



Press Release

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14000 City Center Drive, Chino Hills, CA 91709

CONTACT: Nicole Freeman
Ph: (909) 364-2609

Valerie McClung
Ph: (909) 364-2618

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CHINO HILLS CITY COUNCIL URGES STATE TO TAKE ACTION TO STABILIZE CALIFORNIA'S HOMEOWNERS AND COMMERCIAL PROPERTY INSURANCE MARKET

Chino Hills, CA – In response to the growing crisis in California's homeowners and commercial property insurance market, the Chino Hills City Council adopted a resolution during its September 24 City Council Meeting urging the California Insurance Commissioner, State Legislature, and Governor to take emergency action. In the resolution, the Chino Hills City Council calls for expanded coverage choices, fair and affordable rates for consumers, and urges the state to ensure the long-term viability of the California Fair Access to Insurance Requirements (FAIR) Plan.

"As a City, we are deeply concerned for our residents, especially those living in high-risk fire areas among our beautiful Chino Hills hillsides," said Chino Hills Mayor Cynthia Moran. "We have met with and heard from many residents and businesses who have received cancellation notices and find it challenging to obtain adequate fire insurance coverage to protect their property investments. This crisis is putting our community at risk, and we are pushing for immediate emergency action by the Commissioner, Legislature, and Governor to stabilize the market and ensure our residents and businesses can maintain the coverage they need."

In recent years, California's insurance market has faced major challenges. Last year, two of the state's largest insurance carriers, representing over 27 percent of the admitted insurance market, announced they would stop issuing new homeowners and commercial property policies in California. Additionally, other carriers representing over 36 percent of the market announced plans to limit new policies. This reduction in coverage options has created widespread uncertainty for homeowners and business owners.

Many Chino Hills residents who reside in high-risk fire areas stated they have been dropped by big carriers such as Allstate and State Farm. The lack of insurance options has forced them to turn to the FAIR plan, a state-backed risk pool meant to be the last resort for consumers unable to obtain coverage in the traditional market. In turn, residents have seen their rates triple since being dropped by their former carriers.

The City of Chino Hills is committed to supporting homeowners who may be at risk of losing their fire insurance coverage. In recent years, the City has undertaken several initiatives to help residents navigate this challenging situation and City Council Members have met with the California Insurance Commissioner's Office to work towards a solution. Homeowners can access resources to help them navigate the fire insurance process including information outlining the many ways the City and Chino Valley Fire District work together to reduce the fire risk in Chino Hills that can be shared with insurance companies online at www.chinohills.org/HomeownersInsurance.

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