



Meeting Recap – Wildfire Insurance Roundtable

Date: August 24, 2025

Host: Palisades Recovery Coalition

Panelists: Senator Ben Allen, Tony Cignarale (CA Department of Insurance), Emily Rogan (United Policyholders), Lloyd Dixon (RAND)

A Conversation Rooted in Urgency

On Sunday afternoon, residents, policymakers, and consumer advocates gathered in Pacific Palisades for one of the most important conversations of the recovery so far: how to navigate the insurance market in the wake of the 2025 Palisades Fire.

The townhall-style meeting was candid and aimed to start a conversation around the issues of insurance that impact our recovery. Residents spoke of frustration, insurers' retreat, and the impossible math of rebuilding in a place still defined as a "very high fire severity" zone. Experts and regulators acknowledged the challenges, but the consensus was clear: without systemic reform and community-driven solutions, survivors risk being locked out of recovery.

Legislative and Regulatory Pathways

Senator **Ben Allen** opened with a call for urgent legislative action, underscoring that insurance reform is not just about protecting homes — it is about protecting entire communities from permanent displacement. He outlined bills in progress to:

- Expand **contents and living expense coverage**.
- Strengthen **oversight of the California Fair Plan (CFP)**.
- Provide **grants for home hardening** and defensible space.
- Explore a **public wildfire insurance option**.

Tony Cignarale, Deputy Commissioner of Consumer Services at CDI, described the Department's efforts to pressure insurers: market examinations, claim audits, and discussions about allowing catastrophe modeling and reinsurance — pressing carriers to commit to writing in fire-prone areas.



Survivor Voices: Delays, Denials, and Uneven Treatment

The most powerful moments came from residents themselves. Survivor after survivor reported **delays and denials**:

- *“My insurer requires invoices before releasing funds. How are we supposed to front tens of thousands of dollars?”*
- *“Our home is gone, yet our premiums have jumped 70%. Why am I insuring a structure that doesn’t exist?”*
- *“Smoke contamination destroyed our clothes, curtains, and porous items, but insurers refuse to call it a total loss.”*

These stories echoed the data: **A recent survey by Department of Angels** found that **70% of Eaton and Palisades survivors report delays or denials**, with sharp disparities between carriers. USAA and AAA earned praise, while State Farm drew repeated criticism. Residents asked whether a **mutual model** or restructured Fair Plan could better align insurer incentives with policyholder needs.

Condo & HOA Insurance Gaps

Condo and townhome residents voiced particular frustration at being left out of state moratorium protections and constrained by the **\$20 million Fair Plan cap** for HOA master policies — a figure that is inadequate for most Palisades complexes.

- Could the cap be raised?
- Could HOAs be allowed to layer multiple policies without breaking apart associations?
- Could the **loss assessment window** be extended when slow-moving boards risk leaving residents uncovered?

The group agreed on a dedicated follow-up with **Condo Captains, CDI, and Sen. Allen’s office** to push for direct solutions.



The Market Reality: High Risk, Higher Prices

RAND researcher **Lloyd Dixon** reminded the room that FEMA estimates Pacific Palisades' wildfire risk at **2% annually**. Insurers have priced that risk into the market, but residents challenged why premiums continue to balloon while brush fuel has already burned. *"Are we still a high-rate area?"* one asked.

Panelists agreed that while immediate premiums may not fall, **community-wide resilience measures** — undergrounding utilities, cisterns and water tanks, brush clearance, ember-resistant retrofits — could create a pathway to lower risk-based rates. Residents pushed for a **timeline**, asking bluntly: *"If we do all this, when will insurers actually drop our rates?"*

Community-Scale Solutions

Discussion turned to **hardening at both the home and neighborhood levels**. Homeowners asked for **clear, specific lists** of what hardening measures would guarantee coverage. Insurers have resisted issuing binding checklists, but consumer advocates pointed to **IBHS Wildfire Prepared Home standards** as the best available guide:

- Class A roofs.
- Ember-resistant vents and boxed eaves.
- Noncombustible 0–5 ft zones.
- Tempered glass and ignition-resistant siding.
- Defensible space out to 100 ft.

The challenge, as one resident put it: *"I can design my home today, but the insurer decides every year what it costs to cover it. How do I budget for that?"*

The solution may be a **master plan** for the ZIP code — pairing house-level hardening with community-scale mitigation like hydrants, vegetation management, and undergrounding utilities. Without it, homeowners feared insurers would continue cherry-picking risks.



Next Steps

1. **Legislation & Regulation** – Sen. Allen to explore bills expanding CFP caps, including condos, and creating resilience credits.
2. **Claims Handling Guidance** – CDI to issue clarifications on payment schedules, contents disputes, and loss assessment deadlines.
3. **Community Advocacy** – PRC to continue to host these townhall-style sessions to bring insurers, surplus writers, risk assessors and philanthropy to the table.
4. **Future Sessions** – A dedicated meeting for HOA/Condo issues; additional roundtables with insurers, risk assessors, banks and architects/builders.
5. **Public Pressure** – Suggested that Palisadians collect survivor stories of delays, denials, and premium spikes to strengthen the case for advocacy (the Eaton Fire Survivors network model).

Conclusion

The roundtable underscored a painful truth: **recovery cannot proceed without insurance reform**. Residents cannot rebuild if premiums are unaffordable, if claims are denied, or if carriers refuse to write policies in high-risk areas.

Yet it also pointed to a way forward. By pairing **legislative reform** (to expand coverage and oversight), **regulatory modernization** (to streamline claims and broaden CFP protections), and **community resilience measures** (to harden homes and neighborhoods together), Pacific Palisades can become a model for how California rebuilds after fire — not as it was, but stronger, fairer, and more insurable for the next hundred years.
