

CALIFORNIA DEPARTMENT OF INSURANCE



Presentation to Senate Committee on Insurance

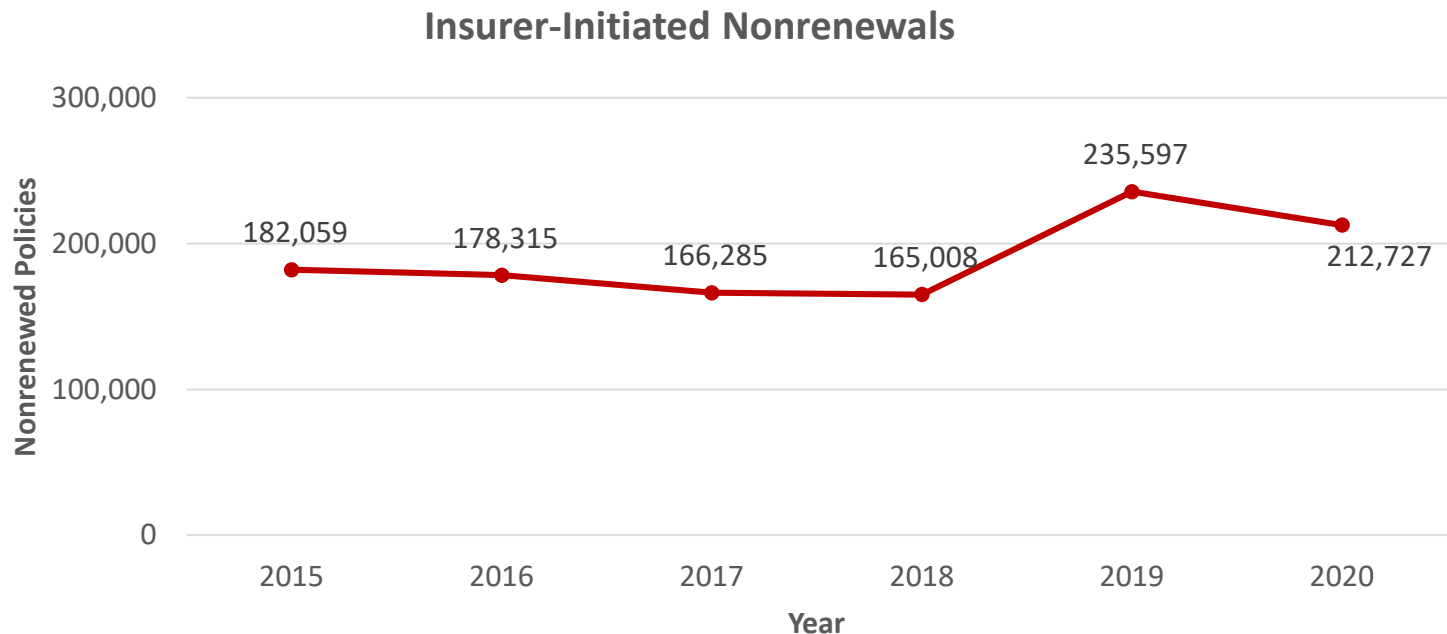
Michael Martinez

Senior Deputy Commissioner and Legislative Director

March 17, 2022

2021 Department Data Call Results

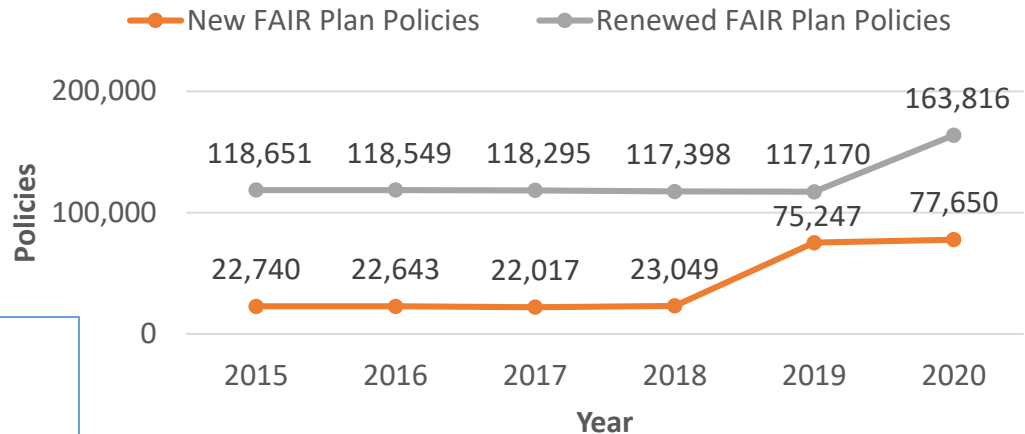
- Insurance Companies Non-Renewed Fewer Homeowners in 2020 When Compared to Previous Year of 2019
 - 10 Percent Drop in Non-Renewals Statewide



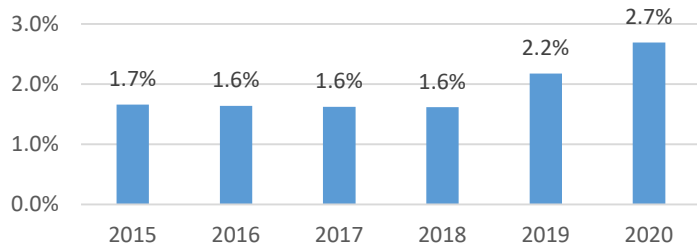
2021 Department Data Call Results (cont.)

- Number of Policies Written by FAIR Plan – Known as State’s Insurer of Last Resort – Increased for Second Year to New High
 - FAIR Plan Still Only Represents Less Than 3 Percent of Overall Statewide Residential Market of 8.7 Million Policies Today

FAIR Plan Policy Breakdown



FAIR Plan Marketshare
Percentage of Policies Written to the Overall Homeowners' Insurance Market



Comprehensive Insurance Solutions to Protect All Californians

- Creation of Wildfire Partnership with Governor's Administration to Release "Safer From Wildfire" Framework
- On-Going Negotiations in Department's Administrative Rate Review/Approval Process
- Increase of Insurer Recognition of Home, Business, Community Mitigation Efforts
- Proposed Regulations to Improve Wildfire Safety and Transparency for Consumers and Businesses



Comprehensive Insurance Solutions to Protect All Californians

- Modernization of FAIR Plan to Better Meet Consumers' and Businesses' Coverage Needs
 - Increase Commercial and Homeowners Coverage Limits
 - Push for More Comprehensive Homeowners Policy Option
 - Approve New Commercial Coverage for Farms and Agricultural Businesses
- Implementation of First-of-its-Kind Climate Insurance Report

