

Farmers Insurance® Receives Approval for New Homeowners Insurance Rating Plan in California, Includes Sizable 22% Home/Auto Package Discount

In addition, effective July 1, Farmers will introduce a new auto insurance rating plan that will also include robust discounts and improved coverage options

WOODLAND HILLS, Calif., May 11, 2026 /PRNewswire/ -- To strengthen its ongoing commitment to California, Farmers Insurance® has been granted approval by the California Department of Insurance to introduce a new homeowners insurance rating plan, which incorporates elements from Insurance Commissioner Ricardo Lara's *Sustainable Insurance Strategy*. Effective September 15, 2026, for new and existing customers with Smart Plan Home or Next Generation Home policies, the rating plan will include a significantly enhanced Home/Auto bundling discount (increasing from 15% to 22%) and savings for homeowners who implement various residential wildfire mitigation measures. Overall, the new homeowners insurance rating plan will adjust rates upwards by a statewide average of 1.5%. However, new or existing customers who choose to bundle will generally experience decreasing rates.

"We continue to see encouraging signs that the California insurance marketplace is strengthening and we want to be well-positioned to grow and provide improved coverage offerings to California consumers," said Behram Dinshaw, president of personal lines for Farmers Insurance. "Together, our new homeowners and auto rating plans provide consumers with multiple opportunities to save, especially through increased discounts for bundling policies."

The newly approved homeowners rating plan incorporates key elements of the *Sustainable Insurance Strategy* and is expected to add several thousand new policies in the next two years in areas identified as distressed by the California Department of Insurance. Since earlier this year, Farmers has begun reaching out to homeowners in distressed communities and has observed nearly a 10% year-over-year increase in new business writings within these areas.

"Farmers is proud to be one of the few home insurers that never stopped offering new home policies in the state and we remain committed to the California marketplace. It's also important to note that we have been able to stay in the market and continue to serve our customers because key stakeholders, including the California Department of Insurance, have remained steadfast in working toward meaningful solutions to reinvigorate the state's insurance marketplace," added Dinshaw.

Customers will be required to meet all applicable underwriting guidelines to be considered for coverage. Consumers are encouraged to connect with their local Farmers agency owner to learn about the new coverage offerings and various available discounts.

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](https://farmers.com).

Contact:

External Communications

Farmers Insurance

818-965-0007

reporterhotline@farmersinsurance.com

SOURCE Farmers Insurance

<https://newsroom.farmers.com/2026-05-11-Farmers-Insurance-R-Receives-Approval-for-New-Homeowners-Insurance-Rating-Plan-in-California,-Includes-Sizable-22-Home-Auto-Package-Discount>