

[California lawmakers propose wildfire insurance bill to protect homeowners](#)

KCRA 3 News

EL DORADO COUNTY, Calif. —

A bill introduced into the California Legislature on Tuesday would add protections to some homeowners at risk of nonrenewals.

The “Renew California Bill” would require insurance companies to write or renew policies for existing homes in communities that meet state standards for fire-hardening. The bill would also require insurers to offer financial incentives for homeowners to do the work to make their homes more fire-safe.

AB 2367 was introduced by assembly members Lorena Gonzalez, D-San Diego, Monique Limon, D-Santa Barbara, Insurance Commissioner Ricardo Lara and United Policyholders.

“More Californians are hardening their homes against wildfires but not seeing the results of their hard work when it comes time to obtain or renew insurance,” Lara said. “We need insurance companies to renew their commitment to wildfire safety with incentives that will allow Californians to lower risk while stopping the domino effect of unstable real estate markets and a declining local tax base for vital services.”

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According to the state, the following counties had increased nonrenewals by more than 10% in the 2017-2018 fiscal year:

Nevada County 38%
Santa Barbara County 19%
Tuolumne County 15%
San Diego County 14%
San Luis Obispo County 14%
Yuba County 14%
El Dorado County 12%
Napa County 11%

“It’s a big issue. We get calls every day, all day long, about people that are being dropped,” El Dorado County Supervisor Brian Veercamp said. “From the real estate side as well — can’t sell, can’t buy. Because who is going to do it if you can’t get insurance for it? So, it’s becoming a very big financial impact, especially in El Dorado County, or other rural counties, because we are pretty much property tax based. And if the property tax doesn’t come in, guess what? You don’t have the revenue to pay your bills.”

The two largest insurance trade associations issued a joint statement that says in part:

“We must strike a balance that ensures the availability of coverage and safeguards insurers’ ability to pay homeowners’ claims in the face of large-scale disasters ... claims payments from two consecutive years of devastating wildfires have left California homeowners insurers with an underwriting loss of over \$10 billion.”