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# NEWS RELEASE

**FOR RELEASE**  
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## Active Wildfire Seasons Provide New Lessons on Wildfire Risk

WASHINGTON—Destructive and costly wildfires in the western United States over the past several years are driving efforts to better understand wildfire risk, ways to more effectively prevent and mitigate wildfires, and approaches to insuring against wildfire risk exposures, as outlined in a new [issue paper](#) from the American Academy of Actuaries.

“Federal, state, and local government regulators and agencies, property owners and builders, actuaries, and insurers all have a part in addressing this risk,” said Jeri Xu, chairperson of the Academy’s Extreme Events and Property Lines Committee, which developed the issue paper, *Wildfire: An Issue Paper—Lessons Learned from the 2017 to 2021 Events*. “Fostering a healthy and fair insurance market for wildfire peril is a major public policy objective, and recent wildfire seasons have raised issues, challenges, and opportunities for all stakeholders to consider.”

Among these are:

- Insurance rate adequacy and availability for wildfire risk, suggesting a need for insurers to rethink how they provide coverage, better assess risk, and work with regulators so they can offer the coverage needed to consumers.
- Numerous regulatory and legislative actions taken and under consideration regarding risk reduction, affecting consumers and insurers in various ways.
- Increased potential to advance wildfire risk assessment and pricing through modeling as more wildfire claims data have become available, and a standardized model review process could be beneficial to increasing regulator and insurer confidence in the models.
- Growing recognition of the need to assess wildfire risk more widely in the United States.

Read the [issue paper](#) and learn more under the [public policy](#) tab of the Academy’s website.

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The American Academy of Actuaries is a 19,500+ member professional association whose mission is to serve the public and the U.S. actuarial profession. For more than 50 years, the Academy has assisted public policymakers on all levels by providing leadership, objective expertise, and actuarial advice on risk and financial security issues. The Academy also sets qualification, practice, and professionalism standards for actuaries in the United States.