



## News

### Spencer Kook Weighs in on California's Provisional Approval of State Farm Emergency Rate Hike Request

March 18, 2025

Hinshaw partner Spencer Kook was quoted in a recent *PropertyCasualty360* article discussing California Insurance Commissioner Ricardo Lara's provisional approval of State Farm's request for an emergency interim rate increase. This request comes in response to concerns stemming from recent wildfires in LA County.

A public hearing is scheduled for next month to evaluate whether State Farm can justify the proposed interim rate hikes: a 22 percent increase for homeowners, a 38 percent increase for rental dwelling coverage, and a 15 percent increase for renters and condo owners.

Commissioner Lara has acknowledged the growing anxiety among Californians regarding the non-renewal of their insurance policies and has stressed the importance of transparency throughout the process.

Kook emphasized the very significant financial losses faced by insurers due to increased claims, and he pointed out the challenges of availability and affordability in the California insurance market:

"California is at a crucial stage as it faces insurance availability and affordability issues, and the key to addressing both is to ensure that insurers are encouraged to stay and grow their presence in the California property insurance market."

"While far from ideal, this Order at least creates a time frame within which State Farm can get clarity on emergency interim rate relief. The question is whether the result of the process contemplated in the Order will be sufficiently timely and substantively adequate."

[Read the full article.](#)

- "[California provisionally approves State Farm's emergency rate hike](#)" was published by *PropertyCasualty360* on March 17, 2025.

#### Attorneys

Spencer Y. Kook

#### Offices

Los Angeles