

## **State Farm Was All In on California—Until It Pulled the Plug Before the Fires**

Wall Street Journal

Insurer aggressively grew in Los Angeles, despite getting overweight on fire risk, but decided to cut thousands of policies last year, adding to the state’s home-insurance crisis

After the pandemic, most home insurers were fleeing wildfire-prone areas of California. But State Farm was there—and making a huge bet.

It gobbled up market share—and generated substantial commissions for its agents—by insuring high-value homes in the Pacific Palisades and other Los Angeles neighborhoods that many of its competitors rejected as too vulnerable to wildfires. By 2022, State Farm had more than 20% of the California market, dwarfing its competitors. [Read more.](#)