

# CALIFORNIA DEPARTMENT OF INSURANCE

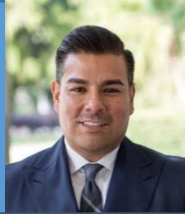
## *CDI Overview & SFW*



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# ROLE OF INSURANCE COMMISSIONER RICARDO LARA



- **Protect consumers**
- **Maintain insurer solvency**
- **Set standards for agents and broker licensing**
- **Perform market conduct reviews**
- **Resolve consumer complaints**
- **Investigate and prosecute insurance fraud**
- **Cannot require or compel insurance companies to sell insurance**

# 2021 Accomplishments

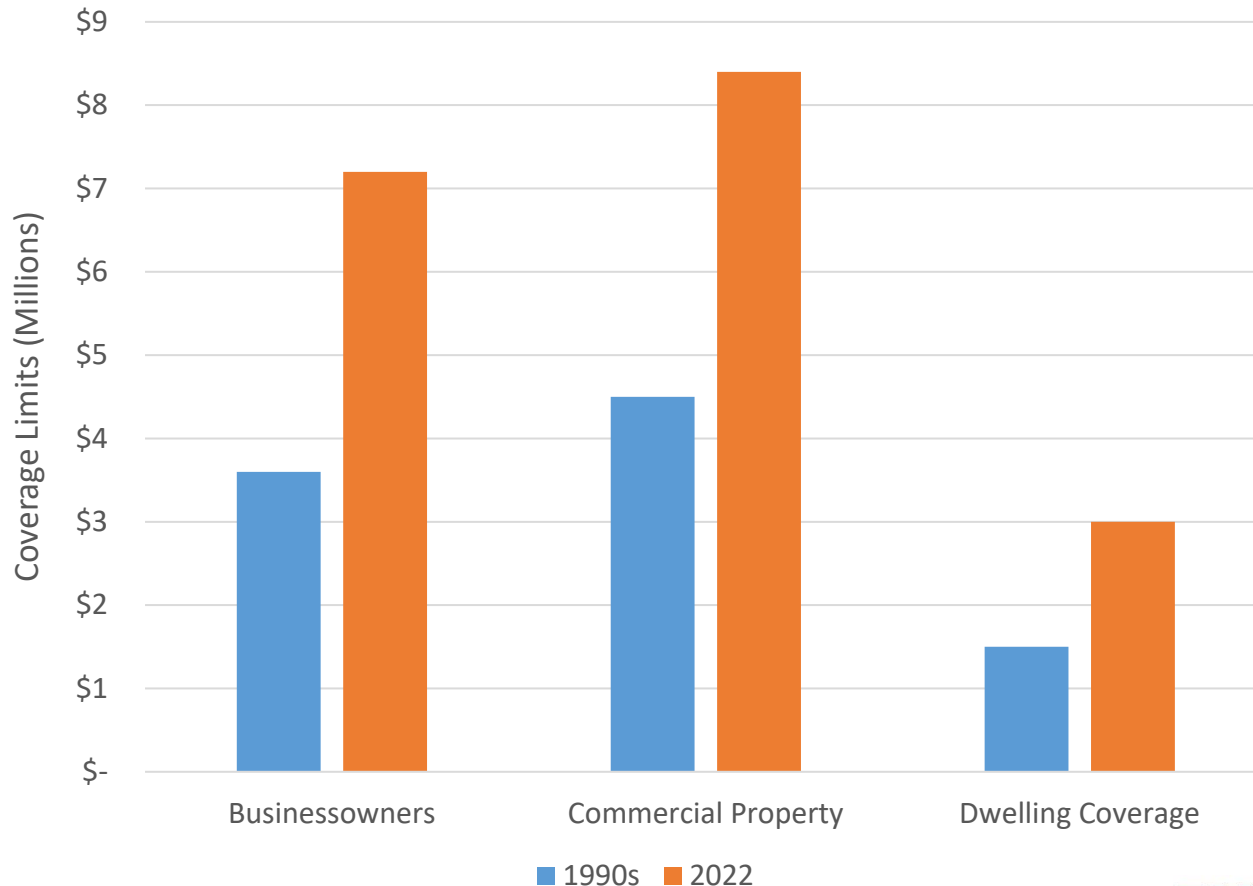
- Over **\$2.4 BILLION** in CA Driver premium relief
- Over **\$5 MILLION** recovered by CDI's Legal Branch
- Handled over **168,000** calls and in person assistance
- Recovered over **\$166 MILLION** for consumers

# Progress Report



- Removed barriers to 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
- Increased non-renewal notice from 45 to 75 days

# Improving the FAIR Plan



## Regulations to lower costs and increase transparency

- **Pricing - incorporate wildfire safety actions**
- **Transparency about their “wildfire risk score”**
- **Right to appeal**
- **Regulations are now state law**
- **April 12 deadline to submit to rates**

# Safer from Wildfires in 1 2 3

**Safer from Wildfires is an interagency partnership between Insurance Commissioner Ricardo Lara and the emergency response and readiness agencies in Governor Gavin Newsom's administration to protect lives, homes, and businesses by reducing wildfire risk.**

With California experiencing devastating, climate change-intensified wildfires, homes and businesses need insurance they can rely on. Commissioner Lara is using every tool available to improve insurance for our communities. Drawing on the direct experience of first responders and the latest research on wildfires, the partnership created a consistent approach to reducing risk with a list of achievable and effective actions to help make existing homes and businesses safer from wildfires. The ultimate goal is protecting consumers by reducing wildfire risk in their communities, making insurance available and affordable for all Californians.

This "ground up" approach for wildfire resilience has three layers of protection — for the structure, the immediate surroundings, and the community — to prevent wildfires from catching and spreading to other homes and businesses in the neighborhood.



**Cal OES**  
OFFICE OF  
EMERGENCY SERVICES



Governor's Office of  
Planning and Research



CALIFORNIA  
Public Utilities Commission

Commissioner Lara is working to increase available incentives for wildfire safety. To view the list of insurance companies currently offering discounts visit [insurance.ca.gov](https://insurance.ca.gov).

## 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

## 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)

## 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.

**RICARDO LARA**  
INSURANCE COMMISSIONER

California Department of Insurance

# FAQs

- **CDI cannot require insurers to write coverage**
- **CDI expects the FAIR Plan to comply**
- **Effects both Community-level and Property-level mitigation efforts**
- **Includes both residential and commercial properties**



# Resources

- **Top Ten Tips for Finding Residential Insurance**
- **Insurers Currently Offering Discounts**
- **Grants for Wildfire Risk Reduction**
- **Homeowners Coverage Comparison Tool**
- **Home Inventory**
- **Flood Insurance Fact Sheet**



**QUESTIONS?**

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

