



TO: Registered FAIR Plan Brokers

FROM: California FAIR Plan

DATE: August 22, 2023

SUBJECT: Introduction of Wildfire Hardening Discounts

We are pleased to announce that the California FAIR Plan, in collaboration with the California Department of Insurance, has developed two new discounts for the Dwelling Fire Policy which recognize actions taken by individual policyholders to protect their properties from wildfire. These new Wildfire Hardening Discounts will be available on 8/23/2023, and will be available for new business, renewal business, and via midterm endorsement request.

There are two Wildfire Hardening discounts available: one for **Protecting the Structure**, and another for **Protecting the Immediate Surroundings** of the dwelling. When applied, these discounts will reduce the wildfire portion of the policy's premium by 10% and 5%, respectively. These discounts can be obtained separately or together; policyholders do not need to qualify for one discount to qualify for the other. If a policyholder is eligible for both discounts, the total discount will be approximately 14.5% because the second discount is applied to the wildfire premium after the first discount is applied. In order to qualify for these discounts, the insured property must meet the following qualifications. All policies which receive the discounts will be inspected to confirm their eligibility and the discount(s) may be removed if the inspection reveals the property does not qualify.

For the **Wildfire Hardening – Protecting the Structure Discount**, the property must meet all of the following qualifications:

- The dwelling must have a Class-A Fire Rated Roof (meaning composition shingle, stone, concrete or clay tile, or metal)
- 6 inches at the bottom of all exterior walls must be made of non-combustible material
- Vents must be ember and fire resistant (wire mesh covering)
- Windows must be double paned
- Eaves must be enclosed

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For the **Wildfire Hardening – Protecting the Immediate Surroundings Discount**, the property must meet all of the following qualifications:

- Vegetation and debris must be cleared from under decks
- There must be an ember resistant zone maintained within five feet of the home
- There must be no combustible sheds or outbuildings within 30 feet of the dwelling
- Defensible space must be maintained including trimming trees, clearing of brush, and removing debris from yard (including trimming trees, removal of brush and debris from yard, in compliance with California Public Resources Code 4291). For more detail, please see the attached Defensible Space Checklist.

To request one or both of the new Wildfire Hardening Discounts, insureds will need to complete and sign the **Supplemental Application for Wildfire Hardening Discounts**. This application is included on the last page of this bulletin and is available in the online broker portal under *Forms, Contracts, & Help > Forms*.

- To request one or both of the new Wildfire Hardening Discounts on a new business application, have your client complete and sign the supplemental application, and attach it to your application in png, jpg, or pdf form.
- To request one or both discounts on a policy mid-term or on renewal, an online endorsement request should be submitted with a completed supplemental application attached.

The FAIR Plan will continue to work with the Department of Insurance to fine-tune discounts and rating plans in accordance with California Code of Regulations Title 10 § 2644.9.

Please share this information with everyone in your office who handles the FAIR Plan business.

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DWELLING FIRE SUPPLEMENTAL APPLICATION for Wildfire Hardening Discounts

This Supplemental Application must be completed when the insured makes a request for Wildfire Hardening Structure or Immediate Surroundings discounts.

You may be eligible for a premium discount on your policy for improvements made to the insured premises as a means of mitigating loss from a wildfire.

Below is a list of mitigation measures for dwellings that may qualify for such discounts.

Wildfire Hardening Requirements for Structure Discount

I attest that the property currently has all of the following conditions:

- Class-A Fire rated roof (meaning composition shingle, stone, concrete or clay tile, or metal)
- 6 inches at the bottom of all exterior walls made of non-combustible material
- Ember and fire-resistant vents (wire mesh covering)
- Upgraded windows (Multi-paned)
- Enclosed eaves

Yes No

Wildfire Hardening Requirements for Immediate Surroundings Discount

I attest that the property currently has all of the following conditions:

- Cleared vegetation and debris from under decks
- A 5 foot ember-resistant zone around the home (including fencing within 5 feet)
- Removal of combustible sheds and other outbuildings from the immediate surroundings of the home, to at least a distance of 30 feet
- Defensible space compliance (including trimming trees, removal of brush and debris from yard, in compliance with California Public Resources Code 4291)

Yes No

By signing below, the applicant/named insured is certifying that the property currently has the above conditions. We will verify that these conditions exist as part of our property inspection process.

Applicant's/Insured's Signature: _____

Date: _____