

Fire Victim Insurance Claim: Key Information and Steps

Important Updates from California Insurance Commissioner ⁱ

Key Protections for Homeowners:

1. Advance Payment for Living Expenses:

- Homeowners may request an **advance payment** of at least **four months of living expenses** due to fire damage.
- This includes **fair rental value** coverage under FAIR Plan policies.

2. Additional Living Expenses Coverage:

- Homeowners are entitled to **24 months** of additional living expenses (as long as policy limits aren't exceeded), plus a **12-month extension** if reconstruction delays occur.
- After the three-year period, six-month extensions are possible for good cause.

3. Contents Coverage:

- For furnished homes, the insurer must pay at least **30% of the policy limit** for contents coverage, up to a **\$250,000 maximum**, without needing an itemized claim.
- An itemized claim may be required to recover the remainder.

4. Rebuilding Coverage:

- If your policy limits are insufficient to rebuild, you can combine the **primary dwelling and other structures** coverage to rebuild your home.
- If you choose to relocate and purchase a new home, you are still entitled to the **full amount** that the insurer would have paid for rebuilding the original home, including **extended replacement cost** and costs for **compliance with local building codes**.

Protections Against Policy Cancellations:

• Moratorium on Cancellations:

- Insurers cannot cancel or refuse to renew residential property insurance policies in high-risk wildfire areas until **Jan. 7, 2026**, ensuring homeowners are covered during recovery.

Important Reminder: Insurers must comply with these protections, so don't hesitate to request the assistance you're entitled to under your policy. Keep a detailed record of everything and stay in touch with your insurer to ensure proper claim handling.

Stay safe, and don't hesitate to reach out if you have questions or need help with your claim.

Steps for Filing Your Insurance Claim:

For Property Damage and Lost Possessions:

1. Separate Damaged Items:

- If safe, separate damaged items from undamaged ones.

2. Document the Damage:

- Take **photos and videos** of the damage to your home, belongings, and surroundings.

3. Create an Itemized List:

- List **damaged/lost items**, including purchase dates, values, and receipts.

4. Track Extra Expenses:

- Keep records of additional costs, such as:
 - Emergency gear
 - Relocation costs
 - Additional shipping or freight costs
 - Advertising/notification expenses
 - Overtime pay
 - Costs to maintain utilities (e.g., generators)

5. Financial Documentation:

- Gather any business **accounting records** for loss of income or operational costs.

6. Obtain Reports:

- Get copies of reports from the **fire department, police**, or other authorities.

7. Save Recovery Documentation:

- Keep all receipts, invoices, and documentation related to crisis response, evacuations, and recovery efforts.

For Commercial Property Claims:

- Commercial property policies generally require a **sworn proof of loss** to be submitted within **60 to 90 days**. Check with your insurer for specific deadlines.

<https://www.wsj.com/livecoverage/cpi-jpmorgan-citi-goldman-earnings-stock-market-01-15-2025/card/l-a-fires-could-cost-insurers-30-billion-according-to-new-forecast-43JE01jKBGuW6ycSv7Qe>.

<https://www.insurance.ca.gov/0250-insurers/0300-insurers/0200-bulletins/bulletin-notices-commiss-opinion/upload/Bulletin-2025-2-Wildfire-Consumer-Protections-and-Advanced-Payments.pdf>.

<https://www.insurance.ca.gov/0250-insurers/0300-insurers/0200-bulletins/bulletin-notices-commiss-opinion/upload/Bulletin-2025-1-One-Year-Moratorium-for-Palisades-and-Eaton-Fires-9-January-2025.pdf>.