

## **Recent Quakes Push Interest, Sales of Policies in California**

Insurance Journal

Some people don't need Earth Day to be reminded they live on a planet powered by the forces of nature. The recent string of earthquakes on the Pacific belt may have hit home with California homeowners, who were already a bit shaken up by the 5.1 magnitude earthquake that struck La Habra on March 28. The Southern California quake occurred at a shallow depth of 4.6 miles, with hundreds of aftershocks reported afterward, according to the United States Geological Survey. Damage from the shaking, though noticeable to many residents, wasn't particularly large, and there was no reported loss of life or significant injuries. Days later an 8.2M earthquake struck off the coast of Chile, prompting the Pacific Tsunami Warning Center to issue tsunami warnings for Chile and Peru, which were later lifted. Several large aftershocks followed. Then on April 18, a 7.2M earthquake struck southwestern Mexico. Those quakes didn't do a great amount of reported damage or cost high numbers of lives, but they jarred the complacency out of some Californians, who turned to the California Earthquake Authority, possibly to figure out earthquake insurance entails – and a number of Californians evidently purchased policies. The night the quake struck Southern California and the days following visitors flocked to CEA's website, [www.earthquakeauthority.com](http://www.earthquakeauthority.com). Visitation also surged a bit after the quakes in Mexico and South America, according to CEA. "It happens really any time there's a noteworthy earthquake, even if it's not in California, but particularly if it is in California," said Glenn Pomeroy, CEA's CEO. "In the hours after the La Habra earthquake, hits to our website went through the roof." CEA, a privately funded, publicly managed entity that sells policies through participating insurers, is the organizer of the annual "ShakeOut" drills each year. The drill is Oct. 16 this year. On the Friday the quake struck there were 6,700 visitors, or hits, on the site – the bulk of those from 9 p.m. to midnight, according to Pomeroy. An average Friday yields about 1,700 hits, he said. During weekends website traffic falls as people go about business other than checking into their policies or reading up on the latest earthquake-related news. A typical weekend on the site sees roughly 480 hits, according to CEA. However, 5,600 hits were recorded on the Saturday following the La Habra quake, and on Sunday the site had 2,900 hits, CEA said. During the following

---

The information presented in this publication is for general informational purposes and is not a substitute for legal advice. If you have a specific legal issue or problem, United Policyholders recommends that you consult with an attorney. Guidance on hiring professional help can be found in the "Find Help" section of [www.uphelp.org](http://www.uphelp.org). United Policyholders does not sell insurance or certify, endorse or warrant any of the insurance products, vendors, or professionals identified on our website.

Source: <https://uphelp.org/recent-quakes-push-interest-sales-of-policies-in-california/> Date: April 19, 2024

workweek CEA reported that the hits just kept coming: Monday saw 8,300 hits, Tuesday (6,900), Wednesday (5,900), Thursday (4,900). A typical weekday sees fewer than 2,000 visitors, according to CEA. Following such seismic reminders it's not rare to see a spike in interest, or in the number of earthquake policies sold, Pomeroy said. CEA earthquake insurance is sold by insurance agents, who sell the policies through participating CEA-approved insurers, so there's a lag in getting a tally on policies sold during a particular period. It's only been a few weeks since the La Habra quake, but some data on policy sales are starting to come in, and so far it looks like during the weekend following the quake and the days after the number of new policies issued surged, according to Pomeroy. "We're going to be up a few thousand policies as a result of the La Habra earthquake," Pomeroy said. Pete Moraga, a spokesman for the Insurance Information Network of California, said the group's insurer membership often reports a surge in sales and interest in earthquake policies following a noteworthy quake. "What I've heard anecdotally is, yes, it happens after earthquakes," Moraga said. "We hear from both agents and insurance companies that interest in earthquake policies surge after earthquakes." But just because there's been some shaking that doesn't mean there are a whole lot of insured homeowners. When talking about earthquakes Moraga likes to quote the latest statistics on earthquake insurance from the California Department of Insurance. According to CDI, only 10.6 percent of California homeowners have earthquake insurance. Those who did experience the La Habra quake and acted likely took even greater notice of the following quakes around the world because the shaking that they experienced was fresh on their minds, Pomeroy said, adding, "These all just sort of blend together to remind us earthquakes are real." The fact the most recent quakes hit around the Ring of Fire, the volcanic and seismically active horseshoe shape around the basin of the Pacific Ocean, is also a message for those who are paying attention to that geographic area, Pomeroy said. "It has been particularly active lately," he said of the area. "I think Chile and the event in Mexico came at a time where Californians were focusing on the fact that it happens here."