


*Item available for public inspection in the Clerk's office during regular business hours (Monday - Friday, 9 AM - 5 PM)*

**August 13, 2024**

**Regular Meeting**

**Item #7b. - Updated  
Presentation**



# California's Fire Insurance Crisis

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**Mono County**

**Office of Emergency Management**

# Information Sources

- **Little Hoover Commission**
  - Roundtable Discussion on Homeowners Insurance webinar
  - Hearing on California's Homeowners Insurance Market (Part 1)
  - Hearing on California's Homeowners Insurance Market (Part 2)
  - California's Homeowners Insurance Market webinar
- **United Policy Holders**
- **California State Association of Counties (CSAC) Insurance Working Group**
- **University of California Cooperative Extension**
  - The Future of Wildfire Insurance
- **Rural Counties Representatives of California (RCRC)**
- **Local Residents**

# Why are Residents Losing their Fire Insurance?

People are losing their fire insurance in California due to several factors, including:

- **Increased Wildfire Risk**
- **Climate Change**
- **Rising Costs**
- **Regulatory Environment**
- **Reinsurance Challenges**
- **Historical Losses**

# Worst States for Natural Disasters



**California is ranked #1 for  
Climate Disasters**

Expected Annual Loss - **\$16,334,271,892**



**Florida is ranked #2**

Expected Annual Loss - **\$9,093,861,693**

# Dropped by your home insurer?

- Act Promptly
- Know Your Rights & Get Help
- Shop for Options
- Be Prepared to Pay More. Avoid Cutting Coverage
- Last Resort

# Act Promptly

Read the paperwork from your insurer. Contact them and ask if there are home improvements you can make that will get them to reverse their decision to drop you. Note: The non-renewal notice must be sent to you **75 days before** the policy expires.

# Know Your Rights & Get Help

If you believe that you are being non-renewed in violation of the law, file a "Consumer Complaint" with the California Department of Insurance  
[www.insurance.ca.gov/01-consumers](http://www.insurance.ca.gov/01-consumers)



# Shop for Options

Work with a good agent to find all options including "non-admitted" insurers.

A non-admitted insurer, also known as an excess and surplus (E&S) lines carrier, is an insurance company that hasn't been approved by a state's insurance department. This means they don't have to follow the same state regulations as admitted insurers, and they can underwrite policies in almost any state.

# Be Prepared to Pay More, Avoid Cutting Coverage

Aim to insure your home for what it would cost to rebuild it and the risks you face in your area. Keep good notes of your conversations. Avoid being in the  $\frac{2}{3}$  of homes in the US that are underinsured.

# Last Resort

- The California FAIR Plan (CFP) offers basic fire protection if you can't find a "regular" company to insure you. Consider pairing a CFP policy with a "difference in conditions" policy to fill gaps in what CFP policies don't cover.
- Difference in conditions (DIC) insurance is a type of policy that provides expanded coverage for some perils not covered by standard insurance policies.

Not only can preparedness keep you physically safe from severe weather, but it can also reduce damage to your home and potentially prevent you from filing a home insurance claim.

# Are Homeowners Prepared for Natural Disasters?

61%

Do not have an emergency plan for severe weather events

52%

Do not have an emergency supply kit at home for severe weather events

32%

Are considering moving to a more climate-resilient area



# 12 WAYS TO PREPARE



**Sign up  
for Alerts  
and Warnings**



**Make a Plan**



**Save for a  
Rainy Day**



**Practice  
Emergency  
Drills**



**Test Family  
Communication  
Plan**



**Safeguard  
Documents**



**Plan with  
Neighbors**



**Make Your  
Home  
Safer**



**Know  
Evacuation  
Routes**



**Assemble or  
Update  
Supplies**



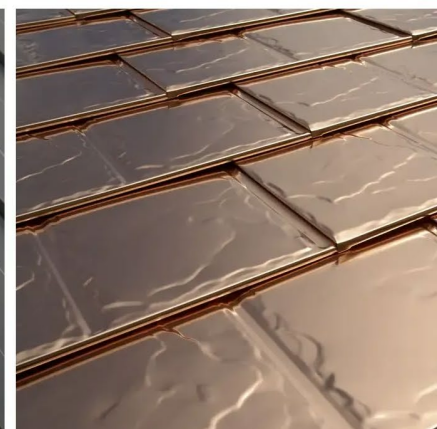
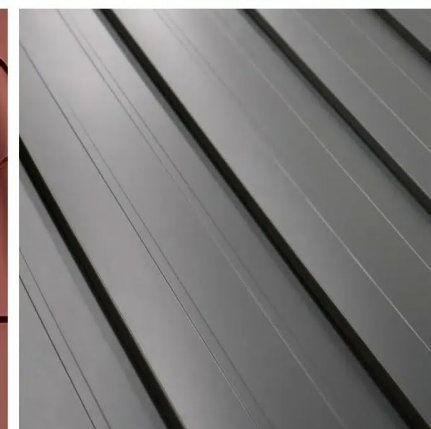
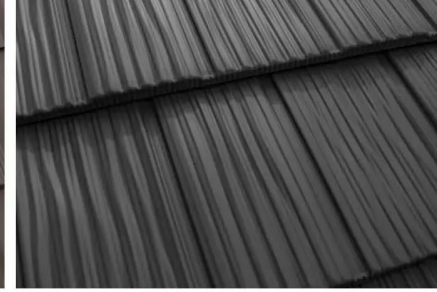
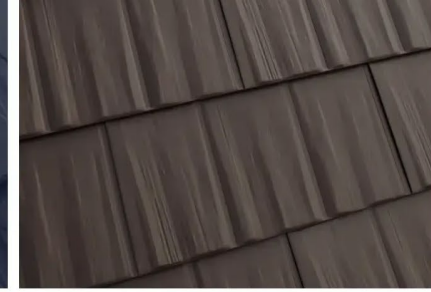
**Get Involved in  
Your Community**



**Document and  
Insure Property**

# Improve Your Home's Chances of Surviving a Wildfire

- 
- Have a Class A fire rated roof
  - Install screens to keep embers out
  - Gutters should be kept clear of leaves and needles
  - Clear plants so there's 5 feet of space around your home
  - Remove all combustible materials from under and near decks
  - Prune branches near the home
  - If wood fencing touches your home, replace at least 5 ft. of it with metal







- Participation is voluntary.
- Community wildfire risk can be reduced by neighbors working together.
- Increases good will with first responders, providing safer access.
- Increases community communication, collaboration and emergency preparedness.
- Potential consideration by home insurance companies (USAA and Fair Plan).
- Potential access to grant money.

# Response

- Rapid & aggressive initial attack
- Early initiation of mutual aid
- Request State and/or Federal resources
- Fixed and/or rotor resources
- Damage assessment
- Recovery

# What is Mono County Doing to Help?

## Legislative Action for Relief

- Board members are collaborating with organizations like the California State Association of Counties (CSAC) and the Rural County Representatives of California (RCRC).
- Their goal is to seek legislative relief for residents, which may involve advocating for laws or regulations that address specific challenges faced by the community.

## Insurance Portal

- Mono County is providing up-to-date information and assistance through an insurance portal on its website.
- This portal aims to help residents navigate insurance options and access resources for financial protection.



## Wildfire Mitigation

- The county is providing information and assistance on wildfire mitigation.
- This includes promoting the formation of Fire Wise communities, which are designed to help residents reduce the risk of wildfire damage through various strategies and community planning.

# Resources

- California Department of Insurance - <https://www.insurance.ca.gov/>
- United Policy Holders - <https://www.insurance.ca.gov/>
- Claim Guide - <https://claimguide.org/>
- Firewise USA - <https://www.nfpa.org/education-and-research/wildfire/firewise-usa>
- Cal Fire - <https://www.fire.ca.gov/prepare>
- Wildfire Risk to Communities - <https://wildfirerisk.org/>
- FEMA Preparedness Community - [https://community.fema.gov/PreparednessCommunity/s/?language=en\\_US](https://community.fema.gov/PreparednessCommunity/s/?language=en_US)

**READY**



**Mono** 

**READY.MONO.CA.GOV**