
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 888 (Calderon) - California Safe Homes grant program

Version: May 29, 2025

Urgency: No

Hearing Date: August 18, 2025

Policy Vote: INS. 7 - 0

Mandate: No

Consultant: Janelle Miyashiro

Bill Summary: AB 888 establishes a grant program, to be administered by the California Department of Insurance (CDI) with the goals of reducing local and statewide wildfire losses, improving insurability and resilience of vulnerable communities, and home hardening to mitigate wildfire risk.

Fiscal Impact: Unknown General Fund cost pressures, likely in the millions of dollars to fund the grant program. The bill specifies program operation will be upon appropriation by the Legislature, upon receipt of federal grants or funds, or upon receipt of other sources of grants or funds. While it is unknown at what level the program would be funded at, or what non-state funds the program may receive, CDI estimates the initial funding required to operate the program at \$3 million General Fund.

Background: Announced in 2022 by CDI and instituted in regulations, the Safer from Wildfires Framework directs insurers to provide discounts to consumers and businesses if they take specified mitigation measures. To produce this regulation, CDI worked with emergency preparedness agencies in the Governor's Administration, including CAL FIRE, CAL OES, the Governor's Office of Planning and Research, and the California Public Utilities Commission. The Framework is founded on a "ground-up" approach for wildfire resilience with three layers of protection for the structure, the immediate surroundings, and the community.

Insurance companies operating in California must recognize and offer discounts to homeowners and businesses that undertake wildfire mitigation efforts as part of the state's Safer from Wildfires Framework. Insurance companies must also provide consumers with their property's "wildfire risk score" and a right to appeal that score. The specific mitigation measures that may be taken include:

- Class-A fire-rated roof: Roofs that qualify include asphalt shingles, concrete, brick, or masonry tiles, and metal shingles or sheets.
- Five-foot ember-resistant zone: Removing greenery and replacing wood chips with stone or decomposed granite five feet around the home helps prevent fire from reaching the home.
- Ember- and fire-resistant vents: Installing 1/16 to 1/8 inch non-combustible, corrosion-resistant metal mesh screens over exterior vents can keep wind-blown embers out of the house.
- Non-combustible area six inches at the bottom of exterior walls: Having a minimum of six vertical inches measured from the ground up, and from any attached

horizontal surface, like a deck, can stop embers from accumulating and igniting the walls. Non-combustible materials include brick, stone, fiber-cement siding, or concrete.

- Enclosed eaves to prevent heat and embers from getting trapped and igniting.
- Upgraded windows: Multi-paned windows are more resistant to breaking during a wildfire, which helps keep flames from entering. Multi-paned glass or added shutters all qualify.
- Cleared vegetation, weeds, and debris from under decks: Non-combustible materials like concrete, gravel, or bare soil are permitted.
- Removal of combustible sheds and other outbuildings to a distance of at least 30 feet: These include sheds, gazebos, accessory dwelling units (ADUs), covered structures with a solid roof, dog houses, and playhouses.
- Defensible space compliance: Following state and local laws requiring defensible space, including trimming trees and removing of brush and debris from yards.
- Being safer together: Safer from Wildfires recognizes two community-wide programs, Firewise USA and Fire Risk Reduction. Communities as small as eight dwelling units or as big as 2,500 can create a mitigation action plan.

Proposed Law:

- Establishes the California Safe Homes grant program, to be developed and administered by CDI for the purpose of achieving the following goals:
 - Reducing local and statewide wildfire losses.
 - Improving insurability and resilience of vulnerable communities.
 - Home hardening of insurable properties to mitigate wildfire risk and enable consumers to get access to insurance premium incentives offered by insurance companies and in alignment with the department's rules.
- Creates the Sustainable Insurance Account within the Insurance Fund for operation of the program, upon appropriation by the Legislature, upon receipt of federal grants or funds, or upon receipt of other sources of grants or funds.
- Authorizes CDI to adopt rules and establish eligibility requirements and additional procedures to administer the program. Authorizes CDI to contract with a third party to assist with program administration.
- Specifies criteria for CDI to prioritize applications when awarding grant funds.
- Specifies eligible program applicants.
- Requires CDI to collect specified information to account for the performance of the program over time.

- Requires the California FAIR Plan Association to submit an annual report to CDI stating the number of policyholders that have qualified for each of the wildfire mitigation rating factors specified in CDI's Safer from Wildfires regulations.
- By January 1, 2027 and every two years thereafter, requires CDI to public a performance report using aggregate information collected from grantees and metrics for the beneficial impacts of the grants awarded.
- States legislative findings and declarations.

Related Legislation: AB 1 (Connolly, 2025) requires CDI to consider updating the Safer from Wildfires regulations to include additional building hardening measures for property-level mitigation efforts and communitywide wildfire mitigation programs, as specified. AB 1 is pending in this committee.

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