

[California Department of Insurance Commissioner Protects More Than 2 Million Policyholders Affected by Wildfires from Policy Non-Renewal for One Year](#)

Sierra Sun Times

November 5, 2020 - LOS ANGELES, Calif. — Insurance Commissioner Ricardo Lara issued a mandatory one-year moratorium on insurance companies non-renewing or cancelling residential property insurance policies—helping 2.1 million policyholders, or 18 percent of California’s residential insurance market, affected to date by the record 2020 wildfire season. The Commissioner’s action implements a California law that he authored in 2018 while serving as state senator in order to provide temporary relief from non-renewals to residents living within or adjacent to a declared wildfire disaster.

Today’s announcement also affects nearly 364,000 policyholders who were included in last year’s moratorium, giving these particular policyholders an additional period of protection.

Today’s moratorium order follows Governor Gavin Newsom’s emergency declarations this year on August 18, September 6, September 10, and September 28, giving protections for one year from those dates for residential insurance policies in ZIP codes within or adjacent to the fire perimeter. Consumers can go to the California Department of Insurance website to see if their ZIP code is included in the moratorium. This is the second year Commissioner Lara has implemented the 2018 moratorium law. After last year’s wildfire emergencies, he invoked the law for the first time on December 5, 2019, to protect more than 1 million policyholders who suffered either a partial loss or no loss in that year’s fire emergencies.

“Losing your insurance should be the last thing on someone’s mind after surviving a devastating fire,”

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<https://uphelp.org/california-department-of-insurance-commissioner-protects-more-than-2-million-policyholders-affected-by-wildfires-from-policy-non-renewal-for-one-year/> Date: March 18, 2025

said Commissioner Lara. “My action gives millions of Californians breathing room and hits the pause button on insurance non-renewals while we take additional steps to expand our competitive market.”

“If we don’t want to be in this position every year, we have to reduce the risk to lives and homes, which means everyone plays a part—homeowners and state and local governments through home-hardening, the federal government through forest management, and the insurance industry working as a partner,” he added.

Commissioner Lara announced further action following the first-ever investigatory hearing on wildfires and homeowners insurance availability that he held on October 19, attended by more than 500 homeowners, first responders, advocates, and insurance representatives. As a follow-up to that hearing, he will convene a second virtual meeting on December 10 regarding potential administrative and regulatory changes to incentivize home-hardening and discuss models that are based in fire science to protect lives and property.

“Today’s announcement by Commissioner Lara and his team is exactly the good news California homeowners, local governments and realtors need to hear,” said Amy Bach, Executive Director of United Policyholders. “In the aftermath of 2020’s devastating wildfires, and after struggling to feel safe again, residents in and near the impacted communities are now fearing they’ll be dropped when their policies come up for renewal. United Policyholders commends the Department of Insurance for taking decisive action to calm their fears and keep order in the home insurance marketplace as we work together to establish the statewide mitigation and reward program that will help reduce wildfire risk and restore available, affordable options for consumers.”

“This moratorium ensures that families whose homes survived the flames do not lose their homes because insurers refuse to continue their coverage. With insurance, we pay year after year even though we hope never to need it, and California law helps make it a fair deal by saying that insurers cannot suddenly drop us just because a fire got close,” said Douglas Heller, California-based insurance expert for the Consumer Federation of America. “Today’s announcement provides a year of protection for consumers, but it also makes clear that we have to work on understanding and reducing the risk that wildfires pose to communities throughout our state.”

Following Governor Newsom’s emergency declarations, the Department of Insurance partnered with the

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California Department of Forestry and Fire Protection (CAL FIRE) and the Governor’s Office of Emergency Services (CalOES), pursuant to statute, to identify wildfire perimeters for the mandatory moratorium area. The Department of Insurance will continue to collaborate with CAL FIRE and CalOES to identify additional wildfire perimeters for any future fires where there is a declaration of a state of emergency.

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