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State Farm Is in Trump's Crosshairs

President rips insurer for its response to damage from 2025 blazes in California

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LOS ANGELES—State Farm has burnished its reputation as the country's largest home and auto insurer with its "good neighbor" slogan. President Trump this week offered a different take on the company: "absolutely horrible" and "not there to help!"

Trump's social-media post critical of State Farm centered this week on its response to the 2025 Los Angeles wildfires. Many whose homes were lost or damaged have complained of delays, underpayments and denials of claims. "State Farm, and others, should get their act together, and treat people fairly," Trump wrote Tuesday.

The president's declaration was spurred in part by recent conversations between his administration and a politician he has been critical of: Los Angeles Mayor Karen Bass

Trump said on Truth Social that he asked Lee Zeldin, the head of the U.S. Environmental Protection Agency, to list insurers that acted "swiftly, courageously, and bravely in order to make their clients happy," and those that didn't.

Bass and Trump spoke by phone in March about the rebuilding of the Palisades, including insurance issues, and she has had other conversations with administration officials, a mayoral spokesperson said. Los Angeles County Supervisor Kathryn Barger also recently asked the administration to intervene, a spokeswoman said.

A State Farm spokesman declined to comment, including on whether company executives have been summoned to the White House.

The EPA is building the list of insurers with "direct feedback from local leaders and residents," a White House official said Wednesday.

What will happen to the insurers that end up in the administration's crosshairs "is for the president to decide," the official said. Trump's post "made it very clear that bad actors need to meet this moment, correct any past wrongs, and help these residents rebuild."

Trump's intervention could create an unlikely—and, for State Farm, challenging—redblue alliance of federal and local representatives over shared frustrations of how insurers handled the Los Angeles fires.

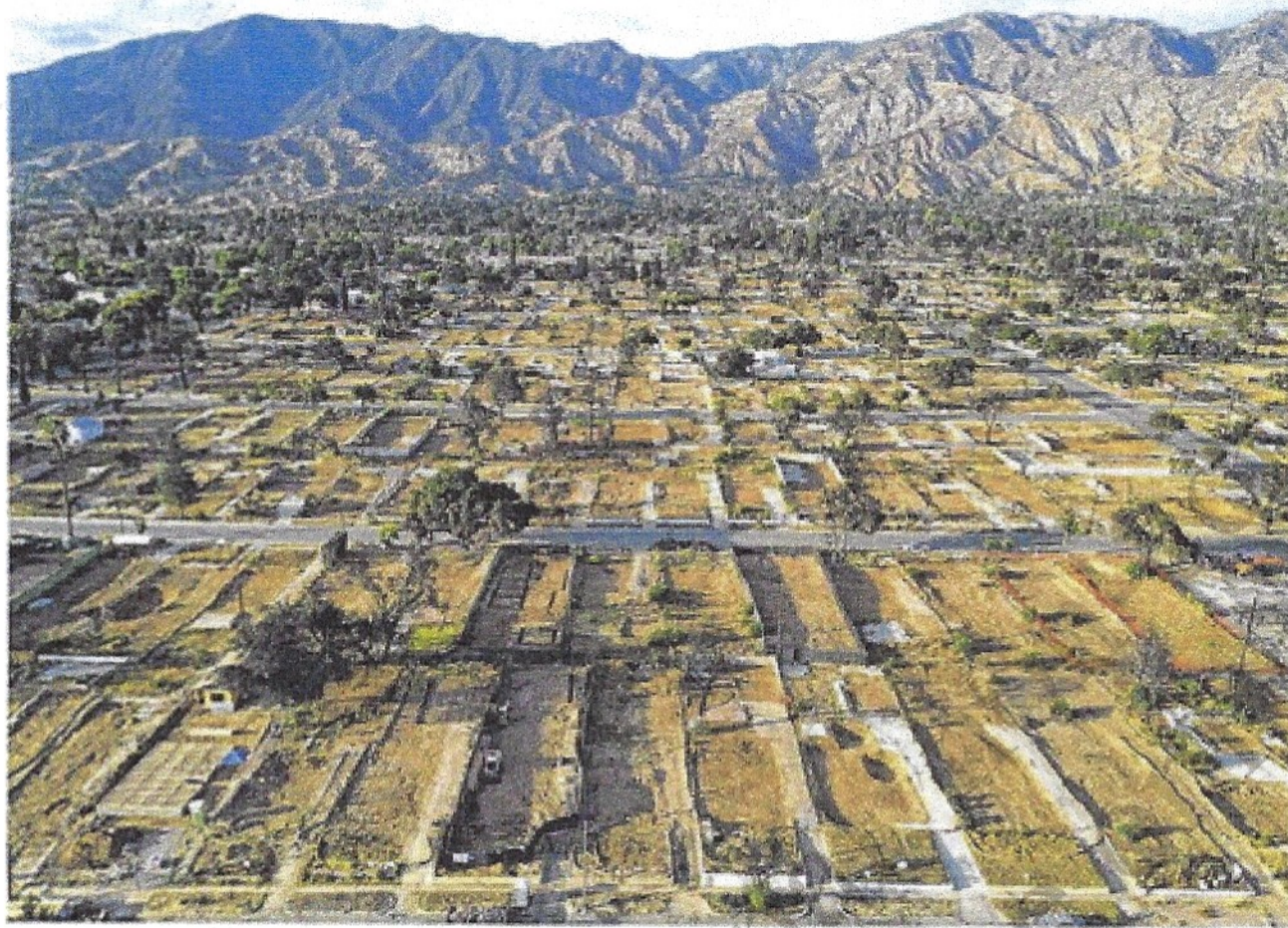
The blazes destroyed more than 12,000 structures, killed at least 31 people and landed insurers with some \$40 billion of losses.

Some whose homes survived were hit with significant rate increases. The California subsidiary of State Farm, the state's largest insurer, secured an emergency 17% homeowners-insurance rate hike last year. In a settlement with state insurance regulators in March, the company agreed to set aside a request for an additional 11% increase.

Trump has criticized what he sees as the region's lagging recovery. He and Bass had a tense exchange at a news conference after the fires, and have since clashed over immigration.

Under Trump's direction, the EPA and the U.S. Army Corps of Engineers cleared nearly 9,700 properties of hazardous items and other fire debris in eight months. Earlier this year, Trump signed an executive order that would allow fire victims to circumvent

The EPA has been told to rate insurer performance over fire claims.



Cleared lots at the foot of the San Gabriel Mountains in Altadena, Calif., after the destruction of the Eaton Fire in 2025. ROBYN BECK/ AFP/ GETTY IMAGES

state and local permitting to rebuild more quickly. The EPA's Zeldin and Kelly Loeffler, the administrator of the U.S. Small Business Administration, visited Los Angeles in February and met with Barger and Bass. Bass and Trump then spoke on the phone.

The offices of Bass, Barger and the EPA have been "in almost daily contact," the agency said, "and our partnership has been paramount to the great progress that has been made."

In a statement, Bass thanked Trump and Zeldin and said she had asked the president to intervene with the insurance companies to "ensure they pay claims."

Barger, who represents Altadena, has "consistently flagged" insurance issues to Zeldin and his staff, said spokeswoman Helen Chavez Garcia.

"It's heartening to see that the message has been relayed," Chavez Garcia said.

It isn't clear which companies will make the good-insurers list, but Trump's post suggests State Farm might not.

Its size—96 million customers nationwide—gives it a high profile role in most disasters. It insured more people affected by the Los Angeles wildfires than any other company, according to its website, and the disaster pushed its California unit to the brink of collapse.

Insurers stress how much they have helped victims. State Farm received more than 13,700 claims and has paid \$5.7 billion to date, according to its website. Total payments could reach \$7 billion, it added.

Still, wrangling over unpaid claims and underinsurance have slowed L.A.'s rocky recovery. Claims for smoke damage are a particular flashpoint.

Ricardo Lara, California's Democrat insurance commissioner, and Los Angeles County last year launched investigations into State Farm's handling of smoke-damage claims. The insurer has said it is cooperating with the inquiries.

“A fair review will find that thousands of State Farm customers are being helped by our teams on the ground in Los Angeles County and are very satisfied,” State Farm says on its website.

Consumer advocates say the L.A. complaints are one piece in a nationwide jigsaw of complaints and lawsuits alleging State Farm is unfairly limiting claims payouts.

State Farm has said it rejects allegations that it intentionally underpays or denies claims. The company has said that attacks over rates ignore market realities: last year, the insurer lost money underwriting home insurance.

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