

Bach Talk: CALIFORNIA HOME INSURANCE UPDATE - 2024

The following is an update on the California home insurance situation from the non-profit consumer organization, United Policyholders, (“UP”). UP is working hard to help California property owners stay insured and financially protected despite unprecedented availability and affordability challenges in the current marketplace.

Insurers are continuing to non-renew (drop) existing customers and decline applications for new policies. Premiums are continuing to rise, and the California Fair Plan, our insurer of last resort, is struggling to meet sharply increased demand, processing up to 900 new applications per day. Reducing wildfire risk is more important than ever for suburban and rural property owners. We believe the situation will eventually improve, but here’s where we are in the here and now. Below you’ll find links to shopping guidance and updates on a few of our related workstreams.

Bottom line: As soon as you get a non-renewal notice, start shopping, and don’t go on rumors. Dig for options, be patient. Insurers are still in the CA market but with strict limits/quotas on how many policies they’ll sell in given areas. Your fallback is the Fair Plan, flawed as it may be, it’s coverage. If an insurance agent tells you that your only option is the Fair Plan, we recommend contacting at least one other agent who may lead you to other potential options.

Shopping Guidance and workstream updates:

Updated shopping tips: www.uphelp.org/buying-tips/updated-home-insurance-shopping-tips-2023/

What to do when you’ve been non-renewed: www.uphelp.org/droppedCA

The information presented in this publication is for general informational purposes and is not a substitute for legal advice. If you have a specific legal issue or problem, United Policyholders recommends that you consult with an attorney. Guidance on hiring professional help can be found in the “Find Help” section of www.uphelp.org. United Policyholders does not sell insurance or certify, endorse or warrant any of the insurance products, vendors, or professionals identified on our website.

Source: <https://uphelp.org/bach-talk-california-home-insurance-update-2024/> Date: April 2, 2025



Resources for reducing your wildfire risk and increasing your home's insurability: www.uphelp.org/WRAP

Options through the California FAIR Plan (CFP): www.uphelp.org/CFP

NOTE: If your home meets the IBHS Wildfire Prepared Home or Safer From Wildfires standards, you are eligible for a Fair Plan premium discount of up to 15%.

Big Picture: <https://uphelp.org/bach-talk-an-insured-future-depends-on-bold-public-private-innovation/>

Sacramento: While UP supports the California Insurance Commissioner's Sustainable Insurance Strategy initiative, it is more imperative than ever that his agency have adequate resources to verify the accuracy of cost and claim projections and models in insurer rate filings to prevent excessive rates.

<https://uphelp.org/up-alerts-ca-legislators-to-proceed-with-caution-on-insurers-wish-list/>

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