

News Release

For Additional Information, Contact:

Cliston Brown, Vice President, Public Affairs (571) 243-5331 cbrown@slacal.org

For Immediate Release

February 18, 2022

SLA Applauds Commissioner Lara, CDI for Implementing Fire Mitigation Standards

SAN RAMON, CA—The Surplus Line Association of California (SLA) today applauds Insurance Commissioner Ricardo Lara and the California Department of Insurance for implementing its "Safer From Wildfires" initiative. The standards announced this week will help reduce risk for homeowners and communities, ultimately benefitting consumers.

"We very much appreciate the efforts taken by Commissioner Lara and the CDI on this issue," said **Benjamin J. McKay**, the SLA's CEO and Executive Director. "It is important for all of us to understand, whether we are consumers, insurers or regulators, that we all need to be in this together. Reducing risks benefits everybody and ultimately leads to a healthier insurance marketplace."

According to the <u>National Institute of Building Sciences</u> (NIBS), every dollar spent on mitigating against Wildland-Urban Interface (WUI) fire risks can save as much as \$4 in repair or replacement costs. Higher safety standards reduce the risk of loss, and reduced risk can help make more insurance options available to consumers.

"As the saying goes, an ounce of prevention is worth a pound of cure, and that is especially true in insuring homes against wildfire risks," McKay said. "We applaud the new standards rolled out by the CDI to help meet the challenges posed by California's ongoing wildfire problem."

ABOUT THE SLA: Based in San Ramon and San Francisco, the Surplus Line Association of California (SLA) operates as a self-governed private organization. Appointed by the Commissioner in 1994, the Association serves as the statutory surplus line advisory organization to the California Department of Insurance (CDI) and facilitates the state's capacity to monitor and direct surplus line brokers' placements of insurance with eligible nonadmitted insurers. Working with its members and the CDI, the Association assists its members' compliance with California laws and regulations; helps maintain a healthy, fair, and competitive surplus line marketplace in California; and strives to protect the interests of California insurance consumers.