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What's happening?

The Washington Post reported that Allstate has been approved to raise insurance premiums by 34% on average.

This change, green-lighted by California insurance officials, is set to impact 200,000 households in a state prone to wildfires, according to the outlet. In fact, filing data seen by the Post shows that one homeowner will see the cost of insurance rise by 385%.

Why is this price hike concerning?

Through September 25, Cal Fire reported the state had witnessed 6,378 wildfires in 2024, with 995,974 acres burned. Some 254 structures have been damaged, while 1,433 have been destroyed.

People have seen their homes and businesses destroyed, and insurance will be a lifeline for those who were covered. However, with prices continually rising, many people cannot afford to pay for insurance, making them vulnerable to financial damage as well as the risk to life that wildfires bring. Some people are even leaving the state for safer areas.

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Those anticipating future wildfire events — which are becoming more frequent, more intense, and longer lasting because of the effects of rising global temperatures caused by human activity — are having to pay huge fees for insurance coverage or else gamble on not having protection at all.

“If you’re one of the California homeowners insured with the ‘good hands’ people and already paying more due to an Allstate rate increase that hit earlier this year, yesterday’s announcement of another much higher increase doubles down on the bad news,” Amy Bach, executive director of United Policyholders, told the Post.

What can be done about wildfires in California?

Bach suggested that shopping around or contacting an insurance agent might help to get a better deal. However, the state is going through a home insurance crisis, with plans becoming more expensive or being pulled entirely, so getting coverage is becoming increasingly difficult.

However, reducing the risk of wildfires will help convince insurance companies to provide coverage again or at least alleviate costs. That starts with slowing down the rate of rising temperatures, which results in hotter, drier conditions that are ideal for wildfires to thrive.

Thankfully, Californians aren’t scared of making necessary lifestyle changes to achieve this. According to the California Energy Commission, nearly 2 million light-duty zero-emission vehicles were sold in the state until the end of 2024’s second quarter. Meanwhile, California is looking to achieve 100% pollution-free electricity production by 2045, with wind, nuclear, and solar power all key to reaching this goal.

According to the National Interagency Fire Center, humans cause more than 85% of wildfires. Avoiding machines that cause sparks, such as gas-powered garden equipment, is one of the ways you can reduce the risk of starting a fire.

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