

[Gov. Newsom signs law requiring home insurers give policyholders more time before cancellations](#)

The Press Democrat

Gov. Gavin Newsom on Saturday signed legislation into law that makes insurers give homeowners longer advance notice before canceling their policies. The law increases the minimum time notification for homeowner policy nonrenewals from 45 days to 75 days. However, the change does not go into effect until July 1, 2020 to allow time for insurers time to make adjustments to comply with the statute, said Assemblymember Tom Daly, D-Anaheim, who sponsored the bill. The policy cancellation issue is increasingly coming to the forefront locally in the aftermath of the 2017 North Bay fires. Insurance agents and consumer advocates expect those cancellations to pick up as home insurers reassess their property risks given the escalating threat of severe wildfires in Sonoma County and the surrounding counties. “I appreciate Gov. Newsom’s support for this bill, which will provide homeowners tangible near-term benefits in what has become, for many people, a difficult homeowner’s insurance market,” Daly said in a prepared statement. The law also provides incentives for insurers to sell and renew property policies in the most dangerous fire-prone areas through credits provided by the FAIR plan, the state’s home insurer of last resort. And the measure increases the limit on claims payments made by the California Insurance Guarantee Association to \$1 million to cover insurers that go insolvent. In a flurry of other bills he signed over the weekend, Newsom on Sunday put his signature on legislation sponsored by Assemblymember Jim Wood, D-Santa Rosa. This law will restrict the profits of large dialysis clinics when a patient’s health insurance premiums are covered by third-party providers. The large clinics have been able to collect “significantly higher reimbursement” for dialysis treatments, more than four times what they would typically receive from Medicare.

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