

CALIFORNIA DEPARTMENT OF INSURANCE

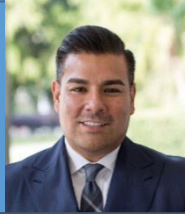


Julia Juarez

*Deputy Commissioner, Community
Relations and Outreach*



ROLE OF INSURANCE COMMISSIONER RICARDO LARA



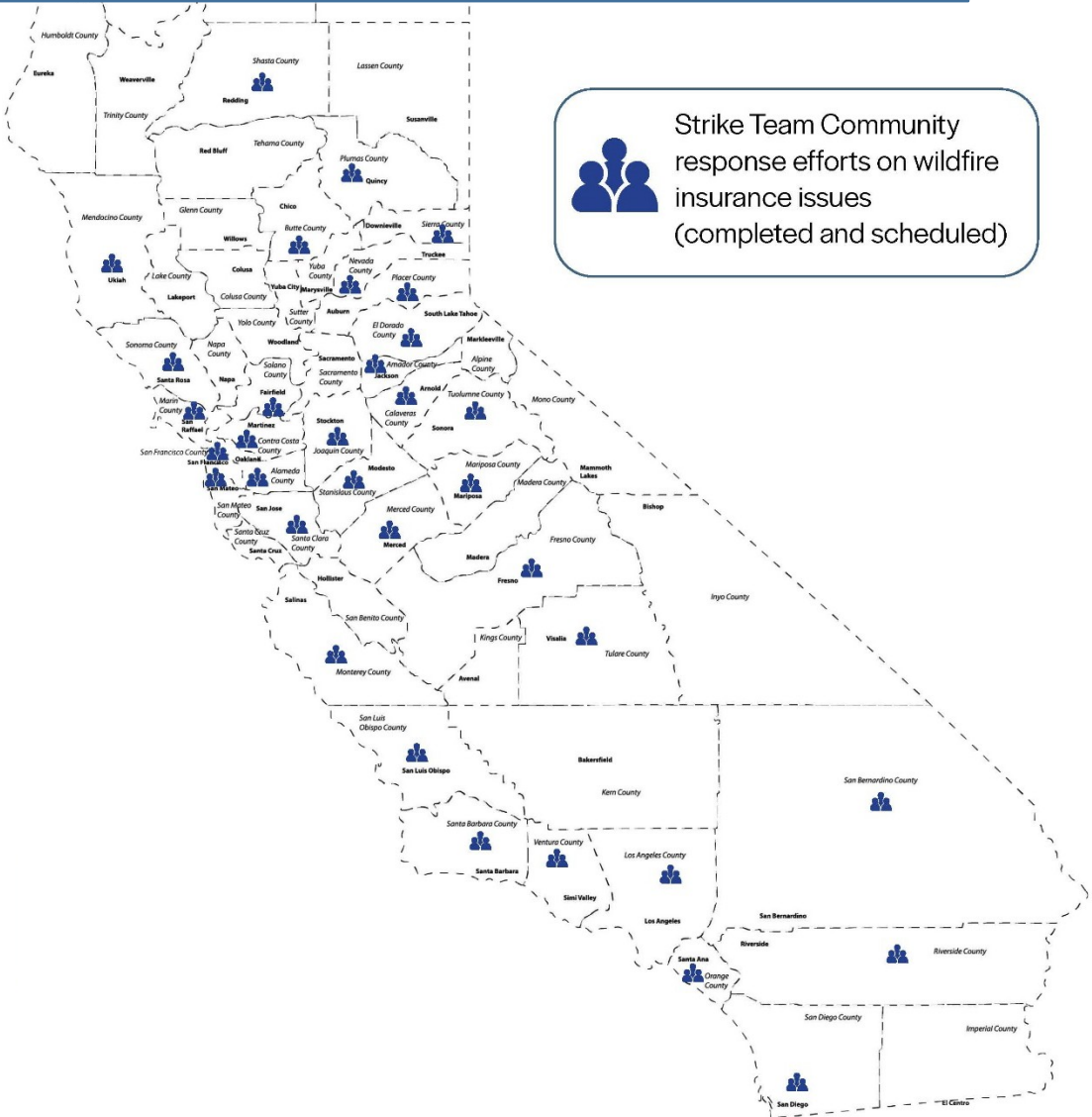
- **Protect consumers from fraud and abuse**
- **Regulate Most Lines of Insurance and Maintain Insurer Solvency**
- **Set standards for agents and broker licensing**
- **Perform market conduct reviews of insurance companies**
- **Resolve consumer complaints**
- **Investigate and prosecute insurance fraud**
- **Cannot require or compel insurance companies to sell insurance**

What CDI Has Done

150,000 people
to hear wildfire and
insurance concerns
through

875 virtual
events in all
58 counties

Since 2019



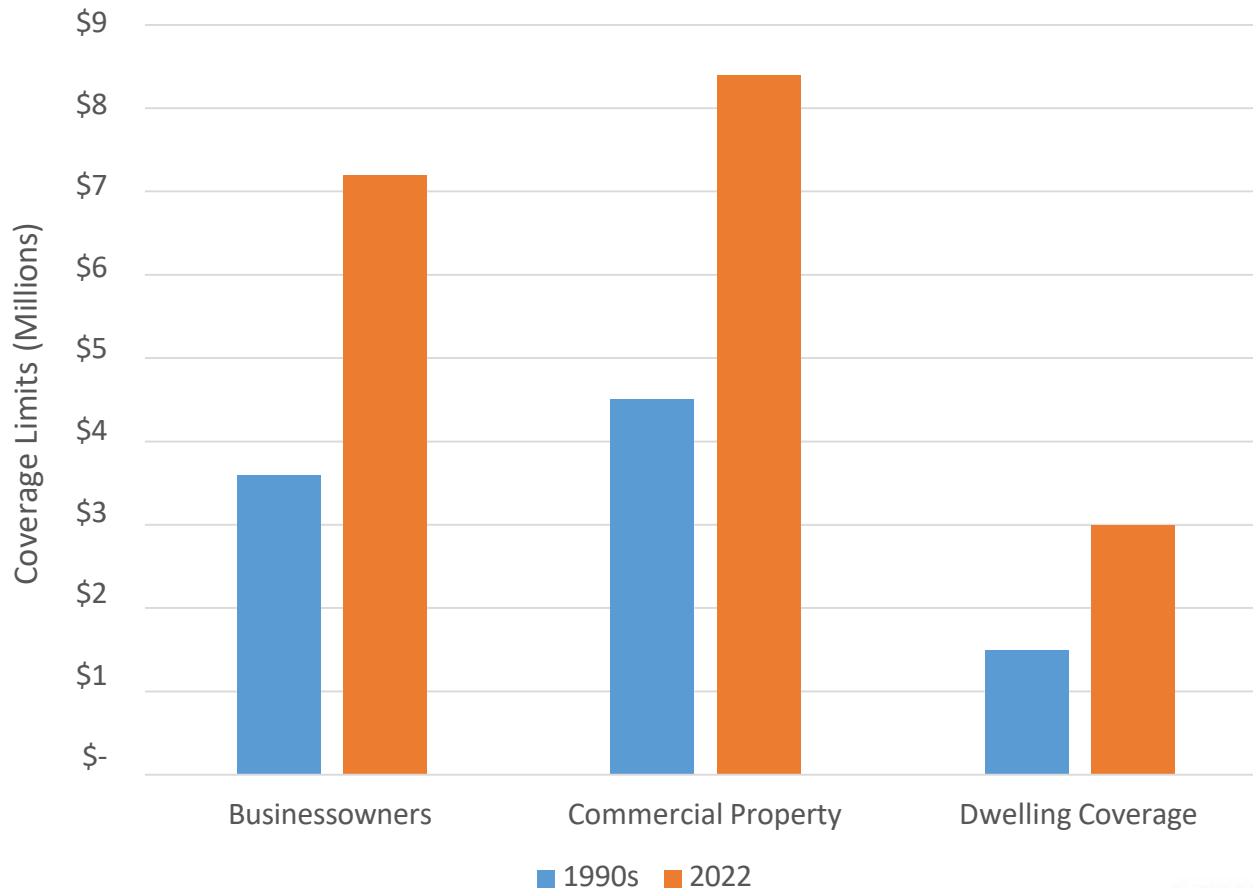
RICARDO LARA
INSURANCE COMMISSIONER

Progress Report



- Removed barriers to allow wildfire survivors to receive critical insurance benefits
 - Coverage for evacuation expenses
 - Extensions to additional living expenses
 - Created disclosures and coverage to meet upgraded building codes
- One year moratorium from non-renewals (More than 4 million policyholders protected)
- Increased non-renewal notice from 45 to 75 days

Improving the FAIR Plan



Improving the FAIR Plan

- Asked FAIR Plan to provide complete HO3 policy, FAIR Plan sued – won – FAIR plan is appealing
- Held Investigatory Hearing on July 13th on FAIR Plan & how it may better serve homeowner and commercial consumers
- Continued engagement with local, county and state officials along with consumer groups, businesses and insurance industry
- Department is available to review your specific HOA matters with legal representatives

Safer from Wildfires in

1

2

3

Launched in January 2022, Safer from Wildfires is an interagency partnership between Insurance Commissioner Ricardo Lara and the state's emergency response and readiness agencies to protect lives, homes, and businesses by reducing wildfire risk.



Cal OES
GOVERNOR'S OFFICE
OF EMERGENCY SERVICES



Governor's Office of
Planning and Research



CALIFORNIA
Public Utilities Commission

RICARDO LARA
INSURANCE COMMISSIONER

California Department of Insurance

Safer from Wildfires in

1

2

3

1 Protecting the structure



- Class-A Fire rated roof
- Maintain a 5 foot ember-resistant zone around a home (including fencing within 5 feet)
- Noncombustible 6 inches at the bottom of exterior walls
- Ember and fire-resistant vents (See Low-Cost Retrofit List, and Chapter 7A)
- Upgraded windows (Double paned or added shutters)
- Enclosed eaves



CALIFORNIA
Public Utilities Commission

RICARDO LARA
INSURANCE COMMISSIONER

California Department of Insurance

Safer from Wildfires in

1

2

3

2 Protecting the immediate surroundings



- Cleared vegetation and debris from under decks
- Removal of combustible sheds and other outbuildings from the immediate surroundings of the home, to at least a distance of 30 feet
- Defensible space compliance (including trimming trees, removal of brush and debris from yard, and compliance with state law and local ordinances)



CALIFORNIA
Public Utilities Commission

RICARDO LARA
INSURANCE COMMISSIONER

Safer from Wildfires in

1

2

3

3 Working together as a community



- A community should have clearly defined boundary and a local risk assessment in consultation with the local fire district or state fire agency; an identified evacuation route, cleared of vegetative overgrowth, and evacuation plan contingencies; clear funding sources to implement community mitigation activities and meet clear risk reduction goals; and integrated and up-to-date local planning documents pertinent to community wildfire risk.
- Current examples include the Fire Risk Reduction Community designation under development by the Board of Forestry, Firewise USA communities in good standing, and Shelter-in-Place designations.



CALIFORNIA
Public Utilities Commission

RICARDO LARA
INSURANCE COMMISSIONER

Regulations to lower costs and increase transparency

- Require insurance companies to **provide discounts to homeowners and businesses for hardening their homes**
- Provide consumers with **transparency about their “wildfire risk score”** that insurance companies assign to properties
- Give consumers the **right to appeal** their risk determination
- Public hearing was April 13 — regulations were approved October 14th
- Insurance Companies now have until April 12, 2023 to submit plans on how they will incorporate new regulations

The Framework is Working!

- **Premium discounts now available to 2 out of every 5 consumers**, with up to 20 percent discounts for wildfire-hardened homes – 6x increase since 2019
- Safer from Wildfires Framework gets all insurance companies to offer discounts for mitigation
- Check the CDI website to see if your insurance company is offering discounts



QUESTIONS?

1-800-927-4357
insurance.ca.gov

