



HOME INSURANCE ANNOUNCEMENT Myths & Facts

MYTH: State Farm has completely pulled out of California.

- ✓ **FACT:** State Farm announced that it would temporarily stop writing new homeowners' policies, as well as certain commercial insurance policies.

MYTH: State Farm is not renewing home insurance policies.

- ✓ **FACT:** There are no non-renewals taking place with this announcement.

MYTH: State Farm is now canceling home insurance policies.

- ✓ **FACT:** Current customers will not lose their home insurance policies because of this announcement.

MYTH: Home insurance providers are all pulling out of the state.

- ✓ **FACT:** Approximately 115 insurance companies continue to write residential policies throughout California.

MYTH: No insurance carrier will insure my home. I don't have home insurance options.

- ✓ **FACT:** All Californians have access to the FAIR plan in the event that commercial carriers will not provide coverage. Contact the FAIR Plan directly at 800-339-4099, or reach out to a broker who can help you apply at www.cfpnet.com/find-a-broker/.

MYTH: Allstate pulled out of California alongside State Farm.

- ✓ **FACT:** Allstate quietly stopped issuing new property and casualty coverage in California in 2021.

MYTH: Home insurance providers won't continue to write policies for homes in the wildland urban interface (WUI).

- ✓ **FACT:** Providers continue to write policies in the WUI, depending on the features of the home, the home's wildfire risk score, and wildfire mitigations made by the surrounding community.

MYTH: Nothing has been done to help homeowners stay insured in high fire risk areas.

- ✓ **FACT:** The California Department of Insurance has mandated that insurance companies recognize and reward wildfire safety and mitigation efforts made by homeowners and businesses.

The State of California has made unprecedented investments in wildfire preparedness and risk reduction in recent years and will continue to work with homeowners, the Department of Insurance, and insurers to ensure coverage is available.

The Insurance Commissioner has also ordered the FAIR Plan to increase coverage limits, to cover more types of property, and to offer more coverage to homeowners enrolled in the plan.

MYTH: Policyholders will lose their coverage following a large fire or other state of emergency.

- ✓ **FACT:** Following a Governor-issued state of emergency, a mandatory one-year moratorium is implemented to prevent insurance companies from non-renewing or canceling residential insurance policies.

NEED ASSISTANCE?

Experts at the California Department of Insurance can also help consumers with insurance coverage or claim questions. Use the consumer hotline at **(800) 927-4357** or online chat at www.insurance.ca.gov.