

[Liberty Mutual Pulls Fire Insurance From 17,000 Customers in California](#)

Building Elements

In a significant and alarming development, Liberty Mutual Fire Insurance has announced that it will not renew fire insurance policies for approximately 17,000 customers in California. This move adds to a growing trend of insurance companies scaling back or altogether abandoning the state's market, leaving many homeowners in a precarious position. Suzanne Phan from ABC7 News Bay Area provided detailed coverage of this unfolding situation, highlighting the challenges faced by affected policyholders.

The Scope of the Non-Renewals

The non-renewals specifically target “dwelling fire insurance” policies, which cover damage to the structure of a home in the event of a fire but do not extend to the contents within the home. These types of policies are particularly crucial for landlords and vacation homeowners, who rely on them to protect their investments. Phan reported that these changes began last fall and will continue through November, potentially leaving many homeowners without crucial coverage as fire season looms.

Personal Impact: Larry Langford's Story

One of the affected individuals, Larry Langford from West Sacramento, shared his frustration with Phan, revealing that his policy will expire in just two weeks. Langford, who described his situation as “very frustrating,” explained that his insurance was not being renewed due to issues unrelated to wildfire risks. Instead, Liberty Mutual cited reasons such as having a debris-splattered yard and oak trees too close to his home. This decision has left Langford and many others scrambling to find alternative coverage.

Liberty Mutual's Explanation

According to a Liberty Mutual spokesperson, the company's decision to discontinue these policies stems from the retirement of outdated technology used to manage dwelling fire insurance policies. The company emphasized that this decision is not specific to California and is unrelated to the state's notorious fire risks. However, for many policyholders, this explanation offers little comfort, as they face

the daunting task of securing new insurance in a market that has become increasingly volatile.

Consumer Confusion and Frustration

Amy Bach, Executive Director of United Policyholders and a consumer advocate for homeowners insurance, spoke with Phan about the broader implications of Liberty Mutual's decision. Bach noted that the company's explanation – centered around retiring old technology – will be difficult for many consumers to understand. “All they know is I'm losing my insurance and I didn't do anything wrong,” Bach said, capturing the confusion and frustration felt by thousands of homeowners who suddenly find themselves without coverage.

A Broader Trend Among Insurers

Liberty Mutual is not alone in pulling back from California. Phan highlighted that this move follows similar actions by other major insurance companies like Allstate, State Farm, Farmers, and Travelers, all of which have either dropped policies or significantly raised rates in recent months. Critics argue that insurance companies are increasingly looking for any excuse to exit the California market, a trend that is leaving more homeowners in limbo.

The Role of New Technology

Bach explained to Phan that the Department of Insurance has allowed companies to use new technologies, such as aerial drones and AI-driven data mining, to assess fire risks and set insurance rates. These advancements enable insurers to make more precise business decisions, but they also underscore the fact that these companies are primarily motivated by profit. This has raised concerns that more homeowners will be left without coverage as insurers continue to reevaluate their risk assessments.

What Homeowners Can Do

For those affected by these non-renewals, Bach advises immediate action. Homeowners have 75 days from the time they are notified of their policy's non-renewal to find a new insurer. Bach urges individuals to start shopping for new policies as soon as possible and to seek out reputable agents who can guide them through this challenging process. She also recommends visiting the United Policyholders website for additional resources and advice.

A Glimmer of Hope: Safeco Insurance

Despite the widespread non-renewals, Liberty Mutual has stated that it will continue to offer dwelling fire insurance coverage in California through its Safeco Insurance brand. However, this small concession may

not be enough to quell the anxiety of the 17,000 customers who now face uncertainty as they navigate the shrinking options available in the state.

“War on Business in General”

People in the comments shared their thoughts: “I don’t trust insurance companies anymore. I am just learning how to do all my own home repairs. They want their monthly payment and then say not our problem when you need help. Why would I ask them for help or give them my money.”

One person added: “This state has declared war on business in general, and it is winning. The citizens are the hapless collateral damage...”

Another commenter said: “Insurance companies are the worst they just want their monthly dues nothing else.”

The Bigger Picture

The decision by Liberty Mutual to withdraw fire insurance policies from so many customers in California is just one part of a larger, troubling trend. As insurance companies reassess their involvement in the state, more homeowners are finding themselves vulnerable, with fewer options for protecting their homes. This situation raises important questions about the future of the insurance industry in California and the potential long-term impacts on residents who depend on these services for peace of mind. As Bach poignantly noted, “This is a business for them,” but for homeowners, it’s about much more than just business—it’s about security and stability in an increasingly uncertain world.

A Growing Trend

What do you think? How should California address the growing trend of insurance companies pulling out of the state, and what can be done to protect homeowners who are left vulnerable? Is the use of advanced technologies like drones and AI in assessing fire risks a fair practice, or does it disproportionately disadvantage certain homeowners? What are the broader implications of insurance companies prioritizing profit over coverage, especially in high-risk areas like California?