In Major Move to Expand Growth, Farmers Insurance® to Remove Cap on Writing New Homeowners Insurance Policies in California and Submits New Rating Plan

Moves Signal Continued Confidence in California's Insurance Marketplace as Insurance Commissioner Lara's Sustainable Insurance Strategy Increasingly Takes Hold

WOODLAND HILLS, Calif., Nov. 21, 2025 /PRNewswire/ -- Anticipating an improved homeowners insurance market in California thanks to the spreading adoption of Insurance Commissioner Ricardo Lara's *Sustainable Insurance Strategy*, Farmers Insurance® will eliminate the cap on the number of homeowners insurance policies it offers in California, effective immediately. This decision includes Farmers Smart Plan Home®, Farmers® Smart Plan Condominium and Farmers Smart Plan Renters policies. While Farmers has continuously offered homeowners insurance to consumers in the state, prior to today's announcement, Farmers homeowners offerings had been capped at 9,500 new policies per month.

In addition, Farmers has filed a new rating plan that incorporates key elements of the Sustainable Insurance Strategy and is expected to add at least several thousand new policies in areas identified as distressed by the California Department of Insurance. To aid in this effort, in early 2026, Farmers will begin marketing directly to approximately 300,000 consumers in the distressed areas, as well as providing local Farmers agency owners with resources to conduct additional marketing outreach.

The filing, which requests a 6.99% average statewide rate increase, also proposes an updated discount for customers who choose to bundle their Home and Auto insurance with Farmers, offering a significantly improved 22% Home/Auto discount, up from 15%.

"By removing the cap on offering new homeowners policies, Farmers is doubling-down on its commitment to California homeowners, expanding choice and availability for consumers across the state," said Behram Dinshaw, president of personal lines for Farmers Insurance. "We are also reaffirming our commitment to serving the needs of residents by submitting a new Sustainable Insurance Strategy-inspired rating plan which is designed to expand our offerings to more homeowners across California."

While the homeowners insurance market in the state has been a challenge for some time, Farmers, the largest property casualty insurer headquartered in California, has remained dedicated to helping maintain an open and viable insurance marketplace by continuing to offer new homeowners insurance policies in the state without stoppage.

Furthering its interest in fostering a resilient and sustainable property insurance market in the state, Farmers announced in December 2024 that it would resume offering coverage for various lines of insurance, including:

- Farmers Condominium insurance (both, owner-occupied and those rented to others),
- Farmers Renters insurance
- Farmers Personal Umbrella
- Foremost® Manufactured Home Landlord
- Foremost Dwelling Fire Landlord and Dwelling Fire Vacant insurance

The insurer group also resumed accepting new Business Insurance applications from customers seeking coverage for various industries as well as reopening various manufactured home offerings from Foremost Insurance®.

"Farmers has a long and proud history in serving the insurance needs of Californians and with today's announcement, we want to send a strong signal that we remain committed to doing our part to continue improving the insurance marketplace in the state," added Dinshaw.

New customers will be required to meet all applicable underwriting guidelines to be considered for coverage. Consumers with questions are encouraged to connect with their local Farmers agency owner.

About Farmers Insurance

"Farmers Insurance®" and "Farmers®" are tradenames for a group of insurers providing insurance for automobiles, homes and small businesses and a wide range of other insurance and financial services products. Farmers Insurance Exchange, the largest of the three primary insurers that make up Farmers Insurance, is recognized as one of the largest U.S. companies on the 2025 Fortune 500 list. For more information about Farmers Insurance, visit Farmers.com.

Contact: External Communications
Farmers Insurance
818-965-0007
reporterhotline@farmersinsurance.com

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