



Homeowners Insurance Workshop

Wednesday, May 29, 2024 | 5:00 – 7:00 PM | In-Person

In-Person: La Pine Activity Center

AGENDA

5:00 – 5:30

A. Community Meal

- Catered by Farmers Insurance, Bancorp Insurance, COUNTRY Financial and First Interstate Bank.

5:30 – 5:45

B. Meeting Begins

- Introductions
- Facilitated by Newberry Regional Partnership
 - Moderators Kathy Debone, Geoff Wullschlager, Ann Gawith

5:45 – 6:20

C. Panelist Presentations

Aaron Schofield – First Interstate Bank

- Recently had insurance cancelled twice, lives in Sunriver
- Branch Manager and VP
- Lenders will force place insurance on your property from a 3rd party if your insurance is cancelled or lapses, only covers the loan. 90 day notice from the bank to find insurance. Applicable for properties with mortgages.
- Force placed insurance is costly.
- Insurance must change the policy within 15 if you find insurance after being force placed, must reimburse any costs as well.
- Personal experience: policy was cancelled was able to find new policy within the 90 days.

Cheri Martinen – Bancorp Insurance

- Family-owned and run business
- Why is your homeowners insurance increasing?
 - Worsening weather events – tornadoes, hurricanes, flooding, hail storm, wind,
 - Worse weather, more frequently, higher costs of doing business, can't collect enough premium to pay out claims.
- What are the wildfire risk maps and how are they used for Insurance?
 - Insurance companies don't use the state maps, they use their own maps, they've been tracking it for longer than the state.

- Oregon FAIR Plan
 - Insurance of last resort in the state when no insurance carrier says yes.
 - Coverage isn't great, only covers certain things, only covers actual cash value of the home which is not acceptable insurance in the eyes of the bank.
 - May only be effective if you own the home outright or less expensive than what your bank.
 - Often have to build with another policy which means double the policies for double the price.
 - Bancorp has sold more FAIR plans this year than ever before.

Karen Brannon – Farmers Insurance

- Worked in La Pine for 12 years.
- How to Protect the Insurability of Your Home
 - Just because one company says no, they won't all say no.
 - Maintain defensible space, 6ft clearance for no vegetation
 - Age and condition of the roof, under 20 years old. Metal roofs have a longer life.
 - Condition of siding and eaves, fire resistant if possible
 - No wood near your house, 6 to 8 ft away from home
 - Clear dead brush, trees, and debris
 - Inoperable vehicles hurt your insurability.
 - Remove or limit the number of claims, some agencies will not insure if you have more than 1 claim within the last 5 years. Stick to larger claims only rather than smaller claims.
- How to Improve the Cost of Your Homeowners Insurance
 - Bundle all your policies with one carrier, can be difficult for manufactured homes
 - Manage your credit
 - Ask to have your current insurance re-scored. You can do this annually and legally your cost cannot be increased.
 - Keep home in good condition
 - Upgrades to your home, fire resistant finishes, water shut off valves
 - Military discount, professional discounts, etc.

Andy Meeuwsen – COUNTY Financial

- Resident in La Pine also involved with Project Wildfire

- All insurance companies use their own methods to maps to determine eligibility and cost of policy.
- Looks at 0-30 feet range for fuels reduction and defensible space. Even from accessory buildings on the property.
- 0-5 feet = immediate, no brush, bark or mulch, opt for rock, non-flammable
- 5-30 feet = Thin out dense groups of trees, remove vegetation under trees and prune trees 6-10 feet high
- 10 feet between trees.
- You need to sell your insurability to homeowners
- Clear wood piles, keep yard and roof clean of pine needles. Embers fall on pile of needles on roof and can catch your home on fire.
- The embers will do the damage to your home.
- Recycle your yard debris May 31 – June 8 for free at Southwest Transfer Station [LINK TO INFO](#)
- Be very careful when burning this late in the year, must be watched, and needles burn slow.
- Be prepared to respond to wildfire.
- Home hardening = make your home resistant to the heat that can cause your home to combust.
- Wishes insurance carriers would give more discounts for home hardening done by the homeowner, just not the reality today.
- Can't control what your neighbor does, even if you create defensible space and harden your home, your neighbor's property may not be well protected. This issue is a community issue!
- **Project Wildfire, Firewise Community in La Pine.**

What's Next? What Can You Do?

- Defensible space – maintain your property, connect to resources at this event for support
- Firewise Neighborhoods
- Shop insurance policies
- Protect your insurability
- Advocate to your elected officials, state legislature.
- Rep. E. Werner Reschke – our district's State Representative
 - **State of Oregon needs to know your concerns, this is not just about insurance. It's tied to the health of our entire economy in Central Oregon and across the State.**
 - Create solutions to ensure insurance stays affordable, make FAIR plan cover full replacement cost (model after California's plan)
 - Rep.EWernerReschke@oregonlegislature.gov
- Contact Division of Financial Regulation
 - Call 1-888-877-4894 (toll-free) for insurance help.

- Email DFR.InsuranceHelp@dcbs.Oregon.gov

6:20 – 7:00 **E. Group Discussion**

How did you get insurance when you were cancelled twice?

- Shopped around, wanted to go with a local representative but had to look elsewhere.
- Never let your bank force place, **continue shopping, someone will insure you**

CEO Pay, is there a way to regulate CEO company pay?

- Depending on your carrier, CEOs make a lot of money. Insurance is a for profit business and they want to keep their margins where they are at.
- With regulations, taxes may increase, how do you regulate a private company?
- Farmer's laid off thousands of people years ago but brought in a new CEO, Karen said you want smart people to run your company.
- Insurance companies are heavily regulated, must go through a review every year and rates are approved by the state, much like a utility.
- 2% tax charged to all insurance companies to pay for State Insurance Commission (insurance regulatory commission)

How do you know your insurance score?

- No one really knows, not even your insurance agent!
- They are categorized by Tiers, agents know that.
- Ask your agent to rescore, won't hurt your credit.

What is too many inoperable vehicles?

- No more than 3 inoperable vehicles on your property. Flammability, impacts condition of property.

Can any of you describe what a firewise community is?

- Community firewise training to protect your neighborhood
- Online applications to have an individual come and inspect your neighborhood and approve FireWise. Is \$250 to get the certification, successful in HOA and/or communities with road districts.
- Unfortunately the insurance companies won't change anything about your rates right now, we would like to see that change.
- When responding to wildfires, first responders can better protect FireWise communities, can take more aggressive strategies to protect structures. Chief Holsey reports there is a clear difference in FireWise communities and those that are not.

Does the county look at properties to ensure they have defensible space and fire hardening?

- The city can bring a property under non-compliance with code only if health and human safety is at risk.

- County doesn't have this authority to make homeowners clear brush, create defensible space, etc.

What can we do about absent neighbors and defensible space?

- What works best is to reach out to your neighbor (when they are home)
- City can reach out to homeowner on your behalf, but neighbor to neighbor creates better outcomes.
- Issue in a resort/destination community.

Fire resistant paint and impact on insurance

- Proactive home hardening helps with future renewals, but cannot guarantee insurability

Renewal inspections?

- Many are done by aerial, 60 days notice to fix problems before renewal is issues.
- Initial inspections are normally in-person, becoming more rigorous and longer process.
- Sometimes agents just like to see the effort, can extend your timeline to get necessary defensible space and hardening done.

Insurance for new properties

- Homes being sold, may not be able to get insurance, can kill the sale.
- Shop around before you make the offer
- They require hardscapes, defensible space, hardening.
- Ask your local agents if the home your selling will be insurable to aid in closing the deal

Manufactured homes

- Only one company will write policies for older manufactured homes, American Modern
- One attendee reported their insurance from American Modern doubled when it was renewed.

Oregon is the second cheapest state for insurance. People underestimate the impact of insurance. If people can't buy homes or sell homes it impacts our entire economy and tax base for local governments and special districts.

FAIR Plan run by Oregon Department of Consumer and Business Services.

Mortgage lenders are asking to see if a home is insurable before pre-approving home buyers.

What can be done when neighbors don't clean up their properties?

- City has some code they can employ if an issue is serious enough to be causing serious risk to health and human safety.

Are our rates going up because of what's happening in other state?

- Yes, but not significantly. Most of the cost is coming from our state.

How large is the La Pine Fire District and how much has it grown?

- 800 sq. miles, 2 staff stations, looking to open a 3rd.
- Work in partnership with Walker Range, ODF, etc.
- Fire district focuses on structure fires and ambulance calls
- Ambulance calls are 80% of call volume, all fire fighters are also paramedics.
- Can currently task 2-3 critical tasking units.

As far your neighbor's property, some are letting invasive weeds grow like crazy. Tumbleweeds can be a hazard to drivers. Do you shame people into taking care of their properties?

- Shaming is not the best option
- Deschutes County Noxious Weed program [LINK](#)

Resident from Klamath County, they spoke to the county and the forester came out to look at their neighbor's property and took them to court to force them to clean up the property.

- County stepped up to help in this case and got Oregon Department of Forestry involved.

Resources from the workshop:

Understanding the issues

- Oregon Capital Chronicle: [Oregon Homeowners face soaring premiums](#)
- Washington Post: [Home insurers cut natural disasters from policies as climate risks grow](#)

Understanding Homeowners Insurance

- [Workshop Flyer: Understanding Your Homeowners Insurance](#)
- [CoreLogic Wildfire Risk Score](#)
- Insurance Institute for Business and Home Safety: [Wildfire Assessment and Checklist](#)

Defensible space

- OSFM: [Create Defensible Space](#)
- [What is Defensible Space?](#)
- [Are you prepared for Wildfire?](#)
- [UDRC Defensible Space Reimbursement Program – Apply July 1, 2024](#)
- [UDRC Low-income Senior or Low-income Disabled Defensible Space Program](#)

State Laws and Points of Contact

- ORS 746.661: [Use of credit history or insurance score](#)
- Oregon Fair Plan: [The Insurance Market of Last Resort](#)
- [Division of Financial Regulation : Homeowners insurance premium increases and cancellations](#)
- [Division of Financial Regulation : Wildfires : Storm damage](#)
- [Division of Financial Regulation : Statewide wildfire risk map and insurance](#)

