



Know California Insurance Law

New Laws Give Homeowners More Time and Clarity in the Rebuilding Process



THREE YEARS TO REBUILD

Homeowners have 3 years to rebuild their home after a State Declared Emergency. Current law gives homeowners a 6-month extension if delays are out of the insured's control. (AB 1772)



NEW REPLACEMENT COST ESTIMATE

Insurance companies are required to offer or provide an updated estimate of replacement cost with every other renewal of the policy.



ACCESS TO INSURANCE POLICIES

Insurance companies are required to give a complete copy of the insurance policy and all endorsements to a policyholder upon request. In a state of emergency, the insurer can provide an electronic copy of the policy. (AB 1799)



YOU CAN REBUILD, BUY, BUILD IN NEW LOCATION

Homeowners have choices after a catastrophic wildfire. Homeowners can rebuild a new home on their original lot, buy an existing home or build a new home in a new location. Insurers must provide extended replacement cost coverage under the policy regardless of what a policyholder decides to do. (AB 1800)



NEW CDI INSURANCE FINDER TOOL

The California Department of Insurance (CDI) is developing a new insurance finder tool that will help homeowners find property insurance in their community. This tool will be available on the CDI website. Insurers are now required to tell homeowners about this new tool if they do not offer or renew a policy. Insurers are also required to refer homeowners to CDI's Homeowner's Coverage Comparison Tool if the insurer does not provide an extended replacement cost policy. (AB 1875)



NOTICE OF AVAILABLE DISCOUNTS

Insurers are required to inform policyholders about any fire safety discounts they offer when a policy is offered or renewed. (AB 2229)



MORE TIME FOR LITIGATION

Consumers have 24 months after their loss to file a law suit after a State Declared Emergency. (AB 2594)



INSURERS CAN'T CANCEL IN A STATE DECLARED EMERGENCY

Property insurers CANNOT cancel or non-renew a policy solely because the house is in a zip code or fire perimeter where a State of Emergency has been declared. (SB 824)



INSURERS MUST RENEW POLICIES FOR TWO YEARS

Insurers are required to renew a policy for at least two years after a State Declared Emergency. (SB 894)



HOMEOWNERS HAVE 3 YEARS OF ADDITIONAL LIVING EXPENSES

Homeowners have up to 36 months for additional living expenses (ALE) if there are delays in the rebuilding process. The amount of ALE is subject to policy limits. (SB 894)



HOMEOWNERS CAN COLLECT COMBINED STRUCTURE COVERAGE LIMITS TO REBUILD HOME

If policy limits are insufficient to replace a home destroyed in a state declared emergency, policyholders can use the limit of coverage for outbuildings and other structures, up to the amount of actual loss, to rebuild the home.



IF A WILDFIRE CAUSES MUDFLOW, HOMEOWNERS INSURANCE WILL COVER THE LOSS

Landslide and mudflow are generally excluded from a standard homeowners insurance policy. Current law has been clarified that if wildfire is the efficient proximate cause of the loss from mudflow, homeowners insurance will cover the loss. (SB 917)