), Series C, 5.78% due 8/01/2029 (d) (i)	1,936
6,690	West Contra Costa, California, Unified School District, GO (e): (Election of 2002), Series B, 5% due 8/01/2032	6,862
2,595	(Election of 2005), Series A, 5% due 8/01/2026	2,705
3,145	Yorba Linda, California, Redevelopment Agency, Redevelopment Project Tax Allocation Revenue Bonds (Subordinate Lien), Series B, 5% due 9/01/2032 (a)	3,210

BLACKROCK MUNIHOLDINGS CALIFORNIA INSURED FUND, INC. DECEMBER 31, 2007 9

Schedule of Investments (concluded) (in Thousands)

Face Amount	Municipal Bonds	Value
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=====		
Puerto Rico -- 3.4%		

\$11,215	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series HH, 5.30% due 7/01/2010 (e) (h)	\$ 11,916

8,120	Puerto Rico Electric Power Authority, Power Revenue Refunding Bonds, Series UU, 5% due 7/01/2024 (e)	8,547
	Total Municipal Bonds	
	(Cost -- \$878,295) -- 151.1%	898,172
=====		
Municipal Bonds Transferred to Tender Option Bond Trusts (n)		

California -- 23.2%		

7,165	La Quinta, California, Financing Authority, Local Agency Revenue Bonds, Series A, 5.125% due 9/01/2034 (a)	7,342

15,490	Peralta, California, Community College District, GO (Election of 2000), Series D, 5% due 8/01/2035 (e)	16,093

25,350	Port of Oakland, California, Revenue Refunding Bonds, AMT, Series L, 5.375%, due 11/01/2027 (d)	25,924

34,260	Sacramento, California, Municipal Utility District Financing Authority, Revenue Bonds (Consumers Project), 5.125% due 7/01/2029 (g)	36,031

10,000	San Diego County, California, Water Authority, Water Revenue Refunding Bonds, COP, Series A, 5%, due 5/01/2032 (g)	10,212

13,500	San Francisco, California, City and County Public Utilities Commission, Water Revenue Refunding Bonds, Series A, 5% due 11/01/2032 (g)	13,790

10,564	San Jose, California, Financing Authority, Lease Revenue Refunding Bonds (Civic Center Project), Series B, 5% due 6/01/2032 (a)	10,793

17,400	University of California, Limited Project Revenue Bonds, Series B, 5% due 5/15/2033 (e)	18,003

	Total Municipal Bonds Transferred to Tender Option Bond Trusts	
	(Cost -- \$140,167) -- 23.2%	138,188
=====		
Shares		
Held	Short-Term Securities	

447	CMA California Municipal Money Fund, 2.88% (f) (j)	447

	Total Short-Term Securities	
	(Cost -- \$447) -- 0.1%	447
=====		
Total Investments (Cost -- \$1,018,909*) -- 174.4%		1,036,807

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Liability for Trust Certificates, Including Interest Expense Payable -- (11.4%)	(67,527)
Other Assets Less Liabilities -- 2.6%	15,380
Preferred Stock, at Redemption Value -- (65.6%)	(390,223)
Net Assets Applicable to Common Stock -- 100.0%	\$ 594,437
	=====

* The cost and unrealized appreciation (depreciation) of investments as of December 31, 2007, as computed for federal income tax purposes, were as follows:

Aggregate cost	\$ 952,142
	=====
Gross unrealized appreciation	\$ 20,592
Gross unrealized depreciation	(2,791)

Net unrealized appreciation	\$ 17,801
	=====

- (a) AMBAC Insured.
- (b) FHA Insured.
- (c) Escrowed to maturity.
- (d) FGIC Insured.
- (e) FSA Insured.
- (f) 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	432	\$33

- (g) MBIA Insured.
- (h) Prerefunded.
- (i) Represents a zero coupon bond; the interest rate shown reflects the effective yield at the time of purchase.
- (j) Represents the current yield as of December 31, 2007.
- (k) 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 and inversely based upon prevailing market rates.
- (l) XL Capital Insured.
- (m) 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.
- (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 of the Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

See Notes to Financial Statements.

Statement of Assets and Liabilities of Operations

As of December 31, 2007 (Unaudited)

Assets

Investments in unaffiliated securities, at value (identified cost -- \$1,018,461,642)	\$1,036,359,745
Investments in affiliated securities, at value (identified cost -- \$447,461)	447,461
Receivables:	
Interest	15,038,943
Securities sold	3,344,307
Prepaid expenses	3,582
Total assets	1,055,194,038

Liabilities

Trust certificates**	66,864,500
Bank overdraft	2,166,982
Payables:	
Interest expense	662,675
Investment advisor	438,705
Dividends to Common Stock shareholders	280,043
Other affiliates	8,569
Accrued expenses	113,068
Total liabilities	70,534,542

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)	390,222,621
--	-------------

Net Assets Applicable to Common Stock

Net assets applicable to Common Stock	\$594,436,875
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Analysis of Net Assets Applicable to Common Stock

Common Stock, par value \$.10 per share (40,874,458 shares issued and outstanding)	\$ 4,087,446
Paid-in capital in excess of par	
Undistributed investment income -- net	1,730,019
Accumulated realized capital losses -- net	(32,304,148)
Unrealized appreciation -- net	17,898,103

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Total -- Equivalent to \$14.54 net asset value per share of Common Stock (market price -- \$12.79)	\$594,436,875
	=====

* Auction Market Preferred Stock.
 ** Represents short-term floating rate certificates issued by tender option bond trusts.

See Notes to Financial Statements.

Statement of Operations

For the Six Months Ended December 31, 2007 (Unaudited)

Investment Income

Interest	\$ 24,698,752
Dividends from affiliates	33,081

Total income	24,731,833

Expenses

Investment advisory fees	2,716,507
Interest expense and fees	1,357,156
Commission fees	496,621
Accounting services	135,387
Professional fees	38,607
Transfer agent fees	36,798
Custodian fees	24,423
Printing and shareholder reports	23,427
Directors' fees and expenses	17,465
Pricing fees	14,979
Listing fees	7,159
Other	42,408

Total expenses before waiver and reimbursement	4,910,937
Waiver and reimbursement of expenses	(200,832)

Total expenses after waiver and reimbursement	4,710,105

Investment income -- net	20,021,728

Realized & Unrealized Gain (Loss) -- Net

Realized gain on investments -- net	5,080,835
Change in unrealized appreciation on investments -- net	(1,572,252)

Total realized and unrealized gain -- net	3,508,583

Dividends & Distributions to Preferred Stock Shareholders

Investment income -- net	(6,875,457)
Realized gain -- net	(153,272)

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Total dividends and distributions to Preferred Stock shareholders	(7,028,729)

Net Increase in Net Assets Resulting from Operations	\$ 16,501,582
	=====

See Notes to Financial Statements.

BLACKROCK MUNIHOLDINGS CALIFORNIA INSURED FUND, INC. DECEMBER 31, 2007 11

Statements of Changes in Net Assets

Increase (Decrease) in Net Assets:

Operations

Investment income -- net	
Realized gain -- net	
Change in unrealized appreciation -- net	
Dividends and distributions to Preferred Stock shareholders	
Net increase in net assets resulting from operations	

Dividends & Distributions to Common Stock Shareholders

Investment income -- net	
Realized gain -- net	
Net decrease in net assets resulting from dividends and distributions to Common Stock shareholders	

Common Stock Transactions

Value of shares issued to Common Stock shareholders in reinvestment of dividends	
--	--

Net Assets Applicable to Common Stock

Total increase in net assets applicable to Common Stock	
Beginning of period	
End of period*	

* Undistributed investment income -- net

See Notes to Financial Statements.

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Financial Highlights

The following per share data and ratios have been derived from information provided in the financial statements.	For the Six Months Ended December 31, 2007 (Unaudited)	----- 2007	For the 2006
Per Share Operating Performance			
Net asset value, beginning of period	\$ 14.48	\$ 14.44	\$ 15.40
Investment income -- net++51	1.01	1.05
Realized and unrealized gain (loss) -- net07	.07	(.85)
Dividends and distributions to Preferred Stock shareholders:			
Investment income -- net	(.17)	(.31)	(.25)
Realized gain -- net	--+	--	--
Total from investment operations41	.77	(.05)
Less dividends and distributions to Common Stock shareholders:			
Investment income -- net	(.34)	(.73)	(.91)
Realized gain -- net	(.01)	--	--
Total dividends and distributions to Common Stock shareholders	(.35)	(.73)	(.91)
Net asset value, end of period	\$ 14.54	\$ 14.48	\$ 14.44
Market price per share, end of period	\$ 12.79	\$ 13.92	\$ 13.94
Total Investment Return***			
Based on net asset value per share	3.06% [@]	5.46%	(.29%)
Based on market price per share	(5.70%) [@]	5.02%	(.98%)
Ratios Based on Average Net Assets Applicable to Common Stock			
Total expenses, net of waiver and reimbursement and excluding interest expense and fees** ^{@@}	1.12%*	1.12%	1.10%
Total expenses, net of waiver and reimbursement**	1.58%*	1.60%	1.35%
Total expenses**	1.64%*	1.66%	1.41%
Total investment income -- net	6.70%*	6.81%	7.01%
Amount of dividends to Preferred Stock shareholders	2.30%*	2.11%	1.68%
Investment income -- net, to Common Stock shareholders ...	4.40%*	4.70%	5.33%

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Supplemental Data

Net assets applicable to Common Stock, end of period (in thousands)	\$594,437	\$592,053	\$589,404
Preferred Stock outstanding, end of period (in thousands)	\$390,000	\$390,000	\$390,000
Portfolio turnover	24%	35%	34%
Leverage			
Asset coverage per \$1,000	\$ 2,524	\$ 2,518	\$ 2,511

* Annualized.

** Does 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.

+ Amount is less than (\$.01) per share.

++ Based on average shares outstanding.

@ Aggregate total investment return.

@@ Interest expense and fees relate to tender option bond trusts. See Note 1 of Notes to Financial Statements for details of municipal bonds transferred to tender option bond trusts.

See Notes to Financial Statements.

BLACKROCK MUNIHOLDINGS CALIFORNIA INSURED FUND, INC. DECEMBER 31, 2007 13

Notes to Financial Statements

1. Significant Accounting Policies:

BlackRock MuniHoldings California Insured Fund, Inc. (the "Fund") is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as a non-diversified, closed-end management investment company. The Fund's financial statements are prepared in conformity with accounting principles generally accepted in the United States, which may require the use of management accruals and estimates. Actual results may differ from these estimates. These unaudited financial statements reflect all adjustments, which are, in the opinion of management, necessary to present a fair statement of the results for the interim period. All such adjustments are of a normal, recurring nature. 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.

Investment Valuations: Municipal investments (including commitments to purchase such investments on a "when-issued" basis) are valued on the basis of prices provided by dealers or pricing services selected under the supervision of the Fund's Board of Directors ("Directors" or a "Board"). In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from bond dealers,

market transactions in comparable investments and various relationships between investments. Short-term securities may be valued at amortized cost. Investments in open-end companies are valued at net asset value per share. In the event that application of these methods of valuation results in a price for an investment which is deemed not to be representative of the market value of such investment, the investment will be valued by, under the direction of or in accordance with a method approved by the Board as reflecting fair value ("Fair Value Assets"). When determining the price for Fair Value Assets, the investment advisor and/or sub-advisor shall seek to determine the price that the Fund might reasonably expect to receive from the current sale of that asset in an arms-length transaction. Fair value determinations shall be based upon all available factors that the advisor and/or sub-advisor deems relevant. The pricing of all Fair Value Assets shall be subsequently reported to the Board or a committee thereof.

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.

Municipal bonds transferred to tender option bond trusts: 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 December 31, 2007, the aggregate value of the underlying municipal securities transferred to TOBs was \$138,188,011, the related liability for trust certificates was \$66,864,500 and the range of interest rates on the liability for trust certificates was 3.601% to 3.664%.

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.

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Notes to Financial Statements (continued)

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.

Effective June 29, 2007, the Fund implemented Financial Accounting Standards Board ("FASB") Interpretation No. 48, "Accounting for Uncertainty in Income Taxes -- an interpretation of FASB Statement No. 109" ("FIN 48"). 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 investment companies, before being measured and recognized in the financial statements. Management has evaluated the application of FIN 48 to the Fund, and has determined that the adoption of FIN 48 does not have a material impact on the Fund's financial statements. The Fund files U.S. federal and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on the Fund's U.S. federal tax returns remains open for the years ended June 30, 2004 through June 30, 2007. The statute of limitations on the Fund's state and local tax returns may remain open for an additional year depending upon the jurisdiction.

Investment transactions and investment income: Investment 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. Interest income is recognized on the accrual basis. The Fund amortizes all premiums and discounts on debt securities.

Dividends and distributions: Dividends to common shareholders from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend dates. Dividends and distributions to Preferred Stock shareholders are accrued and determined as described in Note 4.

Recent accounting pronouncements: 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. The impact on the Fund's financial statement disclosures, if any, is currently being assessed.

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. The impact on the Fund's financial statement disclosures, if any, is currently being assessed.

2. Investment Advisory Agreement and Transactions with Affiliates:

The Fund has entered into an Investment Advisory Agreement with BlackRock Advisors, LLC (the "Advisor"), an indirect, wholly owned subsidiary of BlackRock, Inc. Merrill Lynch & Co., Inc. and The PNC Financial Services Group, Inc. are principal owners of BlackRock, Inc.

The Advisor is responsible for the management of the Fund's portfolios 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 Advisor 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 six months ended December 31, 2007, the Advisor earned fees of \$2,716,507, of which \$196,283 was waived. In addition, the Advisor has agreed to reimburse its management fee by the amount of management fees the Fund pays to the Advisor indirectly through its investment in CMA California Municipal Money Fund. For the six months ended December 31, 2007, the Advisor reimbursed the Fund in the amount of \$204,549.

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

For the six months ended December 31, 2007, the Fund reimbursed the Advisor \$17,279 for certain accounting services.

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 six months ended December 31, 2007 were \$248,394,347 and \$263,092,366, 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 six months ended December

BLACKROCK MUNIHOLDINGS CALIFORNIA INSURED FUND, INC. DECEMBER 31, 2007 15

Notes to Financial Statements (concluded)

31, 2007 remained constant and during the year ended June 30, 2007 increased by 54,952 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

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vary for the successive dividend periods. The yields in effect at December 31, 2007 were: Series A, 3.00%; Series B, 4.30%; Series C, 4.20%; Series D, 4.20%; and Series E, 4.30%.

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 six months ended December 31, 2007, Merrill Lynch, Pierce, Fenner & Smith Incorporated, a wholly owned subsidiary of Merrill Lynch, earned \$137,945 as commissions.

Dividends on seven-day Preferred Stock are cumulative at a rate which is reset every seven days based on the results of an auction. If the Preferred Stock is unable to be remarketed on the remarketing date as part of the auction process, the Fund would be required to pay the maximum applicable rate on the Preferred Stock to holders of such stock for successive dividend periods until such time as the stock is successfully remarketed. The maximum applicable rate on Preferred Stock is 110% of the higher of (i) 90% of the quotient of (a) the Taxable Equivalent of the Short-Term Municipal Bond Rate divided by (b) 1.00 minus the greater of the maximum marginal individual or corporate income tax rate or (ii) the interest equivalent of the 30-day commercial paper rate. During the six months ended December 31, 2007, the Preferred Stock of the Fund was successfully remarketed at each remarketing date. The dividend ranges and average on the Preferred Stock for the Fund for the six months ended December 31, 2007 were as follows:

	Low	High	Average
Series A	2.85%	4.20%	3.40%
Series B	3.20%	4.35%	3.49%
Series C	2.95%	4.40%	3.50%
Series D	2.90%	4.25%	3.52%
Series E	3.00%	4.30%	3.54%

The Fund may not declare dividends or make other distributions on Common Stock or purchase any such stock if, at the time of the declaration, distribution or purchase, asset coverage with respect to the outstanding Preferred Stock would be less than 200%.

The Preferred Stock is redeemable at the option of the Fund, in whole or in part, on any dividend payment date at \$50,000 per share plus any accumulated unpaid dividends whether or not declared. The Preferred Stock is also subject to mandatory redemption at \$50,000 per share plus any accumulated or unpaid dividends, whether or not declared, if certain requirements relating to the composition of the assets and liabilities of the Fund, as set forth in the Fund's Declaration of Fund/Articles Supplementary, are not satisfied.

The holders of Preferred Stock have voting rights equal to the holders of common shares (one vote per share) and will vote together with holders of common shares as a single class. However, holders of Preferred Stock, voting as a separate class, are also entitled to elect two Directors for the Fund. In addition, the 1940 Act requires that along with approval by shareholders that might otherwise be required, the approval of the holders of a majority of any outstanding preferred shares, voting separately as a class would be required to (a) adopt any plan of reorganization that would adversely affect the Preferred Stock, (b) change a Fund's subclassification as a closed-end investment company or change its fundamental investment restrictions or (c) change its business so as to cease to be an investment company.

5. Capital Loss Carryforward:

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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.

6. Concentration Risk:

The Fund concentrates its investments in securities issued by state agencies, other governmental entities and U.S. Territories. The Fund is more susceptible to adverse financial, social, environmental, economic, regulatory and political factors that may affect these state agencies, other governmental entities and U.S. Territories, which could seriously affect the ability of this state and its municipal subdivisions to meet continuing obligations for principal and interest payments and therefore could impact the value of the Fund's investments and net asset value per share, than if the Fund was not concentrated in securities issued by state agencies, other governmental entities and U.S. Territories.

Many municipalities insure repayment of their obligations. Although bond insurance reduces the risk of loss due to default by an issuer, such bonds remain subject to the risk that market value may fluctuate for other reasons and there is no assurance that the insurance company will meet its obligations. These securities have been identified in the Schedule of Investments.

7. Subsequent Event:

During the period February 13, 2008 to February 22, 2008, the Preferred Stock of the Fund was not successfully remarketed. As a result, the Preferred Stock dividend rates were reset to the maximum applicable rate, which ranged from 3.32% to 3.41% for the Fund during the period. Unsuccessful remarketing during the auction process is not an event of default or credit but rather a liquidity event for the holders of Preferred Stock. The Fund paid a tax-exempt income dividend to holders of Common Stock in the amount of \$.055500 per share on February 1, 2007 to shareholders of record on January 15, 2007.

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Officers and Directors

G. Nicholas Beckwith, III, Director
Richard E. Cavanagh, Director
Richard S. Davis, Director
Kent Dixon, Director
Frank J. Fabozzi, Director
Kathleen F. Feldstein, Director
James T. Flynn, Director
Henry Gabbay, Director
Jerrold B. Harris, Director
R. Glenn Hubbard, Director
W. Carl Kester, Director
Karen P. Robards, Director
Robert S. Salomon, Jr., Director
Roscoe S. Suddarth, Advisory Board Member*
Donald C. Burke, Fund President and Chief Executive Officer
Anne F. Ackerley, Vice President
Howard Surloff, Secretary
Brian P. Kindelan, Chief Compliance Officer
Neal J. Andrews, Chief Financial Officer
Jay M. Fife, Treasurer

* Roscoe S. Suddarth resigned from the Advisory Board of the Fund, effective

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December 31, 2007.

Custodian

The Bank of New York Mellon
New York, NY 10286

Transfer Agent

Common and Auction Market Preferred Stock:
The Bank of New York Mellon
New York, NY 10286

Accounting Agent

State Street Bank and Trust Company
Princeton, NJ 08540

Independent Registered Public Accounting Firm

Deloitte & Touche LLP
Princeton, NJ 08540

Legal Counsel

Skadden, Arps, Slate, Meagher & Flom LLP
New York, NY 10036

BLACKROCK MUNIHOLDINGS CALIFORNIA INSURED FUND, INC. DECEMBER 31, 2007 17

Additional Information

Proxy Results

During the six-month period ended December 31, 2007, the Common Stock and Auction Market Preferred Stock (Series A-E) shareholders of BlackRock MuniHoldings California Insured Fund, Inc. voted on the following proposal, which was approved at an annual shareholders' meeting on August 16, 2007. This proposal was part of the reorganization of the Fund's Board of Directors that took effect on November 1, 2007. A description of the proposal and number of shares voted are as follows:

		Shares Voted For	Shares Wi From Vo
To elect the Fund's Directors:	G. Nicholas Beckwith, III	37,945,396	1,065,7
	Richard E. Cavanagh	37,950,186	1,060,9
	Richard S. Davis	37,947,768	1,063,4
	Kent Dixon	37,946,279	1,064,8
	Kathleen F. Feldstein	37,941,487	1,069,6
	James T. Flynn	37,945,040	1,066,1
	Henry Gabbay	37,940,588	1,070,5
	Jerrold B. Harris	37,935,600	1,075,5
	R. Glenn Hubbard	37,939,157	1,072,0
	Karen P. Robards	37,945,892	1,065,2
	Robert S. Salomon, Jr.	37,954,344	1,056,8

During the six-month period ended November 30, 2007, the Auction Market Preferred Stock shareholders (Series A-E) of BlackRock MuniHoldings California Insured Fund, Inc. voted on the following proposal, which was approved at an annual shareholders' meeting on August 16, 2007. This proposal was part of the reorganization of the Fund's Board of Directors that took effect on November 1, 2007. A description of the proposal and number of shares voted for each Director are as follows:

		Shares Voted For	Shares Wi From Vo
To elect the Fund's Directors:	Frank J. Fabozzi and W. Carl Kester	10,261	2

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. 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 Assets and Liabilities, which comprises part of the financial information included in this report.

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Additional Information (concluded)

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 website 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 (800) SEC-0330. The Fund's Forms N-Q may also be obtained upon request and without charge by calling (800) 441-7762.

Electronic Delivery

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

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

Please contact your financial advisor to enroll. Please note that not all investment advisors, 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 websites.

BlackRock does not sell or disclose to non-affiliated third parties any non-public personal information about its Clients, except as permitted by law or as is necessary to respond to regulatory requests or to service Client accounts. These non-affiliated third parties are required to protect the confidentiality and security of this information and to use it only for its intended purpose.

We may share information with our affiliates to service your account or to provide you with information about other BlackRock products or services that may be of interest to you. In addition, BlackRock restricts access to non-public personal information about its Clients to those BlackRock employees with a legitimate business need for the information. BlackRock maintains physical, electronic and procedural safeguards that are designed to protect the non-public personal information of its Clients, including procedures relating to the proper storage and disposal of such information.

General Information

The Fund does not make available copies of its Statements of Additional Information because the Fund's shares are not continuously offered, which means that the Statement of Additional Information of the Fund has not been updated after completion of the Fund's offering and the information contained in the Fund's Statement of Additional Information may have become outdated.

During the period, there were no material changes in the Fund's investment objective or policies or to the Fund's character or by-laws that were not approved by the shareholders or in the principal risk factors associated with investment in the Fund. There have been no changes in the persons who are primarily responsible for the day-to-day management of the Fund's portfolio.

BLACKROCK MUNIHOLDINGS CALIFORNIA INSURED FUND, INC. DECEMBER 31, 2007 19

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

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has leveraged its Common Stock and intends to remain leveraged by issuing Auction Market 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 Auction Market 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 (800) 441-7762; (2) at www.blackrock.com; and (3) on the Securities and Exchange Commission's website 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 upon request and without charge (1) at www.blackrock.com or by calling (800) 441-7762 and (2) on the Securities and Exchange Commission's website at <http://www.sec.gov>.

BlackRock MuniHoldings California Insured Fund, Inc.
100 Bellevue Parkway
Wilmington, DE 19809

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- Item 2 - Code of Ethics - Not Applicable to this semi-annual report
- Item 3 - Audit Committee Financial Expert - Not Applicable to this semi-annual report
- Item 4 - Principal Accountant Fees and Services - Not Applicable to this semi-annual report
- Item 5 - Audit Committee of Listed Registrants - Not Applicable to this semi-annual report
- 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 - Not Applicable to this semi-annual report
- Item 8 - Portfolio Managers of Closed-End Management Investment Companies - Not Applicable to this semi-annual report
- 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 and Governance 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 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) 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 - Not Applicable to this semi-annual report

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/ Donald C. Burke

Donald C. Burke
Chief Executive Officer of
BlackRock MuniHoldings California Insured Fund, Inc.

Date: February 21, 2008

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/ Donald C. Burke

Donald C. Burke
Chief Executive Officer (principal executive officer) of
BlackRock MuniHoldings California Insured Fund, Inc.

Date: February 21, 2008

By: /s/ Neal J. Andrews

Neal J. Andrews
Chief Financial Officer (principal financial officer) of
BlackRock MuniHoldings California Insured Fund, Inc.

Date: February 21, 2008