

WILDFIRE RECOVERY LEGISLATIVE UPDATES



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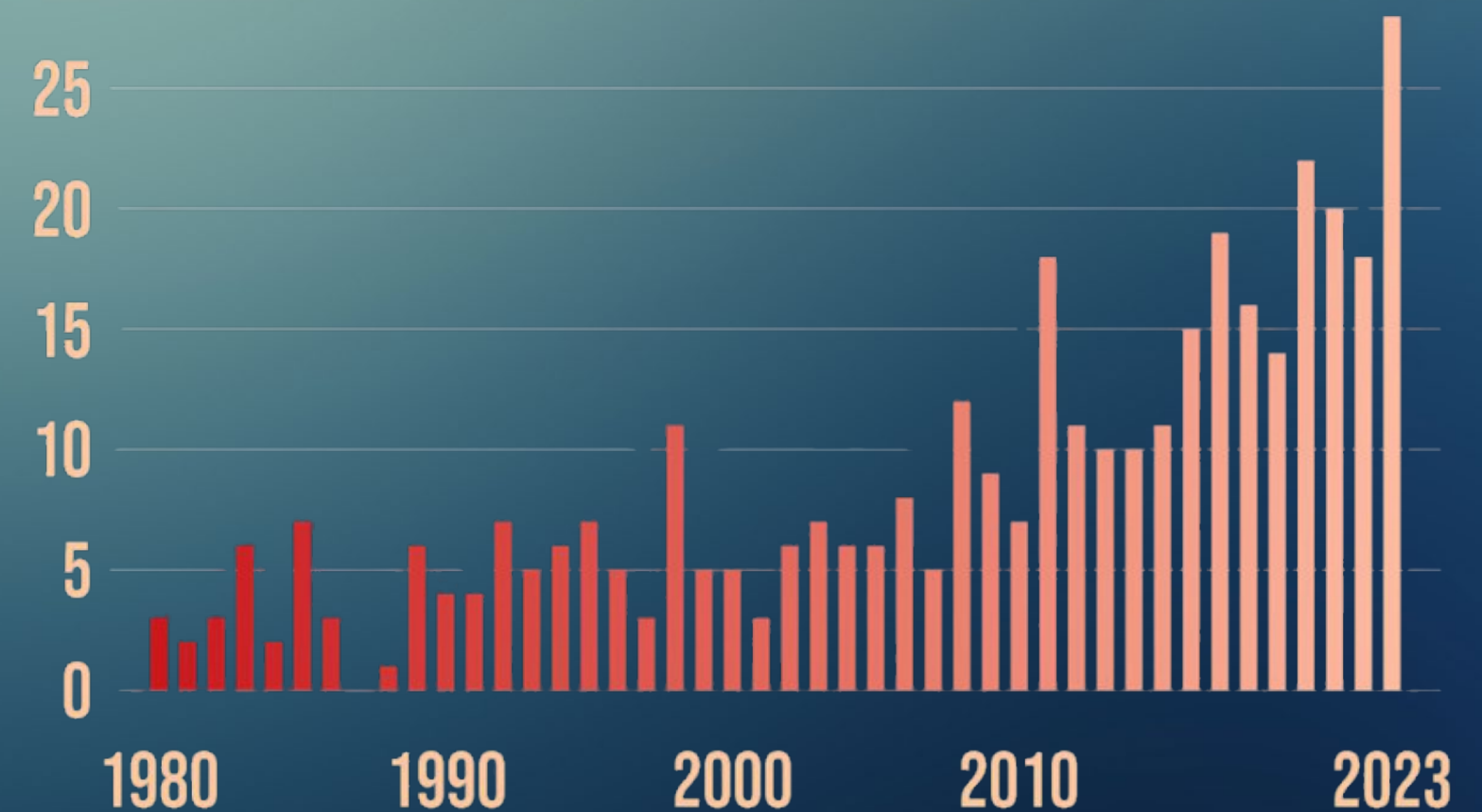
Community Relations & Outreach Branch

INSURANCE MARKET CONTEXT

- Growing intensity and severity of climate events
- Historic inflation
- Rising cost of reinsurance
- Fewer insurance options
- Accelerated growth of the FAIR plan

U.S. BILLION-DOLLAR DISASTERS

Annual number of events



No disasters in 1987. Data as of 1/9/2024.
Source: NOAA/NCEI

CLIMATE CO CENTRAL



BUILDING ON WILDFIRE SAFETY

SAFER FROM WILDFIRES (2022)

Mandates premium discounts for homeowners implementing wildfire safety actions – savings between 4% and 40% of premium depending on level of risk.



SUSTAINABLE INSURANCE STRATEGY (2023 - 2024)

Expands coverage options through use of catastrophe modeling for improved wildfire risk analysis, factoring in mitigation at property and community to ensure market stability.



STRENGTHEN CALIFORNIA HOMES GRANT PROGRAM (in process)

Creating grants for low - income homeowners in high fire hazard severity zones to fund Zone 0 and Class A roofing – based on successful programs in U.S. Southeast.



INTERLOCKING LEGISLATIVE STRATEGY FOR IMPROVING POST-DISASTER RECOVERY

Smoke damage restoration standards

Coverage gaps and policy clarity

FAIR Plan reform and accountability

SMOKE DAMAGE RECOVERY ACT

*AB 1795 introduced February 11, 2026 by
Assemblymember Mike Gipson*

What it will do:

Establish public health requirements for the testing and restoration of smoke damage to standing homes while creating insurance training and certification standards to address decades - old outdated claims practices .

SMOKE DAMAGE RECOVERY ACT

*AB1795 introduced February 11, 2026 by
Assemblymember Mike Gipson*

- Immediate help for survivors if a public health agency issues standards for smoke testing and restoration while statewide standards are being finalized.
- Establishing science based, health driven standards for inspection, testing, and restoration of standing smoke damaged homes.
- Creating uniform claims handling practices and required restoration protocols.

DISASTER RECOVERY REFORMACT

*SB876 introduced January 6, 2026 by
Senator Steve Padilla*

What it does:

Speeds up disaster recovery for homeowners and renters through improved insurance coverage and expanded consumer protections – responding to wildfire survivors' call for swifter claims payments and an end to delays and runarounds by insurance companies.

DISASTER RECOVERY REFORMACT

*SB876 introduced January 6, 2026 by
Senator Steve Padilla*

- Requires Insurer to have a “Disaster Recovery Plan” for claims handling and meeting timelines.
- Doubles penalties on unfair claims practices.
- Mandates insurers to pay direct restitution to policyholders when they violate the law.
- Requires 5 - day status update every time a new adjuster is assigned.
- Expands Additional Living Expenses by 100% of policy limits.
- Expands up - front payments, payable with interest if late.

DISASTER RECOVERY REFORMACT

*SB876 introduced January 6, 2026 by
Senator Steve Padilla*

- **Mandatory Replacement Cost Options** that require updated replacement cost estimates on new and renewal policies.
- **Safer Rebuilding Standards** that apply mandatory building code upgrade coverage at the time of rebuilding, so homes meet current codes after a loss.

MAKE IT FAIR ACT

*AB 1680 introduced February 2, 2026 by
Assemblymember Lisa Calderon*

What it does:

Overhauls the FAIR Plan by strengthening claims handling, expanding coverage options, and improving transparency for wildfire survivors —with a strategic plan to return people to the regular market.

MAKE IT FAIR ACT

*AB1680 introduced February 2, 2026 by
Assemblymember Lisa Calderon*

- **Returning people to regular insurance market** by requiring a plan and education.
- **Imposes fees for fair claims violations** with due process via hearings and appeals.
- **Comprehensive coverage options** with a more comprehensive homeowners' policy, reducing the need for separate policies for basics like liability and water damage.
- **Mandates compliance** with Insurance Commissioner recommendations from exams and operational reports, within set timelines.

CALL TO ACTION

SUPPORT LEGISLATION
to strengthen insurance
protections for Californians .

<https://bit.ly/CDILegAction>



CLCA PROGRAM OVERVIEW



Valid CDL/
AB60 for Undocumented
Drivers






Vehicle Value
\$25,000 or Less



Meet Income
Guidelines



Be at least 16
years old

- Apply at [MyLowCostAuto.com](https://www.mylowcostauto.com) 
- Take the Eligibility Questionnaire
- Application process is 100% online
- Chat is available M-F 8am – 4pm 
- Website and Chat are available in English and Spanish
- Call 866-602-8861 

* Can't have bad driving record for past 3 years

CONSUMER ALERTS

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NEW REGULATIONS,
CONSUMER SAFETY
EDUCATION,

FRAUD PREVENTION,

UNFAIR AND DECEPTIVE
BUSINESS PRACTICES,

INSURANCE ISSUES

STATEWIDE EDUCATION SERIES



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qrco.de/CDI2026

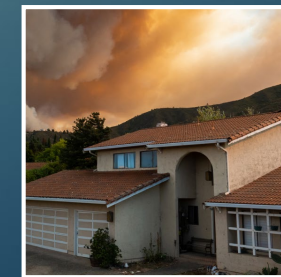
TOPICS & DATES



February 18
Auto
Insurance



April 22
Life, Annuities &
Seniors



June 17
Residential
Insurance



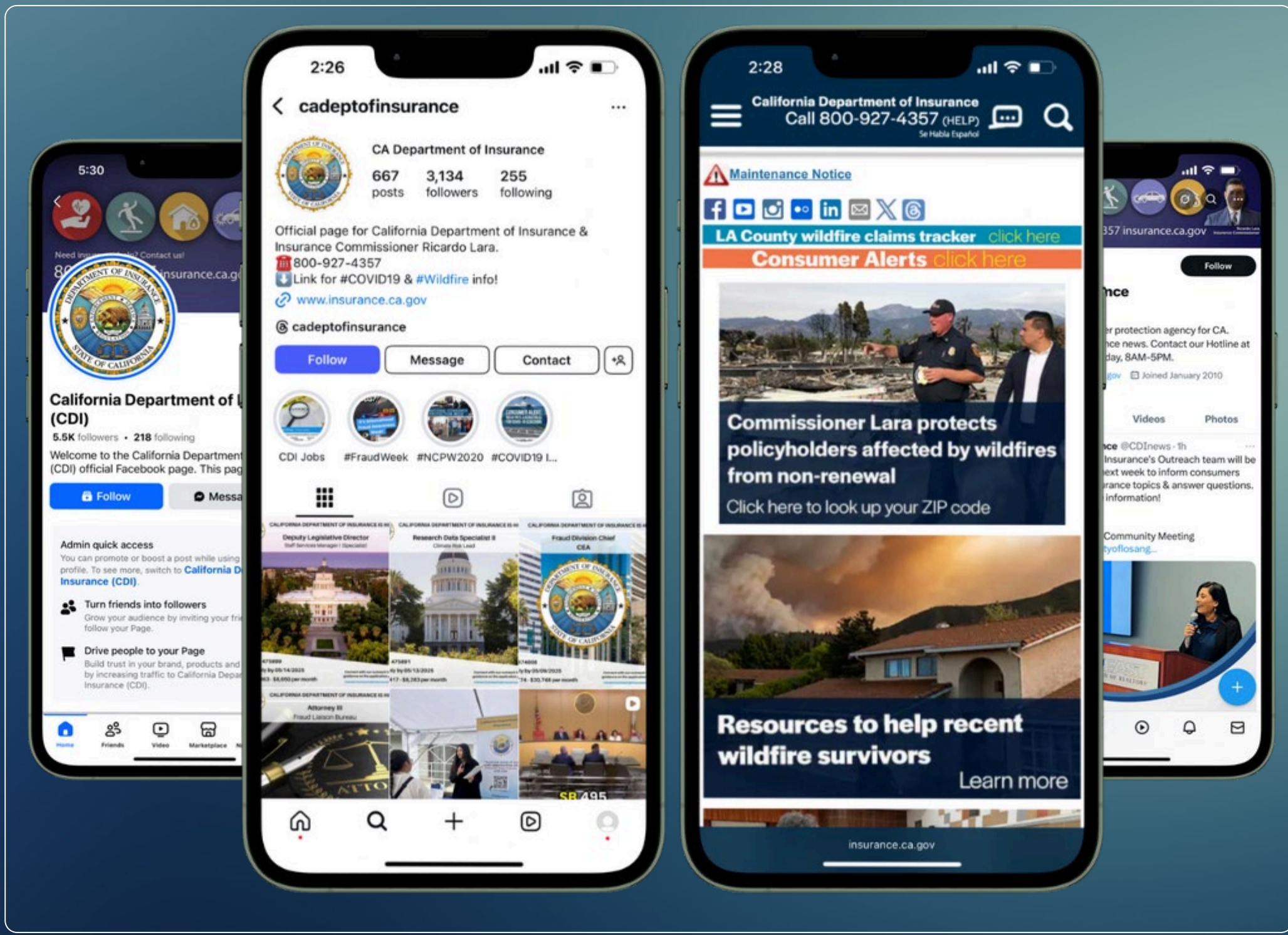
August 19
Health
Insurance



October 21
Business
Insurance



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