Homeowners Insurance Webinar

Held on August 5, 2026

Co-Sponsored by:

Third District County Supervisor Justin Cummings, Rural Bonny Doon Association and the Loma Prieta Community Foundation

Community Q&A Summary

Compiled from audience questions submitted during the Homeowners Insurance in Wildfire Country Webinar on August 5, 2026. Responses combine what was said at the meeting with additional research from public sources (linked at the bottom).

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1. FAIR Plan Coverage, Renewals & Non-Renewal Notices

Q1. My renewal just arrived and "Dwelling Replacement Cost" coverage is no longer included. Why would that happen?

As noted at the meeting, the most common cause is an earlier notice from the insurer (or the FAIR Plan) requiring you to correct a specific risk condition on your property — such as vegetation clearance, roof condition, or defensible space — that went unanswered. If a required correction isn't confirmed, replacement-cost coverage can be reduced or dropped at renewal even though the base policy continues. It's worth checking your file for any earlier "notice of risk condition" or inspection letter and contacting your agent or the FAIR Plan directly to confirm whether that's what happened and how to get the coverage reinstated.

Q2. Insurers are telling homeowners to spend tens of thousands of dollars (e.g., a new roof) within 20 days or be dropped — and some of us can't comply that fast. What is the Department of Insurance doing about this?

California law distinguishes between *cancellation* (ending a policy mid-term) and *non-renewal* (not renewing at term end), and each has different notice rules:

1. For **non-renewal**, insurers generally must give at least 60–75 days' notice along with a stated reason, and policyholders have the right to ask the California Department of Insurance (CDI) to review that decision.

2. For **mid-term cancellation** after a policy has been active more than 60 days, insurers may only cancel for specific statutory reasons — including a "substantial increase in hazard" — and must mail or deliver notice at least 20 days before the cancellation takes effect (10 days for nonpayment or fraud).

Homeowners are increasingly reporting shorter-fuse "cure" letters tied to roof condition, especially since a roof-condition flag has become one of the more common ways carriers non-renew policies as they pull back from wildfire-prone parts of the state. If you receive one of these notices, you have the right to request a review through CDI and to ask in writing for an extension or clarification of what specifically must be corrected. Two 2025–2026 state law changes are relevant here:

1. **AB 888 (California Safe Homes Act)** created a new CDI grant program to help qualifying homeowners pay for fire-safe roof replacement and "Zone Zero" (0–5 foot) hardening —covering part or all of the cost as part of community-wide safety initiatives.
2. **SB 547 (Business Insurance Protection Act)** extends the existing one-year non-renewal moratorium after a declared wildfire to commercial policies, HOAs, condos, and non-profits, building on the residential moratorium already in state law.

If your household is on a fixed income and facing a compressed compliance deadline, contacting the CDI Consumer Hotline (1-800-927-4357) directly and asking about both the AB 888 grant program and your right to a formal review of the notice is a reasonable next step.

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2. FAIR Plan Wildfire Hardening Discounts

Q3. A neighbor sent the FAIR Plan a Firewise certificate after seeing an email advertising discounts of up to 15%, but only received $174 off a $4,600 premium. What happened?

This is consistent with how the discount program is structured, even though it can feel misleading. The FAIR Plan's Wildfire Hardening Discount program, in effect for policies with an effective date of November 15, 2025 or later, offers up to 12 separate discounts applied only to the wildfire portion of the premium — not the total premium. Homeowners who qualify for all 12 discounts can save roughly 14–16% off just the wildfire portion of the bill. A single certificate (like Firewise community recognition) is only one of those 12 credits, and it's applied to a sub-portion of the premium — fire, liability, and other charges aren't discounted at all — which explains why a relatively modest dollar amount showed up rather than a 15% reduction on the full bill. Getting more of the available credit generally requires documenting additional individual measures (defensible space, ember-resistant vents, Class A roofing, etc.) beyond the community-level certificate. It's worth asking your FAIR Plan agent for an itemized breakdown of which of the 12 discounts were and weren't applied.

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3. Fire Protection Resources & Protection Class Scoring

Q4. We have two fire hydrants and a 1,000,000-gallon reservoir next to our property (managed by Santa Cruz municipal water). State Farm told us the FAIR Plan doesn't include these resources in its fire risk assessment. Can we confirm that?

At the meeting, one attendee reported being told by an agent that water storage *is* factored into a property's protection class score, which is a separate issue from what the FAIR Plan itself weighs in its own wildfire risk model. Two distinct scoring systems are actually in play here, and it's easy to conflate them:

1. The **ISO Public Protection Classification (PPC)**, a 1–10 community fire-protection score used broadly by the insurance industry, is a 105.5-point scale where a review of the water supply system accounts for 40 of the total points, including hydrant distribution, flow rates, and alternate water supplies like tanks or reservoirs.
2. The **FAIR Plan's own wildfire risk scoring** (used for its FAIR Plan-specific underwriting) is a separate, proprietary model that may or may not weight local water infrastructure the same way ISO's PPC does — this is plausible and matches what State Farm apparently told you, but it isn't something we can confirm from public sources alone.

The clearest way to confirm this for your property is to request, in writing, the specific factors the FAIR Plan used in your risk assessment (you're entitled to ask what drove your premium and classification), and separately to ask the Santa Cruz municipal water department or Cal Fire whether your reservoir and hydrants are formally registered in the ISO PPC database for your area — an unregistered but functional resource may not be getting counted anywhere.

Q5. Is appealing FAIR Plan decisions effective? We're in a 3/10 fire risk area (95033) and still can't get out of the FAIR Plan.

In general, appeals are most likely to succeed when you can point to a *specific, documented factual error* — an incorrect distance-to-hydrant measurement, missing water-supply data, or a protection class rating that hasn't been updated to reflect new infrastructure — rather than a general disagreement with the risk category. Filing a complaint with CDI (which has authority to formally review non-renewal and rating decisions) alongside any FAIR Plan-level appeal, and requesting an ISO PPC re-evaluation directly if your local fire protection has genuinely improved, are the two channels most likely to produce a change.

Q6. [To Chief Filson] I was denied a policy while my next-door neighbor — with a comparable but non-rebuilt property — was approved. My protection class score was 10 versus their under-8, even though we have the same water storage, hydrants, and slope, and my property (a CZU rebuild) actually has a lower fuel load. Why?

Companies don't insure entire neighborhoods to avoid over-exposure. History of burn/occurrence is factored into the decision.

This kind of gap usually traces back to how each property was individually surveyed or which representative "test location" ISO used for the area, since split classifications commonly apply based on precise distance from a fire station or hydrant, sometimes down to whether a property falls within or beyond 1,000 feet of a hydrant. Because ISO ratings are tied to exact location data rather than neighborhood-wide averages, requesting the underlying survey data for both parcels — through CDI, the FAIR Plan, or ISO directly — is the only way to identify the specific factor driving the ten-point difference.

Q7. How is it that County Fire — which has 24/7 paid staff under contract with Cal Fire — doesn't get credited in scoring, while other departments' volunteer staffing does?

This is a specific technical question about how ISO's Fire Suppression Rating Schedule (FSRS) credits staffing and mutual/automatic aid agreements, and it wasn't fully answered at the meeting. In general, ISO evaluates fire department staffing, apparatus, training, and automatic aid agreements (contracts between departments, like a county fire contract with Cal Fire) as part of the community's overall score, but the specific crediting rules are technical and vary case by case. The clearest path to a real answer is contacting ISO directly (800-444-4554) or asking your county fire chief to request a rating explanation — Sam Filson's caveat about volunteer firefighters being counted as "approved responders" suggests there's a specific FSRS provision at play that determines how paid-staff contract arrangements are scored relative to volunteer department staffing.

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4. Insurers Returning to the California Market

Q8. What are the metrics for insurance companies that have "returned" to California? How many FAIR Plan homeowners have actually regained access to private coverage?

As of mid-2026, under Insurance Commissioner Ricardo Lara's Sustainable Insurance Strategy (SIS), nine carriers — Farmers, Mercury, CSAA, USAA, AAA/Auto Club of Southern California, Travelers, Horace Mann, Pacific Specialty, and California Casualty — have filed or publicly committed to staying and growing in California, in exchange for agreeing to write a growing share of policies in CDI-designated "wildfire distressed" areas. Concrete, measurable developments include:

1. Mercury Insurance committed to more than 38,000 new policies long-term, starting with over 6,000 in the first two years, concentrated in wildfire-distressed areas and FAIR Plan depopulation.
2. Farmers eliminated its monthly cap on new homeowners policies in May 2026 (it had been capped at 9,500/month, previously 7,000), and will now write policies without a cap, including in FAIR Plan-heavy distressed areas.
3. Collectively, the nine SIS-committed insurers have pledged at least 15,000 new policies in distressed areas over two years
4. On the FAIR Plan side itself, enrollment growth has been slowing — quarterly additions to the FAIR Plan dropped to roughly 16,000 in the first quarter of 2026, down from a pace of 35,000–50,000 per quarter in 2024 — which CDI is treating as an early positive signal, not proof of a turnaround.

Two important caveats worth passing on directly: Commissioner Lara has described the recent FAIR Plan slowdown as an "early signal," not confirmed long-term stability, and CDI plans further market data releases in July and September 2026 to assess whether the trend holds. Also, the carriers returning are offering *availability*, not necessarily *affordability* — rates from these insurers remain high. Separately, a New York Times investigation cited in coverage of the program found that some CDI "distressed" designations are broader than the actual fire risk — for example, all of Placer County is classified distressed even though a majority of its homes sit outside high fire hazard zones, which is worth knowing if you're trying to interpret what "distressed area" commitments really mean for your specific ZIP code.

Q9. My family has been forced onto the FAIR Plan for a third consecutive year despite a thorough search of the private market and real investment in Firewise mitigation. When can Californians expect meaningful access to private insurance again?

There's no firm state-wide timeline, and CDI itself has been cautious about declaring the market fixed (see above). The honest picture based on current data: the SIS framework is producing real, verifiable commitments (new policy caps lifted, specific policy-count pledges, FAIR Plan growth slowing), but as of mid-2026 these are concentrated among a limited number of carriers and are being phased in gradually, with CDI checkpoints in July and September 2026 to gauge whether it's working. For a household already investing in Firewise/mitigation measures with no results yet, the Wildfire Hardening Discount program (see Q3) and a renewed private-market shopping attempt after each SIS filing becomes effective (Farmers in May 2026, Travelers announced April 2026, Mercury/CSAA since December 2025) are the most concrete near-term levers available — a broker who tracks SIS filings as they go live may catch new eligibility before it's widely advertised.

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5. Rates, Reinsurance & Interstate Comparisons

Q10. I replaced my FAIR Plan policy with a private policy in Florida at half the cost with better benefits. Is California the only state without reinsurance cost built into rates?

Not exactly "the only state," but California was a notable outlier until very recently. Historically, California barred insurers from including the cost of reinsurance (the coverage insurers themselves buy to protect against catastrophic losses) in the rates they charge homeowners — most other states allow it. That changed under the Sustainable Insurance Strategy: net cost of reinsurance is now allowed in rate-making in California, whereas it was prohibited before, alongside a new rule permitting forward-looking catastrophe modeling in insurance pricing for the first time. This is one of the central regulatory trade-offs behind the carriers now returning to the state (see Q8) — insurers get to price in reinsurance and future risk, in exchange for writing more policies in distressed areas. It's a reasonable explanation for why Florida pricing (where reinsurance costs have long been priced into rates) looked more competitive than a comparable FAIR Plan policy, though your specific case would also depend on your property's individual risk profile and Florida's own separate insurer-of-last-resort dynamics (Citizens Property Insurance).

This is an example of doing a thorough effort of shopping the market - you may find a full coverage policy that costs less than the FAIR Plan. However, the consumer should also check that Florida insurer’s financial rating - it is risky to go with an insurer that has less that a B+ “Best’s” rating.

Q11. Wasn't California historically low in rates compared to other states? Are we just coming into national parity now?

This is an open question rather than confirmed fact. It's true that California limited rate increases more tightly than most states for decades under Proposition 103 (passed 1988) and barred forward-looking catastrophe pricing and reinsurance cost pass-through, both of which tend to suppress rates relative to states that allow them. Whether that made California rates "historically low" in an apples-to-apples national comparison, and whether the current increases represent "parity" rather than overshoot, is a factual question CDI or a rate-comparison research source (like the NAIC or a market-research firm) would need to confirm with actual data.

As noted, California has a set of laws and regulations in place to protect insureds from “excessive” rates. Yes, those regulations have recently been amended to allow insurers to pass through their reinsurance costs and to also include modeled projections of future catastrophe losses into their rates. However, even with those changes it is likely that properties in California will pay less than a similar property with similar exposures in another state. But the risks to fire and storm damage can be very different from one state to another and even one locality to another as can the costs to make repairs. So it is hard to make generalizations about insurance costs without an “apples to apples” framework.

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6. Legislative & Financial Tools to Fund Mitigation

Q12. North Carolina's insurer of last resort recently used catastrophe bonds to fund incentives for "super roofs." Is anything similar in the works for the FAIR Plan?

Yes — California already has something comparable, and it moved fast. In North Carolina, a $600 million catastrophe bond rewards homeowners and their insurer for installing wind-resistant "super roofs," a feature that returns $2 million annually — when no major losses occur — earmarked specifically to fund super-roof installation incentives.

California's FAIR Plan has since entered the catastrophe bond market on its own:

1. **AB 226 (FAIR Plan Stability Act)**, signed by Governor Newsom, allows the FAIR Plan, with Insurance Commissioner authorization, to access catastrophe bonds through the California Infrastructure and Economic Development Bank and to enter into lines of credit or loan agreements.
2. Using that authority, the FAIR Plan issued its first catastrophe bond in December 2025 —a $750 million wildfire cat bond (Golden Bear Re, Series 2026-1), described as the largest pure wildfire catastrophe bond ever issued— and followed with a second, upsized to $350 million (Series 2026-2), in early 2026.
3. Separately, **AB 888 (California Safe Homes Act)** created a state grant program specifically to fund fire-safe roof replacement and Zone Zero hardening for qualifying homeowners (see Q2) — functionally similar in intent to North Carolina's roof-incentive mechanism, though funded through direct state grants rather than bond-proceeds sharing.

So the mechanism North Carolina pioneered (linking a catastrophe bond to a mitigation incentive) hasn't been directly replicated dollar-for-dollar by the FAIR Plan yet, but the state has built the same underlying financial tool (bond access) and paired it with a separate grant program aimed at the same goal — funding roof and hardening upgrades.

Q13. Is there a federal bill offering tax incentives for wildfire risk reduction, like the one mentioned (the "Schiff Bill")?

Yes. Senators Adam Schiff (D-CA) and Tim Sheehy (R-MT) introduced the **FIREWALL Act**, a bipartisan bill that would create a fully refundable federal tax credit covering 50% of eligible home-hardening expenses, up to $25,000, for communities that have experienced a federally declared disaster within the last 10 years. Eligible expenses include seismic retrofits, backup power systems, and defensible-space work such as removing flammable vegetation and replacing wood fencing near homes. The Bill has not yet passed, it's in committee. A related, separate Schiff-backed bill (the Doug LaMalfa Federal Disaster Tax Relief Certainty Act) has passed the House and deals with tax relief on wildfire settlement payments rather than mitigation costs directly.

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7. Broader Policy Questions

Q14. Should property insurance be for-profit, or should other models be considered?

This is a genuinely contested policy question without a single correct answer, so it's worth laying out the positions:

1. **Arguments for keeping a for-profit, private-market model** (with reforms like SIS): private capital and reinsurance markets can absorb catastrophic losses at a scale public entities often can't; competition among carriers can drive service and pricing improvements; and moving away from it risks reducing overall coverage capacity if profit-seeking capital exits the state entirely.
2. **Arguments for a public or non-profit alternative model** (e.g., an expanded public option, mutual/non-profit insurer structures, or a larger state-backed catastrophe fund): removes the incentive to avoid high-risk policyholders altogether; can prioritize long-term community resilience over quarterly shareholder returns; and several other catastrophe-exposed lines (like the National Flood Insurance Program, or California's own earthquake authority, the CEA) already use quasi-public structures.

California currently sits between these — the FAIR Plan itself is a statutorily-created, industry-funded but not standard for-profit insurer, and the state is separately studying broader options: a 2026 state study estimated it would cost roughly $36 billion to build a durable statewide wildfire catastrophe fund, and a state Senate committee has directed the California Earthquake Authority to study new resiliency-financing models covering wildfire risk more broadly. That study process is ongoing and hasn't produced a decision either way.

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8. Alternative & Lower-Cost Coverage Options

(Qs 15-20 Responses provided by Joel Laucher, United Policy Holders)

Q15. Are there lower-cost fire insurance products that offer reduced wildfire coverage for a home while still satisfying mortgage lender requirements?

1. You may be able to find a stand-alone fire policy for the dwelling that covers only that single peril and may satisfy your lender. (Your lender is not concerned about your contents, additional living expenses, or other similar benefits of a homeowners policy.) Providing lender-responsive coverage is the purpose of the FAIR Plan, but then you are pooled with a high-risk population, so it could be worth seeking other insurers providing that type of minimal coverage in a dwelling fire policy.
2. California law does not allow for a parsing of the peril of fire into regular fire and wildfire, if that is what you were inferring.

Q16. With an eye toward lower premiums, is there any movement toward more customizable insurance products — where a homeowner could pick and choose coverage details like personal property, loss of use, and the degree of coverage?

1. You can check for the availability of a fire policy instead of a homeowners policy. I don't know of any admitted homeowners insurers allowing that type of flexibility, but it certainly could be a possibility. Note that reducing but not eliminating coverages such as personal property or loss of use may not result in much of a savings. Homeowners policies are designed to provide the most needed coverages in a standardized package so as to eliminate the cost of customizing each policy.

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9. Outlook: Climate Change, Premiums & Affordability

Q17. Climate change is accelerating, and catastrophic wildfires are occurring every few years. Is there any pathway to lowering wildfire insurance premiums, or should we expect them to keep rising indefinitely?

1. Personally, I don't see things getting better for a long time. While we are experiencing increasing wildfires, floods, droughts, and heating oceans, we also have a war going on in the Middle East in large part about the movement of oil and petroleum. But we don't appear to be significantly moving away from fossil fuels. Until that changes, the world will continue to heat, wildfires will continue to increase, and insurance premiums will continue to rise.

Q18. With premiums rising into the $10,000–$30,000 range annually — outpacing wage and consumer price inflation with no end in sight — California risks a housing affordability crisis where insurance costs alone make homeownership unattainable. What are the Insurance Commissioner's office and state lawmakers doing about this?

1. I'm sorry to say there is likely very little that the Commissioner or state lawmakers can do to bring down insurance costs or bend the upward curve. First, there is an obvious profit-centric focus of a private insurance industry. Regulation in California helps keep that component of the rates within reason. But unfortunately we are dealing with increasing numbers of wildfires and general inflation in costs for labor and materials — so until those trends change, premiums will likely continue to rise. The insurance commissioner recently amended the rate regulations to allow insurers to pass through certain reinsurance costs in the rate calculation, to incentivize insurers to stay in the market. Rates will soon be reflecting that change. Reinsurance costs are rising as well and can be reflective of a more international market, so that added cost will have its own upward trajectory being added into rates.

2. A possibility is to create some kind of government relief program or a tax write-off, but of course many non-homeowners would likely believe those to be unfair — homeownership already includes some tax breaks.

3. So maybe state or federal government could try to get into the property insurance business with a fire policy.

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10. Zone Zero & Mandatory Wildfire Mitigation Discounts

Q19. As the state moves toward ember-resistant Zone Zero requirements, how do you expect this to change what insurers ask of homeowners — and realistically, how much relief in coverage or pricing should residents expect once they comply?

1. With respect to Zone Zero and the other mandatory discounts admitted insurers must offer from the "Safer from Wildfires" list (below), the amount of discount will

vary by insurer. For any given discount, the percentage will ultimately be determined by the difference in loss experience between homes that have the mitigation and homes that don't. Some insurers have chosen to initially offer higher discounts without supporting data, to incentivize insureds to do the mitigations, while other insurers have chosen to offer only very minimal discounts until the mitigations prove their merit in reducing loss.

The mandatory "Safer from Wildfires" mitigation measures insurers must recognize:

1. **Class-A fire-rated roof** — Most roofs qualify, including asphalt shingles, concrete, brick, or masonry tiles, and metal shingles or sheets. Wood shake shingles are not Class A fire-resistant rated. The Office of the State Fire Marshal maintains a list of tested and approved materials.
2. **5-foot ember-resistant zone, including fencing** — Removing greenery and replacing wood chips with stone or decomposed granite 5 feet around your home prevents fire from getting a foot in the door. Replacing wood fencing connecting to your home with metal is critical, because it can act like a candle wick leading fire straight to your home.
3. **Ember- and fire-resistant vents** — Installing 1/16 to 1/8 inch noncombustible, corrosion-resistant metal mesh screens over exterior vents can keep wind-blown embers out of your house.
4. **Non-combustible 6 inches at the bottom of exterior walls** — A minimum of 6 vertical inches measured from the ground up and from any attached horizontal surface like a deck can stop embers from accumulating and igniting your walls. Noncombustible materials include brick, stone, fiber-cement siding, or concrete.
5. **Enclosed eaves** — Installing soffits under your eaves can prevent heat and embers from getting trapped and igniting. Non-combustible or ignition-resistant materials are recommended.
6. **Upgraded windows** — Multi-paned windows are more resistant to breaking during a wildfire, which helps keep flames from entering. Multi-paned glass or added shutters both qualify.
7. **Cleared vegetation, weeds and debris from under decks** — Noncombustible materials like concrete, gravel, or bare soil are permitted.
8. **Removal of combustible sheds and other outbuildings to at least 30 feet** — Includes sheds, gazebos, ADUs, open covered structures with a solid roof, dog houses, and playhouses.

9. **Defensible space compliance** — Following state and local laws requiring defensible space, including trimming trees and removing brush and debris from the yard. See CAL FIRE's defensible space page and your local city or county for details.
10. **Being safer together** — Safer from Wildfires recognizes two community-wide programs, Firewise USA and Fire Risk Reduction Communities. Communities as small as 8 dwelling units or as large as 2,500 can create an action plan and start being safer together. Firewise USA is a nationally recognized program with proven results, sponsored by the National Fire Protection Association.

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11. Protection Class Score vs. Wildfire Risk Score, Explained

Q20. What is a "Protection Class Score" versus a "Wildfire Risk Score," and how can consumers advocate to change theirs? Specifically:

1. Why might two adjacent properties have vastly different scores, especially when the one receiving a higher (worse) score has better WUI code compliance?
2. Is the Santa Cruz Fire Protection District the right agency to contact to request a new inspection through the Insurance Services Office (ISO)?
3. Who at SCFPD should consumers contact to request this?
4. How can insurance consumers effectively request a new Protection Class score review?
5. Why are there different risk standards used by different insurers, with no single standard the State requires insurers to follow?
6. How can homeowners prepare their property for a good score, and advocate for a review of their Wildfire Risk Score or Protection Class score?

Protection Class

1. A protection class score is a rating applied to fire departments by the Insurance Services Office, a private entity. The range is from 1, the highest/best level of firefighting protection, to 10, meaning there is basically no designated firefighting service for that location.
2. The score measures the fire department's staffing, equipment, and water infrastructure for fighting a fire in that community.

3. It is common for cities or very urban/suburban fire departments — with plentiful water hydrant infrastructure, well-equipped trucks, reasonably situated stations, and good staffing levels — to have a protection class score of 2–4, while fire departments with fewer resources receive higher scores.
4. The protection class score of the responding fire department is one measurement insurers use for homeowners policy eligibility and as a rate differential.
5. You can verify your local fire department's score, but it is your fire department's determination whether to request reevaluation by the Insurance Services Office.

Wildfire Risk Score

1. Two homes in the same neighborhood will have the same protection class score but won't necessarily have the same wildfire risk score. Those scores are determined by the various data vendors insurers may use to determine relative fire risk at each individual property. Common considerations include the degree of slope the home sits on, the distance from a firefighting resource, and the relative amount of fuel load (e.g., forest or brush) in the vicinity of the home.
2. Several entities provide these scores to insurers, so the range of scores varies from one vendor to another depending on the array of risk factors included.
3. Some models may use other data, such as wind patterns, footprints of past wildfires, particular features of the dwelling, or other related considerations.
4. Because of the specificity of these measurements, it is possible for adjacent homes to receive different scores, which can affect both eligibility for coverage and the rate applied.

Other Considerations

1. Insurers have the freedom to determine the risk characteristics of the homes they are willing to write and the homes they will decline. Those standards must be objective and risk-related, and must be applied consistently in accordance with the law. Considerations typically include not just the protection class and wildfire risk score, but other details such as the age and type of roof, plumbing and electrical considerations, and liability concerns such as pools or trampolines.

Rates/Premiums

1. The rate charged to eligible insureds must also be consistent with the insurer's rating plan. Inconsistent application of eligibility standards or rates is considered

unfairly discriminatory and is illegal. "Admitted insurers" in California must have their rates approved by the Department of Insurance.

Concentration of Risk

1. Insurers also focus on how many homes they cover in a given neighborhood, town, or region that could be subject to a single catastrophic event, such as an earthquake or wildfire. The point is to limit their exposure so as not to threaten their solvency. Insurers also purchase reinsurance to cap their losses from any given catastrophic event or high-loss period. The availability and affordability of reinsurance can influence how many homes an insurer writes in a given region, and can cause insurers to non-renew policies.

Climate Change

1. Climate change is a major culprit behind the lack of availability and rising cost of insurance coverage. Increasing wildfires and a drying climate are one cost of our petroleum-driven world. It is challenging for property mitigations and advances in firefighting technology to keep pace with a drying environment. The rising cost and sinking availability of insurance is just another signal of that phenomenon.

Additional Resources Mentioned at the Meeting

- **The Wildfire Guys** — offers free advice on insurance notices, wildfire mitigation discounts, and home-hardening risk assessments. Call 408-256-3796, or visit thewildfireguys.com.
- **CDI Consumer Hotline** — 1-800-927-4357, for complaints, non-renewal reviews, and general questions.

Links Referenced

1. California FAIR Plan Wildfire Hardening Discounts — San Lorenzo Valley Post — Overview of the FAIR Plan's new 12-discount wildfire hardening program.
2. Wildfire Insurance Discounts California 2026 — FireRoofs — Details on the Safer from Wildfires regulation (Ins. Code §2644.9) and AB 1 updates.
3. What Newsom's New Laws Mean for the California FAIR Plan — Heffins — Summary of AB 226 and related 2025–2026 FAIR Plan reform laws.

4. Homeowners Insurance in a California High Fire Area: 2026 Guide — Latent Insurance — FAIR Plan market share and mitigation guidance.
5. California's Second Largest Home Insurer Joins Sustainable Insurance Strategy — CDI — Farmers Insurance's May 2026 commitment.
6. After 3 Years of Carriers Running From California, Farmers Just Ran the Other Direction — Live Insurance News — Detail on the nine SIS-committed carriers and policy caps.
7. Momentum Continues to Build Under Commissioner Lara's Sustainable Insurance Strategy — CDI — Official CDI list of participating carriers.
8. California Homeowners Insurance News: 2026 Market Roundup — Latent Insurance — FAIR Plan enrollment trends and rate filings.
9. Mercury Insurance and CSAA Expand Homeowners Coverage — CDI (PDF) — Mercury and CSAA's specific policy-count commitments.
10. Farmers Insurance Lifts Cap on New Home Insurance Policies — ABC10 — Includes the NYT finding on "distressed area" classification accuracy.
11. Can Homeowners Insurance Be Cancelled Because of Roof Conditions? — Merlin Law Group — California's 20-day cancellation notice rule.
12. Dropped by Your Home Insurer? Where to Go for Help in California — United Policyholders — Non-renewal notice requirements and CIGA protections.
13. New Laws Sponsored by Commissioner Lara Take Effect January 1 — CDI — Official summary of AB 226, SB 547, and AB 888.
14. N.C.'s "Game-Changing" Catastrophe Bond Aimed at "Super Roofs" — Building Design + Construction — North Carolina's $600M cat bond structure.
15. How 'Super Roofs' Reward Insurers, Cat Bond Investors and Homeowners — Insurance Journal — The article link shared at the meeting.
16. California FAIR Plan Says Debut $750m Cat Bond "Augments" Reinsurance Program — Artemis.bm — FAIR Plan's first catastrophe bond, December 2025.
17. CA FAIR Plan Lifts Target to $350m for Second Golden Bear Re Bond — Artemis.bm — FAIR Plan's second catastrophe bond, early 2026.
18. California Faces $36 Billion Price Tag to Build Durable Wildfire Catastrophe Fund — Risk & Insurance — State study on a statewide catastrophe fund.

19. Sens. Schiff, Sheehy Introduce FIREWALL Act — Senator Schiff's Office — Federal wildfire-hardening tax credit bill details.
20. LA County Backs Federal Tax Credit for Disaster-Hardened Homes — Santa Monica Daily Press — Eligible expenses under the FIREWALL Act.
21. ISO Public Protection Classification Program — Wikipedia — How the ISO PPC (protection class) scoring system works.
22. The PPC Evaluation Process — Verisk / ISO Mitigation — Water supply scoring weight (40 of 105.5 points) within PPC.
23. ISO Rating Information — Foothills Fire & Rescue — Explanation of split classifications and hydrant-distance thresholds.
24. Santa Cruz County FAIR Plan Discounts One-Pager (PDF) — Local county resource on FAIR Plan discounts, shared at the meeting.
25. Ready for Wildfire — CAL FIRE / Wildfire Prevention Foundation — Home hardening and defensible space guidance, shared at the meeting.
26. CAL FIRE Data & Resources (dspace) — Fire risk mapping and data resources, shared at the meeting.
27. The Climate and Wildfire Connection — NOAA — Shared at the meeting as background on climate/wildfire trends.
28. California Department of Insurance Consumer Alerts Signup — Sign up for CDI news and consumer alerts.
29. The Wildfire Guys — Free consumer advice on insurance notices and wildfire mitigation, shared at the meeting.
30. California Department of Insurance — Consumer Hotline & Homepage — 1-800-927-4357.