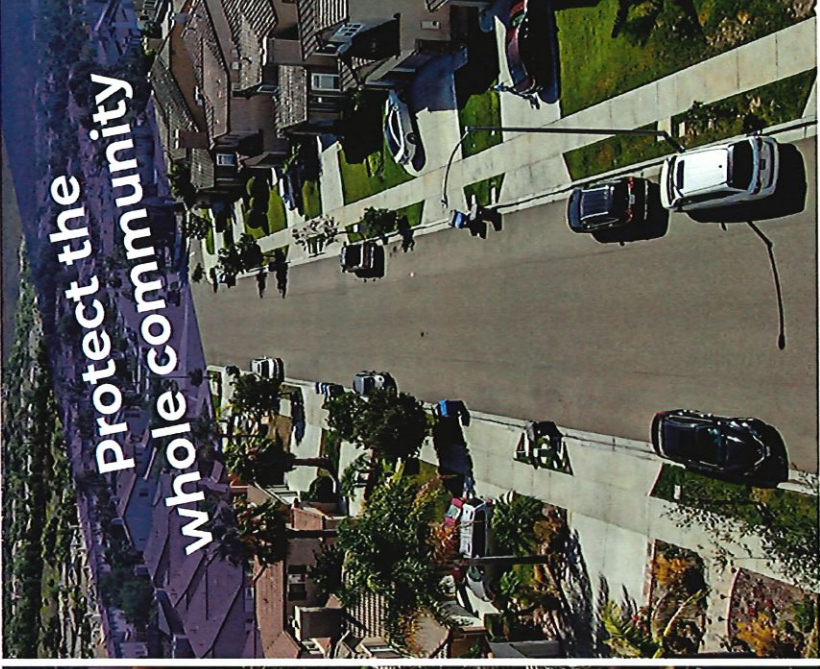
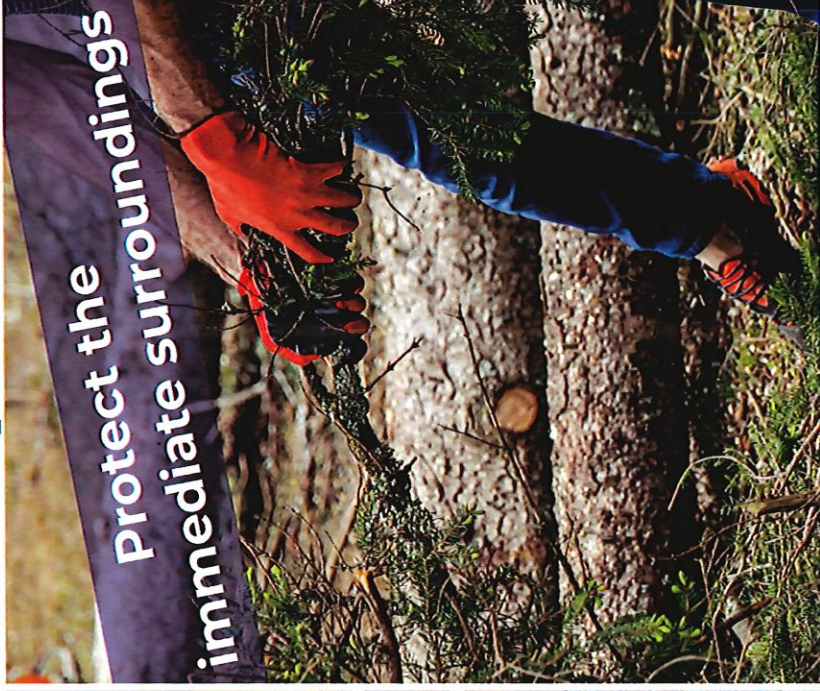
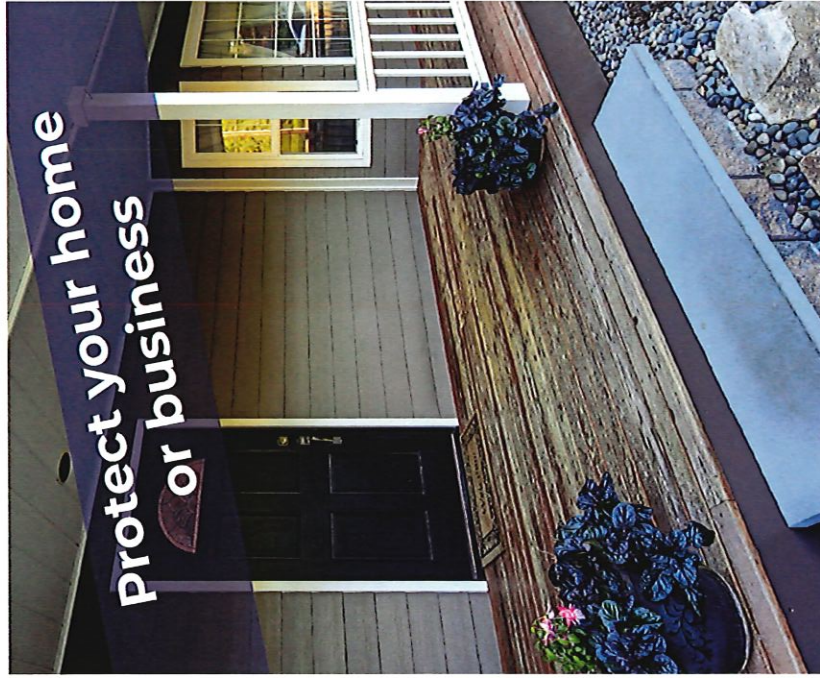


Being Safer from Wildfires Can Help With Your Insurance



Safer from Wildfires is a ground-up approach to wildfire resilience with three layers of protection — for the structure, the immediate surroundings, and the community. Following these achievable steps can help you save money on your insurance.

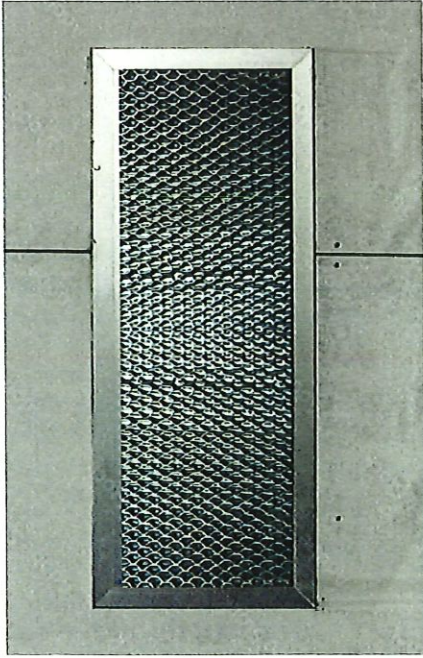


Safer from Wildfires was created by an interagency partnership between Insurance Commissioner Ricardo Lara and the emergency response and readiness agencies in Governor Gavin Newsom's administration. Learn more at insurance.ca.gov

3 Ways to Get Started with

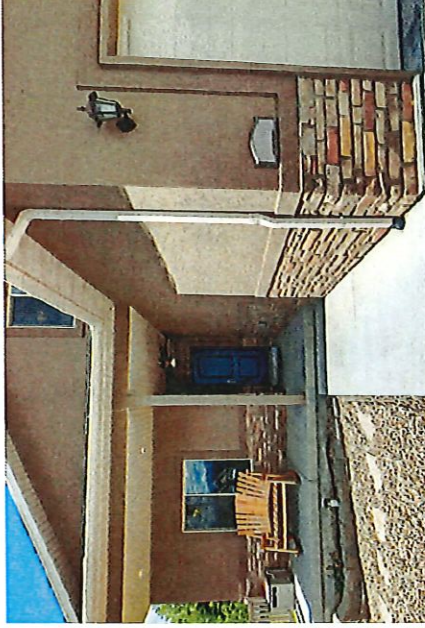
Safer from Wildfires

Don't know where to start? Here are 3 low-cost steps you can take today.



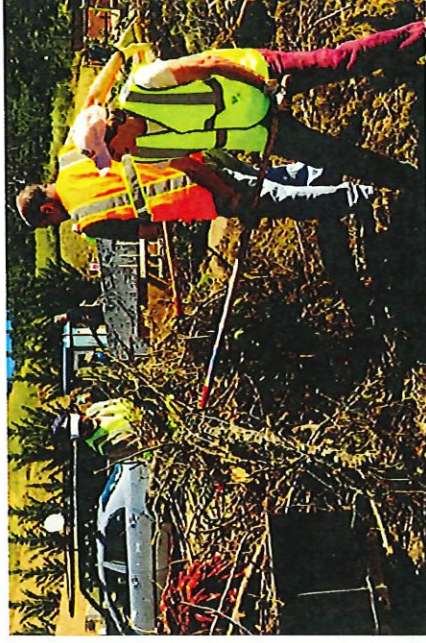
Keep embers out

Installing 1/16 to 1/8 inch noncombustible, corrosion-resistant metal mesh screens over attic vents can keep wind-blown embers out of your house.



Clear the first 5 feet

Removing greenery and replacing wood chips with stone or decomposed granite 5 feet around your home prevents fire from getting a foot in the door.



Be safer together

With Firewise USA, communities as small as 8 dwelling units or as big as 2,500 can create an action plan and start being safer together. Firewise USA is a nationally recognized program with proven results, sponsored by the National Fire Prevention Association.

Do more, save more

Every action under **Safer from Wildfires** will qualify you for an insurance discount. By doing more, you can save more.

- Class A fire-rated roof
- 5-foot ember-resistant zone around the structure
- Noncombustible 6 inches at the bottom of walls
- Ember- and fire-resistant vents
- Double pane windows or added shutters
- Enclosed eaves
- Cleared vegetation and debris from under decks
- Move sheds and outbuildings at least 30 feet away
- Trim trees and remove brush in compliance with state and local defensible space laws
- Neighborhoods can form a Firewise USA community
- Cities, counties, and local districts can become certified as a Fire Risk Reduction Community

Scan to find more resources



RICARDO LARA

INSURANCE COMMISSIONER

California Department of Insurance

Top Ten Tips for Finding Residential Insurance

We are aware there has been an increase in nonrenewals and understand that residential insurance is getting harder to find in any area that insurers identify as having a higher than average risk of wildfire. While the Department of Insurance doesn't have the legal authority to tell insurers what level of risk they must write or where they must write insurance, we can monitor that they are consistent in their decisions and that their decisions are based on considerations of risk, not other biases. We are here to help you and have a number of tips to help you through this process.

- 1 If you get a nonrenewal notice, contact your insurer and ask if there are any specific actions you could take to mitigate your risk and retain your coverage.
- 2 If you think your nonrenewal was unfair, you may [file a complaint with us](#).
- 3 Don't let these actions delay starting your search for a new insurer. Make sure you have done everything you can do at your property to mitigate fire risk then start shopping for coverage.
- 4 In addition to contacting local agents or brokers in the vicinity of your home, you may wish to use our [Residential Insurance Company Contact List](#) that provides toll free numbers for over 50 insurers that are licensed to sell homeowners insurance. You can contact each of them to find the closest agent or broker or, in some cases, get a quote from them directly.
- 5 If you need help from an agent that speaks a specific language, you can use our [Find an Agent or Broker](#) tool to find one near you.
- 6 You can also utilize our [Homeowner Premium Comparison Tool](#) and [Homeowner Coverage Comparison Tool](#) to compare premiums and coverages.
- 7 If your agent cannot help you find coverage with an insurer other than the FAIR Plan, you or your agent should contact other agents and brokers who represent other insurers. Our [Home Insurance Finder](#) tool can help you find other agents in your region or beyond and tells you which insurers they represent.
- 8 Understand that the [California FAIR Plan](#) is available to every homeowner as a last option for coverage. The maximum limit written by the FAIR Plan on a residential property for all coverages combined is \$3,000,000. Because the coverage provided by a FAIR Plan policy is very limited, it is recommended that you supplement the FAIR Plan policy with a [Difference in Conditions](#) policy.
- 9 If none of these options work for you, you may try obtaining coverage in the non-admitted/surplus lines market. Ask your retail agent or broker if they are able to obtain coverage with a surplus lines insurer. If you need help finding a licensed insurance agent or broker, you can use our [Find an Agent or Broker](#) tool to find one near you.
- 10 If you prefer to speak live with our staff, you are always welcome to call the Department of Insurance toll free at 1-800-927-4357.

Top Ten Tips for Wildfire Claimants

- 1** Obtain a complete copy of your residential homeowner's insurance policy, including your declarations page. The law requires your insurance company to provide this to you free of charge within 30 days of your request. Ask your agent or insurer representative to explain how much coverage you have (1) to rebuild or repair your home, (2) for your personal belongings, and (3) for living expenses. This should include an explanation of Extended Replacement Cost and Building Code Upgrade coverages if applicable. Ask how to most effectively claim your coverage benefits.
- 2** Take note of your Additional Living Expense (ALE) limits and manage your ALE expenses in recognition of a long rebuilding process. Your time to collect ALE after a declared catastrophe is no less than 24 months even if your policy says otherwise; however your amount of coverage is not increased. An extension of up to 12 additional months, for a total of 36 months, should be granted if you encounter delays beyond your reasonable control.
- 3** Track all of your additional expenses that arise from having to live in another location away from your home. Note: your ALE reimbursement may be offset by your normal cost of living before the fire (i.e., ALE does not pay for your mortgage or expenses you would normally incur) but you are entitled to the same standard of living you had before the fire. ALE will pay for temporary rent, additional mileage, etc.
- 4** Document all of your conversations with your insurer/adjuster about your claim and policy limitations in a dedicated "claim diary." If your adjuster says something is excluded, limited, or subject to certain conditions, ask the adjuster to point out the specific provision in your policy being cited.
- 5** Get at least one licensed contractor's estimate or bid on the cost to rebuild your home just to get a reasonable sense of the actual cost as compared to your coverage limits (for more considerations on contractors, view the CDI's electronic brochure [Don't Get Scammed After a Disaster](#) and check the website for [California's Contractors State License Board](#).) While your insurance company may provide its own estimate, it may contain errors or fail to reflect local conditions or demand surge. Demand surge reflects price increases following a major disaster when contractors and materials are in short supply.
- 6** Call the Department of Insurance Hotline for help at (800) 927-4357. You can also file a complaint at: <http://www.insurance.ca.gov/01-consumers/101-help/>. Consider insights from consumer advocates.
- 7** Understand you can purchase or rebuild at another location, and still receive full replacement cost benefits including Building Code Upgrade and Extended Replacement Cost benefits if those were included on your policy and necessary to rebuild the insured dwelling. You also have the right to rebuild using the contractor of your choosing. In order to reduce the cost of rebuilding, you might also consider a community-wide development approach utilizing a common builder.

Top Ten Tips for Wildfire Claimants

- 8 Assess your situation and do not rush into any decision about contractors, lawyers or public adjusters and consider your mortgage/employment/financial situation, your age, children's schools, your willingness to deal with construction issues (no matter who your contractor is). The insurance process is a series of important decisions over a long period of time, but few, if any, need to be made today. Of course, move forward if you have obtained multiple bids from reputable licensed contractors, are certain you want to rebuild, are sure of the rebuilding costs and your insurance limits and want to be sure you are a priority for your selected contractor to start the rebuild. The [Contractors State License Board \(CSLB\)](#) has publications that can help you identify and avoid problems before they occur. Contact CSLB at 1-800-321-2752 to obtain a free copy of their publications and/or verify the [licensing status](#) of a contractor.
- 9 Do not assume you have inadequate coverage based on general information you hear about building costs or other general comments. The adequacy of your limits needs to be addressed on a case specific basis to determine how much it will cost to rebuild your home and whether your limits, including extended replacement cost coverage if applicable, are adequate. But if you determine you are underinsured, gather relevant documentation and contact the Department of Insurance for help.
- 10 Evaluate whether you will need a public adjuster or attorney to help you with your claim. If rebuilding will take a long time you are likely to use your entire ALE limits. If you are also reimbursed by your insurer for your entire personal property loss or your full personal property limits, you may not need a public adjuster or attorney to help you obtain full settlements for either of these coverages. Public adjusters typically require a percentage of the claim settlement for their services. Make sure you understand what they charge and the services you are paying for before you sign a public adjuster contract. Some public adjusters may insist on a contract that includes payment to the public adjuster based upon the entire amount paid to the policyholder by the insurer, including amounts paid to the policyholder before the public adjuster contract was signed. A public adjuster should not charge a fee on payments you received from your insurer before the public adjuster contract was signed. A fee should only be charged on additional monies the public adjuster gets for you. Contact the Department if this issue arises in your contract.

In a declared-disaster, you may cancel the contract within five calendar days. Public adjusters are required to be licensed by the California Department of Insurance. To verify a public adjuster's license, call us at 1-800-927-4357 or check the status online by [name](#) or by [license number](#). Practicing without a license is against the law. Public adjusters may not solicit business in a declared-disaster area until 7 calendar days have passed from the end of a loss-producing event such as a fire.

Please note: These tips are for general guidance only and are not a substitute for legal advice.

CALIFORNIA'S SUSTAINABLE INSURANCE STRATEGY



What is the Sustainable Insurance Strategy?

California Insurance Commissioner Ricardo Lara's Sustainable Insurance Strategy is a comprehensive initiative aimed at modernizing the state's insurance market to ensure accessible insurance for all Californians, create a resilient insurance marketplace, and protect consumers and communities from the adverse impacts of climate change. It addresses the challenges posed by rising global inflation, increased insurance costs for rebuilding, and the growing risk of natural disasters.

Why is it Important?

The Sustainable Insurance Strategy is crucial because it addresses the pressing issues faced by both the insurance market and consumers in California. It responds to the changing landscape of insurance by enhancing market stability, improving consumer access to coverage, and safeguarding against the escalating financial burden of climate change-intensified catastrophes and global inflation.

How Will it Benefit the Market and Consumers?

This strategy enhances insurance access, fairness, and resilience for both the market and consumers.

- **Increasing Insurance Availability and Access:** The strategy seeks a commitment from insurance companies to write a minimum of 85% of their statewide market share in historically underserved areas identified by the Insurance Commissioner. This ensures that insurance remains available to all, especially in high wildfire-risk regions.
- **Decreasing FAIR Plan Policyholders:** Priority is given to homes and businesses that mitigate wildfire risk by following the Insurance Commissioner's "Safer from Wildfires" regulation, facilitating a return to the open market and increasing options for consumers.
- **Allowing Catastrophe Models and Mitigation:** The strategy incorporates new catastrophe models that consider mitigation and hardening requirements, leading to more accurate risk pricing and offering discounts to consumers. This means more accurate rates for all Californians so they don't pay more than they should.
- **Modernizing the FAIR Plan:** By expanding commercial coverage limits to \$20 million per structure, the strategy addresses coverage gaps, benefiting homeowner associations (HOAs), affordable housing, and infill developments.

The Most Comprehensive Insurance Regulatory Reform in Decades

This strategy represents the most significant insurance reform since Proposition 103 was passed in 1988. It is informed by the voices of thousands of consumers from every county in California, demonstrating a commitment to addressing the real-world challenges faced by Californians.



Scan the QR code to learn more.



Market Benefits

Market benefits include improved stability, transparency, sustainability, and broader participation.

- **Rate Review Timelines:** Improved to provide market certainty, supporting the long-term stability of insurance rates.
- **Rate Filing Procedures:** Enhanced to maintain intervenor transparency, fostering confidence in the insurance market.
- **Risk Assessment Tools:** Introduction of catastrophe modeling regulations ensures the sustainability of coverage and rates, and exploration of California-only net costs of reinsurance protects consumers from the costs of global catastrophes.
- **Increased Transparency:** Making intervenor filings more publicly accessible and encourage broader participation and understanding of the rate-setting process.

California Department of Insurance Enforcement and Resources

The Department of Insurance (CDI) will continue to ensure public input, insurance company commitments, rate approval process efficiency, additional staff resources, and reporting on progress.

- **Regulatory Process Control:** CDI maintains control over the rate review and catastrophe modeling processes, guaranteeing public input and transparency compliance.
- **Binding Agreements:** Insurance companies must increase writing and set clear targets to reduce reliance on the FAIR Plan.
- **Rate Filing Control:** Updates to rate filing processes enhance efficiency and accessibility.
- **Additional Department Staffing:** To implement major regulatory changes by December 2024 and improve rate filing processes.
- **CDI Reporting:** Periodic progress reports on insurance availability, rulemakings, and FAIR Plan depopulation efforts.

Major Actions Taken to Date

Major actions include regulations for wildfire mitigation, insurance discounts, expanded FAIR Plan coverage, and modernization efforts, as well as partnerships for climate sustainability.

Wildfire Response

- "Safer from Wildfires" Regulation: Sets community-wide mitigation standards and rewards consumers and businesses for property hardening with first-in-the-nation mandatory discounts.
- Expanded FAIR Plan Coverage: Includes agrobusiness, outdoor, and recreation businesses.
- Continued Modernization of the FAIR Plan: Provides consumers with more options.

Climate Response

- "Climate and Sustainability Branch": The first in the country at any state insurance department.
- "Climate Insurance Working Group": Generated California's first-ever Climate Insurance Report.
- United Nations Partnership: Launched "California's Sustainable Insurance Roadmap."

Commissioner Lara's Sustainable Insurance Strategy is a visionary approach to address the evolving insurance landscape, benefiting both the insurance market and consumers alike by ensuring access, affordability, and resilience in the face of changing climate change-intensified catastrophic risks.



Scan the QR
code to learn
more.