CALIFORNIA CONSUMER ALERT

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Insurance Commissioner Ricardo Lara

California protects families from hidden smoke damage after wildfires

Governor signs landmark legislation establishing enforceable standards for investigating, testing, and restoring smoke-damaged homes

September 15, 2026 — For years, California families have returned home after a wildfire only to discover that the danger did not end when the flames were extinguished. Smoke contamination can linger long after a fire is out, leaving homeowners fighting to prove their homes are unsafe and that their insurance claims should be covered.

Today, Governor Gavin Newsom signed AB 1795, the Smoke Damage Recovery Act, authored by Assemblymember Mike Gipson and sponsored by Insurance Commissioner Ricardo Lara. The Act establishes the nation's first enforceable standards for investigating, testing, and restoring smoke-damaged homes.

"For too many wildfire survivors, the end of the fire has never meant the end of the disaster. Families have spent months, and sometimes years, fighting over whether their homes were safe while navigating confusing and inconsistent insurance claims," said Commissioner Lara. "This law closes a dangerous gap that left wildfire survivors without clear standards, clear answers, and often a clear path home. We worked with consumer advocates and public health experts. We pushed for change because no family should have to prove that toxic smoke is a threat to their health. Today California is setting a new standard for protecting families when disaster strikes."

The legislation grew out of efforts led by the California Department of Insurance, alongside wildfire survivors, consumer advocates, public health experts, and legislators, to address a consumer protection gap exposed by some of California's most devastating disasters.

"For homeowners who have already lost so much in a fire, the last thing a family should have to do is fight for a clear answer about whether it is safe to return home. AB 1795 puts the health and well-being of fire survivors first by requiring insurance companies to follow the science and provide Californians with the answers they deserve. Insurers, not survivors, must bear the responsibility of proving that a home is safe," said Assemblymember Mike A. Gipson (D-Carson). "As Californians continue to face the devastating consequences of wildfires and other major fires, from the Altadena and Palisades fires to this year's Lineage Logistics warehouse fire, I am proud that this commonsense legislation has been signed into law. AB 1795 gives survivors greater certainty, strengthens consumer protections, and makes clear what Californians can expect from their insurers when disaster strikes."

"United Policyholders has been fighting for over a decade to get insurers to routinely test and thoroughly restore wildfire-damaged homes and not mislead residents that their homes are safe to move back into when they aren't," said Amy Bach, Executive Director of United Policyholders. "The Governor's signature on AB 1795 paves the way for better outcomes and fewer disputes going forward. We commend the Commissioner's team for the countless hours spent with survivors, insurers, scientists, and professionals to craft these protections."

What the Law Does

AB 1795 creates clear standards for addressing smoke damage and strengthens protections for families recovering from wildfires.

Key consumer protections include:

- Creating a presumption that smoke damage within a wildfire impact zone resulted from the wildfire, reducing uncertainty for survivors.
- Requiring insurers to pay for necessary testing and sampling.
- Preventing insurers from terminating Additional Living Expense benefits until qualifying homes are restored and safe to occupy.
- Establishing timelines for inspections and claim handling.
- Requiring repair estimates that restore homes to their pre-loss condition while meeting health and safety standards.
- Preserving a policyholder's right to choose restoration contractors.
- Establishing training requirements for adjusters handling smoke damage claims.
- Protecting workers performing restoration and remediation activities.

Learning from Boyle Heights

The legislation also responds to challenges exposed by the Lineage Logistics warehouse fire in Boyle Heights, where prolonged smoke impacts raised significant questions about insurance coverage, recovery assistance, public health protections, and emergency response coordination.

AB 1795 directs the California Department of Insurance and CalOES to evaluate those challenges and develop recommendations to strengthen protections for homeowners, renters, businesses, and communities affected by future contamination events.

"Boyle Heights and East Los Angeles are communities that shaped who I am," Lara said. "I watched families struggle to get answers after the warehouse fire, just as wildfire survivors have struggled for years after major fires across California. Whether smoke comes from a wildfire or an industrial disaster, families deserve clear answers, strong protections, and a path to recovery. We are making sure California learns from these events and leads through action."

As communities confront increasingly severe wildfires and other smoke-related disasters, AB 1795 provides families with clearer protections, stronger accountability, and greater confidence that their homes will be safe before they return. Surviving a disaster should not require families to fight alone to prove their homes are safe.