



September 24, 2025

California Department of Insurance
Attn: Commissioner Ricardo Lara
300 Capitol Mall, 17th Floor
Sacramento, CA 95814

RE: Support for CDI's Proposed Intervenor Compensation Reforms

Dear Commissioner Lara:

On behalf of a broad coalition of insurance consumers, including home builders, farmers, affordable housing advocates, local governments, bankers, independent insurance agents and others, we write in strong support of the [California Department of Insurance's proposed intervenor reforms](#). For too long, the intervenor process has been abused for financial gain—at the direct expense of consumers—while contributing to the growing insurance availability and affordability crisis.

We applaud the Department for advancing long-overdue reforms that are necessary to stabilize California's insurance market, restoring access to a greater number of consumer coverages and bringing much-needed transparency and accountability to the intervenor process by ensuring:

- Rate filings are reviewed on a timely basis—not delayed by self-interested actors with no public accountability;
- California's regulatory process serves real consumers—not those who profit from delays; and
- Insurers can remain in the market and offer more options to consumers who desperately need them.

California's insurance market is in crisis. As insurers scale back or exit the state's insurance market, access to coverage and consumer choice is evaporating—not only for homeowners, but also for small businesses, farmers, builders and housing providers we represent. This crisis has halted new affordable housing developments and home construction, forced lenders to walk away from projects, put family farms at risk, and left too many communities and businesses without insurance coverage. Without coverage, consumers are paying more for less coverage and in many cases economic activity comes to a complete standstill.

At the heart of this crisis is a broken rate approval process—made worse by a flawed intervenor process that Consumer Watchdog wrote into Proposition 103 for its own benefit. This self-serving provision rewards delay over real solutions—and Californians are paying the price. According to the [Department](#), rate filings without an intervenor in 2024 took an average of 256 days to approve. But when Consumer Watchdog—the only intervenor to receive compensation in 2024—was involved, that timeline **doubled to 529 days, dragging out the process for nearly a year and a half.** This is a far cry from the 60 day timeframe for approvals that Proposition 103 mandated.

These delays directly harm consumers. When Consumer Watchdog delays rate approvals for its own financial gain, insurance premiums fail to reflect the true cost of covering claims. This leads to shrinking access to coverage and increased costs for consumers, further straining California’s already struggling insurance market.

Despite contributing no measurable benefit, Consumer Watchdog—an organization with ZERO members and no accountability—**has pocketed more than \$22.5 million in intervenor fees** by exploiting the intervenor program— the very program they wrote into law. **These fees are ultimately paid for by consumers through higher premiums.**

We support meaningful public participation, but Californians can’t afford a regulatory process that rewards self-interested delays and deepens the insurance crisis. The proposed intervenor reforms are a crucial step toward restoring balance, reducing unjustified delays, improving transparency and protecting the access to coverage that California’s communities, industries and families depend on.

Sincerely,

Jill Epstein, CEO
Independent Insurance Agents & Brokers of California

Dan Dunmoyer, President and CEO
California Building Industry Association

Rob Moutrie, Senior Policy Advocate
California Chamber of Commerce

Debra Carlton, EVP of State Government Affairs
California Apartment Association

Sanjay Wagle, SVP of Governmental Affairs
California Association of REALTORS®

Brooke Armour, Executive Vice President
California Business Roundtable

Matt Dias, President and CEO
California Forestry Association

Tom Freeley, CEO
California Association of Community Managers

Peter Ansel, Director of State Policy Advocacy
California Farm Bureau Federation

Michael D’Arelli, Executive Director
American Agents Alliance

Louie A. Brown, Jr., Legislative Advocate
**Community Associations Institute – California
Legislative Action Committee**

Steven Pettersen, President and CEO
Western Insurance Agents Association

Jenna Abbott, Executive Director
California Council for Affordable Housing

Susan Milazzo, CEO
California Mortgage Bankers Association

Cheryl Marcell, Executive Director
Housing Contractors of California

Robert Rivinius, Policy Director
Family Business Association of California

Tim Taylor, California Policy Director
**National Federation of Independent Business – California
(NFIB)**

Matthew Hargrove, President and CEO
California Business Properties Association

Ray Pearl, Executive Director
California Housing Consortium

Daniel Hartwig, President
California Fresh Fruit Association

Kirk Wilbur, Vice President of Government Affairs
California Cattlemen’s Association

Tracy Hernandez, Founder and CEO
Los Angeles County Business Federation

Adrian Covert, SVP of Public Policy
Bay Area Council

Timothy Jemal, CEO
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