

California Homeowners Living in Wildfire-Prone Areas May No Longer Have Insurance

Scribber

At least [2.1 million Californians](#) are at risk of losing insurance coverage on homes in wildfire-prone areas. California's moratorium on insurance companies dropping coverage for homeowners in wildfire-prone areas is planned to end in November. As wildfires raged along the state last year, California residents living in wildfire-prone territory were given temporary relief from losing their insurance coverage for another year.

This year, the wildfire season is [occurring earlier and is projected to last longer](#) as well. With this, California residents are faced with an even larger challenge. Not only has the timeline for wildfires shifted, but also where they occur. Geographically, wildfires are expanding to areas that have been [thought to be immune from fires](#). According to a [new study by the Proceedings of the National Academy of Sciences](#), wildfires are now reaching high elevations in mountainous areas that were previously too wet to burn.

On June 17, a wildfire erupted in Monterey County burning [more than 2,800 acres, and causing](#) more than 450 firefighters to work on putting it out. The fire has forced hundreds of residents to evacuate and continued to threaten historical sites like one of the country's [oldest Japanese Buddhist Soto Zen monasteries](#). Additionally, on June 17 firefighters battled to contain another wildfire in Big Sur. Coupled with dry weather conditions, the raging wildfire threatened [historical sites, ranches and cabins](#).

"It seems quite likely there will be more fires that will trigger new moratoriums," Amy Bach, executive director of United Policyholders, a nonprofit organization providing information for consumers of all types of insurance in the U.S., told Scriberr News.

The annual wildfires have [further exacerbated](#) California's insurance market crisis as insurance

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companies inflated coverage prices to double or triple the rate as people continued to look for replacements.

As housing prices skyrocket and the demand for houses increase amid decreasing supplies, real estate developers have been looking to build homes in areas deemed “fire hazard severity zones,” according to the [Sacramento Bee](#). Lawmakers have tried to halt or curb the practice but without much success. However, Attorney General Xavier Becerra joined lawsuits to [cease two developments](#) in Lake and San Diego counties on the account of fire risk.

“Developing more housing supply is an area of profound concern, and we also need thriving businesses to employ local residents and strengthen our economy. Neither of these will happen if we adopt a perspective that wildfire-prone areas of the state should cease all development,” Lake County Supervisor Moke Simon told the [Sacramento Bee](#).

Meanwhile, Gov. Gavin Newsom and lawmakers are rushing to [extend the state’s eviction moratorium](#) that is set to expire on top of the looming homeowners’ insurance in wildfire-prone areas moratorium.