

[California couple loses homeowners' insurance after draining their swimming pool to save water](#)

ABC7 NY

It's becoming harder and harder to get a homeowner insurance policy in California. State Farm and Allstate stopped writing new policies, citing wildfire risks. Others are limiting new customers.

And now, several viewers tell San Francisco's KGO-TV that AAA is not renewing their longtime policies — and it has nothing to do with wildfires.

These homeowners were surprised to find out aircraft and satellites were taking photos over their homes. They were baffled to find out the reasons AAA dropped their coverage — everything from clutter in the yard to draining a swimming pool to save water.

When KGO last met CJ Sveen of Oakley, AAA had just notified him it would not renew his homeowner insurance. AAA said he had debris and hazards in his yard.

"Apparently they have some pictures and they noticed clutter," Sveen said. "I find that offensive. How dare you judge me because of my stuff!"

Sveen said the yard is his workshop — not a hazard. Sveen said, "There was no chance to mitigate, clean up, do anything, it was just, you're fired."

George Nadeau of San Rafael also got a non-renewal notice — but this time, AAA said it was because his roof had "exceeded its useful life."

"I think obviously that their drone surveillance was bogus," Nadeau said. "And that's crazy. We have one

of the best maintained residences in the neighborhood. And we've kept very good care of our roof!"

Nadeau sent invoices to a local agent showing he had a new roof installed on his home seven years ago and a \$4,000 upgrade just last March. He also sent photos of the finished roof.

"We've lived in this house for 50 years and have maintained our roof in a very effective way. So to have an insurance company telling me that I'm not doing my job is a little bit annoying," Nadeau said.

The company said the decision was final. Nadeau appealed to a local agent.

"And she literally said they're looking for excuses to eliminate homeowners policies in this area. I'm 85 years old. I feel like I'm a victim of some kind of conspiracy. Give us some consideration for the good citizens we've been all these years," Nadeau said.

AAA cited a puzzling reason for not renewing Marilyn Smith's policy. She and her husband had drained their swimming pool to conserve water — during the drought.

"I think I was in so much shock, I couldn't believe it," Smith said. "I mean, we were both in shock. Because the pool is empty. What's that got to do with canceling your home insurance?"

The couple drained the pool after their grandchildren grew up and moved away.

"We decided well, we don't use it you know, the kids have moved in different states... that saves us on maintenance... and then just the water, because it does evaporate, so you have to be putting water in there every couple of days... and that's not a small little pool. Water was becoming very expensive," Smith said.

Now they use the empty pool like a hothouse to grow potted tomatoes and lettuce. But the AAA notice said the pool showed signs of "deferred maintenance."

"She just flat out said because the pool was empty," Smith said. "I don't understand what their problem is. Because you empty a pool and you're saving on water."

CSAA Insurance Group, the parent of AAA, said: "CSAA Insurance Group has provided homeowners

insurance to AAA members in Northern California for more than 40 years. Over that time, we've helped thousands of AAA members recover from home damage and disasters. To continue offering industry-leading insurance coverage, we must periodically evaluate our exposure to risk. After careful review of our exposure, we continue to offer insurance throughout Northern California as long as our underwriting criteria are met. CSAA Insurance Group evaluates many sources of information to assess the condition of properties we insure, including third-party proprietary aerial imagery captured by fixed-wing aircraft and satellites. Out of respect for customer privacy, CSAA Insurance Group does not comment on specific situations or policies, but we will follow-up to better understand these concerns."

Consumer advocate Amy Bach of United Policyholders said insurance companies are using new technology like drone surveillance to look for potential risks.

"Insure tech tools are scaring insurers," Bach said. "It's just very easy now for them to put a customer in the discard pile based on this tech information that they're using and buying. So far it's not really helping the consumer."

However, it's not all gloom. After searching for weeks, Sveen found a new and cheaper policy offered through the military — so did Smith and her husband. And after Nadeau sent in all those photos of his roof, AAA reinstated his policy after all.