



2018 Fire Relief & Recovery Legislative Package Overview

The Offices of Senator Mike McGuire, Senator Bill Dodd, Assemblymember Cecilia Aguiar-Curry, Assemblymember Marc Levine and Assemblymember Jim Wood, have been working collectively, along with legislative leaders in Sacramento, the State Insurance Commissioner and Governor Brown's Office to address the immediate, long-term and future needs of people and communities impacted by the wildfires of 2017. To date, here is an overview of the Fire Relief/Recovery Legislative Package being introduced in California.

SB 833-Red Alerts: Statewide Emergency Alert Protocols

Introduced by McGuire, Dodd, and Hill. (Coauthors: Aguiar-Curry, Levine and Wood)

Creates statewide protocols that will make sure all tools available are used during future natural and man-made disasters and ensure residents have the information they need to stay safe. Provides for a red alert system designed to issue and coordinate alerts following an evacuation order

SB 894-Property Insurance

Introduced by Dodd, McGuire (Coauthor: Levine)

Provides that in cases of total loss, insurers shall offer for at least two annual renewal periods or 24 months, a renewal to the policy if reconstruction of the dwelling has not been completed. Requires insurers report to the Commissioner if they do not offer to renew a policy or decide not to offer or renew policies in an area after the declaration of a disaster. Allows for coverage for additional living expenses for a loss relating to a state of emergency for a period of no less than 36 months from the time of the loss. Permits an insured individual the option of combining all major coverage after a declared disaster.

SB 897-Residential Property Insurance: Wildfires

Introduced by McGuire and Dodd (Coauthors: Levine and Wood)

Requires, for losses related to a declared state of emergency, that the insurer provide an advance payment for living expenses and an advance payment for contents, the insurer to accept an inventory of contents in any reasonable form permit the grouping of certain items in an inventory of contents, and offer a settlement for no less than 80% of the policy limit for contents in lieu of an itemized claim. Requires an insurer to offer a 30-day grace period for payments of premiums for policies on property located within a declared state of emergency for a period of 30 days after the declaration of the emergency and would prohibit an insurer from canceling a policy for nonpayment or assessing a late fee during the grace period.

SB 901-Electrical Corporations: Wildfire Mitigation Plans and Measures

**Introduced by Senator Dodd
(Coauthors: McGuire, Levine and Wood)**

Requires investor owned, publicly owned and cooperative electric utilities to include a set of its own policies and

procedures it would utilize to determine if, when and where to temporarily de-energize a power line in its service area as a means to preventing in ignition of a wildfire during and extreme weather event.

SB 969-Automatic garage doors: backup batteries

Introduced by Dodd (Coauthor: Aguiar-Curry)

Requires the manufacturer of a garage door opener sold in the state on or after January 1, 2019 to include a backup battery. Prohibits any person, corporation or entity from installing a residential automatic garage door opener without a backup battery on or after this date.

SB 1040-In-home supportive services(IHSS): natural disaster resulting in a state of emergency

Introduced by Dodd

Ensures that county social workers are aware that additional hours may be allocated to consumers on a short-time basis during and following natural disasters, in addition to establishing protocols for IHSS consumers to access Office of Emergency Services funding when dwelling damage requires remediation/restoration prior to return. Further establishes expedited protocols for paycheck replacement for providers whose paychecks have been lost or destroyed during or following a natural disaster, as well as an expedited short-term pre-enrollment process for providers, upon county approval, during or following a natural disaster. Further requires counties to include protocols for IHSS consumers at the next update of their emergency response plan.

SB 1088-Electrical and gas corporations: safety and resilience plans

Introduced by Dodd

Would make legislative findings and declarations relative to the need for, and adoption of, safety and resilience plans by electrical and gas corporations, and the approval and enforcement of those plans by the Public Utilities Commission.

SB 1291-Independent Insurance Adjuster Act

Introduced by Dodd

The Independent Insurance Adjuster Act defines an "independent insurance adjuster" to mean an individual, a business entity, an independent contractor, or an employee of

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a contractor who contracts for compensation with insurers, a person whose tax treatment by the insurers is consistent with that of an independent contractor rather than as an employee, and a person who investigates, negotiates, or settles property and casualty claims for insurers. Would require a person who fails to meet continuing education and reporting requirements, and who has not been granted an extension of time by the commissioner to comply, to have his or her license placed on inactive status, as specified, and would prohibit a licensee on inactive status from performing specified activities. Would also create an apprentice independent insurance adjuster license to facilitate the experience, education, and training necessary to ensure reasonable competency in the responsibilities and duties of an independent insurance adjuster.

AB 1772-Fire Insurance: Indemnity

Introduced by Aguiar-Curry and Wood (Coauthors: Levine, Limón, Dodd, McGuire and Jackson)

Extends the amount of time a home or business owner has to rebuild an insured property from 2 to 3 years after a declared wildfire emergency and receive the full replacement costs to which they are entitled.

Ab 1797-Residential Property Insurance

Introduced by Levine (Coauthors: Wood, Dodd and McGuire)

Would require all insurance companies that offer residential property coverage to provide an estimated replacement value on all new business and annually thereafter for all renewed insurance policies. Would also require for all insurance policies already in effect an insurer to provide an estimated replacement value at its next renewal. If an insurer offers this updated replacement value and the policy holder refuses, the insurer will not be held liable after a loss if the policy limits are not sufficient to rebuild the covered property. Would not limit an insurer from agreeing to provide coverage for a policy limit that is greater than or less than an estimate of the replacement value provided in accordance with this bill.

AB 1799-Insurance: Policy Documents

Introduced by Levine (Coauthors: Wood, Dodd and McGuire)

Would specify an insurer must provide one complete, certified copy of an insurance policy for free within 30 days after a covered loss. The insurer must include all policy documents, including any endorsements and the declarations page. Would require an insurer to provide an electronic copy, in addition to the certified hard copy, upon request of the policy holder.

AB 1800-Fire Insurance: Indemnity

Introduced by Levine (Coauthors: Aguiar-Curry, Wood Dodd and McGuire)

Would clarify that after a total loss, an insurer would be responsible for any additional extended replacement cost covered by a plan regardless of if a policy holder decides to rebuild in the same location, rebuild in a new location, or purchase a new home. Would base the extended replacement coverage on the value of the insured property, not the cost of rebuilding, or purchasing a new home at a different location.

AB 1875- Residential Property Insurance

Introduced by Wood (Coauthors: Aguiar-Curry, Levine Dodd and McGuire)

Would require insurers to offer an insurance policy that covers 150% of the estimated replacement costs, and to disclose to the consumer how much this increased coverage would affect their premium.

AB 1919-Price Gouging: State of Emergency

Introduced by Wood (Coauthors: McGuire, Aguiar-Curry, Levine and Dodd)

Would clarify that it is a misdemeanor for a person, business, or other entity to increase the monthly rental price advertised, offered or charged for residential housing to an existing or prospective tenant by more than 10% greater than the rental price advertised, offered, or charged by that person, business, or entity within 30 days immediately prior to the date of the proclamation or disaster. This provision holds even if services or improvements are made to the rental property during this disaster period. Would additionally make it a misdemeanor for a person, business, or entity to begin an eviction process of a housing tenant after the proclamation of a state of emergency for the purpose of renting the housing out in violation of the above provisions.

AB 2228-School Apportionments: Wildfire Mitigation

Introduced by Wood (Coauthors: Aguiar-Curry, Levine, and Limón, Dodd and McGuire)

Would allow Local Education Agencies in the areas subject to the Governor's 2017 Wildfire Disaster Declaration, and who have experienced dislocation of pupil's families, to receive supplemental apportionment funding based on their average daily attendance prior to wildfires.

AB 2229- Residential property insurance: disclosures

Introduced by Wood

This bill would require a California Residential Property Insurance Disclosure that is provided on and after January 1, 2020, to include any fire safety-related discounts offered by the insurer.

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