



RICARDO LARA
CALIFORNIA INSURANCE COMMISSIONER

NOTICE

TO: All Admitted and Non-Admitted Property and Casualty Insurance Companies and Other Interested Parties

FROM: Insurance Commissioner Ricardo Lara

DATE: August 26, 2020

RE: Notice to Insurers of a Forthcoming Bulletin Requiring a Moratorium Against Non-Renewal or Cancellation of Residential Property Insurance Policies for Properties within or Adjacent to a Fire Perimeter Pursuant to Insurance Code Section 675.1(b)(1)

As wildfires continue to rage across California, burning homes while displacing tens of thousands of residents, I am reminding residential property insurers that Insurance Code Section 675.1(b)(1), as enacted by Senate Bill 824 (Lara, Chapter 616, Statutes of 2018), prohibits insurers from non-renewing or cancelling policies of residential property insurance for residential properties in ZIP Codes within or adjacent to a fire perimeter for one year following a Governor's declaration of a state of emergency.

On August 18, 2020, Governor Gavin Newsom proclaimed a [state of emergency](#) covering the entire state as a result of hundreds of fires actively burning across California. As required by statute, I am coordinating with the California Department of Forestry and Fire Protection (CAL FIRE) and the California Governor's Office of Emergency Services (CalOES) to identify the various fires and fire perimeters that are subject to the one-year moratorium for residential property owners. This prohibition applies to all policies of residential property insurance in effect at the time of the declared emergency. As soon as sufficient data is obtained to determine which ZIP Codes are within or adjacent to the impacted fire perimeters, I will issue a Bulletin informing insurers of the ZIP Codes that fall within the Section 675.1(b)(1) moratorium.

In the meantime, to avoid the need to reverse any adverse policy action after the Section 675.1(b)(2) Bulletin is issued, insurers should refrain from issuing any notice of non-renewal or cancellation for any policy of residential property insurance in effect on August 18, 2020 that covers residential property in any known fire areas in the State.