Insurance surge expanding options for Californians in wildfire distressed areas

July 13, 2026 — Insurance Commissioner Ricardo Lara is reporting a new surge of insurance filings expanding options for Californians in wildfire distressed areas. Companies planning to grow their footprint include two of the state's largest homeowners writers and a brand new entrant to the marketplace. These latest announcements show the continuing positive impact of the Sustainable Insurance Strategy, with 11 homeowners insurance groups and 2 major commercial insurers of businesses, non-profit, and homeowners associations committing to grow in the state.

More homeowners companies plan to expand

- **Liberty Mutual** requested the Department's approval to expand coverage in wildfire distressed areas with no additional rate increase for policyholders. California's 8th-largest homeowners insurance group by market share, Liberty Mutual never stopped writing in California. Once approved by the Department, Liberty Mutual will grow consumers' coverage options in areas of wildfire risk through independent agents and brokers.
- **USAA** will expand access to homeowners insurance for more military members and their families across California effective January 2027. The Department had previously approved the state's 6th-largest homeowners insurance group for a 6.9% overall rate increase, on par with thousands of other rate approvals approved over the past 30 years.
- **MS Transverse Insurance Group**, a new entrant to the California homeowners market, received the Department's go-ahead effective July 15. The company, which previously had a small presence in California specialty markets, is part of one of the world's top 10 property-casualty insurance groups.

Companies committing to stay and grow in California include Top 10 insurers Farmers, Mercury, Auto Club of Southern California, CSAA, USAA, Liberty Mutual, and Travelers, specialty insurance companies Pacific Specialty, California Casualty and Horace Mann, and new entrant MS Transverse – 11 insurance groups in total, with more expected in coming months.

"We are restoring options for Californians and bringing companies back. One major solution to our insurance crisis is greater accountability and transparency in the rate filing process. We have taken a multi-prong approach that holds all parties in rate-making accountable: insurers, intervenors, and the Department. Consumers are the winners when we put transparency and accountability first." – Insurance Commissioner Ricardo Lara

Implementation of new regulations yielding results for homeowners and businesses

Companies' latest growth moves come weeks after the Department announced a major milestone in its efforts to improve its oversight and handling of insurance rates under Prop. 103 – reaching the lowest number of pending insurance filings for home, auto, and business coverage since 2014. The increasing pace of Department review of insurance company filings means more policy choices are available sooner for drivers, businesses, nonprofits, and homeowners.

Two major commercial insurance companies — **Mercury** and **Zurich** — filed their growth plans with the Department to expand their coverage for nonprofits, homeowners associations, farmers, and businesses. The Department continues to meet with several more homeowners and commercial insurance companies on their impending SIS applications.

The improved outlook is due to a comprehensive set of reforms, including implementing several new regulations, hiring and training of Department experts, and requiring insurance companies to submit complete data and information used in the rate analysis.

Steps Forward on Transparency and Access

The Department's record during Commissioner Lara's tenure demonstrates the importance of rigorous regulatory oversight. From 2019 through 2025, the Department's expert review of insurance rate filings saved Californians $6.6 billion in premiums and secured $3.3 billion in refunds for drivers during the COVID-19 pandemic.

Commissioner Lara has taken significant steps toward modernizing California's 35-year-old insurance review framework, guided by the goals of improving transparency and access.

In April 2026, he proposed new regulations that help protect consumers from paying hidden fees and require public posting of documents from rate hearings. Intervenors seeking compensation under Prop. 103 will be required to provide additional information and documentation to demonstrate compliance with these new standards.

Bottom Line

California is seeing early, data-driven signs that the insurance market is turning a corner – delivering on the promise of a more stable, competitive, and resilient system for homeowners, renters, drivers, businesses, and nonprofits.