

**STATE OF CALIFORNIA  
DEPARTMENT OF INSURANCE  
45 Fremont Street, 21st Floor  
San Francisco, California 94105**

**REG-2010-00001**

**October 27, 2010**

**NOTICE OF AVAILABILITY OF CHANGED TEXT  
AND OF ADDITION OF MATERIAL TO RULEMAKING FILE**

On April 2, 2010 the Insurance Commissioner published a Notice of Proposed Action, proposing the adoption of regulations concerning standards and training for estimating replacement value on homeowners' insurance. The Department held a public hearing on May 17, 2010 and received written and oral public comments in response to the Notice. The Department is now proposing changes to the originally noticed text and has added material to the rulemaking file.

**PUBLIC COMMENT INVITED**

The Commissioner solicits written comments on the changes now proposed to the amended text of regulation, which is attached. Additions to the originally noticed text are indicated in double-underline; deletions are indicated in ~~double-strikeout~~. Comments submitted on unchanged portions of the text may not be considered.

The Commissioner believes the changes made are nonsubstantial, are solely grammatical in nature or are sufficiently related to the original text that the public was adequately placed on notice that the change could result from the originally proposed regulatory action.

The Commissioner also solicits comments on the following documents, which have been added to the rulemaking file:

1. United Policyholders Survey 2007 Wildfire Victims
2. Marshall Swift Beck Estimate screenshot (redacted)
3. AccuCoverage Website "Frequently Asked Questions" screen shot views
4. Union Tribune Article: *Fighting off Fraud After the Disaster*, Penni Crabtree, November 3, 2007  
<http://legacy.signonsandiego.com/news/business/20071103-9999-1b3scam.html>
5. Orange County Register article: *Living Under a Risky Roof*, Jonathan Lansner, November 11, 2004  
<http://www.ocregister.com/articles/fire-43450-risk-homes.html>
6. North County Times article: *Wildfire Pact Aims to Reduce Losses*, Mark Walker, November 12, 2007  
[http://www.nctimes.com/articles/2007/11/12/news/top\\_stories/21\\_42\\_0611\\_11\\_07.txt](http://www.nctimes.com/articles/2007/11/12/news/top_stories/21_42_0611_11_07.txt)
7. NY Times article: *After Fires, Homeowners Feel an Insurance Pinch*, Solomon Moore, November 13, 2007  
[http://www.nytimes.com/2007/11/13/us/13uninsure.html?\\_r=1&oref=slogin&pagewanted=print](http://www.nytimes.com/2007/11/13/us/13uninsure.html?_r=1&oref=slogin&pagewanted=print)

8. North County Times article: *Financial Impact of Rice Canyon Fire Coming into Focus*, Tom Pflingsten, November 11, 2007  
[http://www.nctimes.com/articles/2007/11/11/news/top\\_stories/1\\_04\\_2711\\_10\\_07.txt](http://www.nctimes.com/articles/2007/11/11/news/top_stories/1_04_2711_10_07.txt)
9. Insurance Journal article: *Survey: 96 Million Households Lack Knowledge on Protecting Electronics*, November 20, 2007  
<http://www.insurancejournal.com/news/national/2007/11/20/85193.htm?print=1>
10. Risk and Insurance article: *Burning Through Limits*, Dan Reynolds, December 1, 2007  
<http://www.riskandinsurance.com/story.jsp?storyId=49508599>
11. Union Tribune article: *Burned-out Homeowners Begin Insurance Process*, Keith Darc, November 29, 2007  
<http://www.signonsandiego.com/news/metro/20071129-9999-1b29fire.html>
12. Union Tribune article: *Homeowners Express Concerns Over Insurance*, Keith Darc, November 30, 2007  
<http://www.signonsandiego.com/news/metro/20071130-9999-1b30insure.html>
13. North County Times article: *Insurance Commissioner Offers Advice to Fire Victims*, Darren Bennett, November 30, 2007  
[http://www.nctimes.com/articles/2007/11/30/news/top\\_stories/1\\_04\\_2711\\_29\\_07.txt](http://www.nctimes.com/articles/2007/11/30/news/top_stories/1_04_2711_29_07.txt)
14. North County Times article: *Insurance Means More Than Just Paying Premiums*, December 4, 2007  
[http://www.nctimes.com/articles/2007/12/04/opinion/editorials/20\\_04\\_5512\\_3\\_07.txt](http://www.nctimes.com/articles/2007/12/04/opinion/editorials/20_04_5512_3_07.txt)
15. Union Tribune article: *Funding Stalled after Wildfires*, David Washburn, December 13, 2007  
<http://www.signonsandiego.com/news/business/20071213-9999-1b13farmers.html>
16. CNN Money article: *Burned out: Recovering From a Fire*, Paul Keegan, December 12, 2007  
[http://money.cnn.com/2007/12/11/pf/fire\\_familydisaster.moneymag/index.htm](http://money.cnn.com/2007/12/11/pf/fire_familydisaster.moneymag/index.htm)
17. North County Times article: *Victims of 2003 California Wildfires Lend Their Expertise to the Latest Burned-out Homeowners*, Gillian Flaccus, December 14, 2007  
[http://www.nctimes.com/articles/2007/12/14/news/sandiego/14\\_45\\_2012\\_13\\_07.txt](http://www.nctimes.com/articles/2007/12/14/news/sandiego/14_45_2012_13_07.txt)
18. Malibu Times article: *State Insurance Commissioner Talks to Fire Victims*, Melonie Magruder, December 19, 2007  
<http://www.malibutimes.com/articles/2007/12/19/news/news5.txt>
19. North County Times article: *Keep Your Insurance Up to Date for 2008*, Bradley J. Fikes, December 27, 2007  
[http://www.nctimes.com/articles/2007/12/27/business/news/6\\_13\\_1212\\_26\\_07.txt](http://www.nctimes.com/articles/2007/12/27/business/news/6_13_1212_26_07.txt)
20. North County Times article: *Deadline Approaching for Fire Assistance*, Dave Downey, January 3, 2008  
[http://www.nctimes.com/articles/2008/01/03/news/top\\_stories/1\\_04\\_241\\_2\\_08.txt](http://www.nctimes.com/articles/2008/01/03/news/top_stories/1_04_241_2_08.txt)
21. Ventura County Star article: *Area Wildfires Illustrate Need for Adequate Home Insurance*, Suzie Orman, January 6, 2008  
<http://www.venturacountystar.com/news/2008/jan/06/area-wildfires-illustrate-need-for-adequate-home/>
22. L.A. Times article: *Houses Slid Down, Not Hope*, Christopher Goffard, January 5, 2008  
<http://www.latimes.com/news/local/la-me-bluebird5jan05,1,6286939.story?coll=la-headlines-california>

23. Klipinger article: *Burned out in the California Hills*, Paul Kassel, February 2008  
<http://www.klipinger.com/magazine/archives/2008/02/my-story-financial-surivor-california-fires.html>
24. Insurance Journal article: *Southern California Wildfire Losses Could Reach More than \$2 Billion*, January 11, 2008  
<http://www.insurancejournal.com/news/west/2008/01/11/86334.htm?print=1>
25. Union Tribune article: *Companies, Underinsured Homeowners Still in Dispute over Settlements Stemming from 2007 Wildfires*, Keith Darc, October 12, 2008  
<http://www.signonsandiego.com/news/business/20081012-9999-lz1b12coverag.html>
26. North County Times article: *Region: Rebuilding Slow in Fire-ravaged Areas*, Mark Walker, October 22, 2008  
<http://www.nctimes.com/articles/2008/10/21/news/sandiego/zb82b842670650748882574e10057a9c5.txt>
27. L.A. Times article: *A Year Later, Victims Say Carriers Misled Them*, Mark Lifsher, October 23, 2008  
<http://www.latimes.com/business/la-fi-underinsure23-2008oct23,0,3350475.story>
28. North County Times article: *Region: Wildfire Victims Demand Help Fighting Insurance Companies*, Sarah Gordon, October 23, 2008  
<http://www.latimes.com/business/la-fi-underinsure23-2008oct23,0,3350475.story>
29. Insurance Journal article: *Californians Take Responsibility for Underinsurance*, October 23, 2008  
<http://www.insurancejournal.com/news/west/2008/10/23/94902.htm>
30. San Diego Newstips: *Many Struggle to Rebuild After Last Year's Wildfires*, Heather Myers, October 23, 2008  
[http://www.sandiego6.com/news/local/story.aspx?content\\_id=5815C3A7-6500-4AE7-A8D5-903076A910E2&gsa=true](http://www.sandiego6.com/news/local/story.aspx?content_id=5815C3A7-6500-4AE7-A8D5-903076A910E2&gsa=true)
31. L.A. Times article: *Hot Zone*, Diane Wedner, October 26, 2008  
<http://www.latimes.com/news/columnists/la-fi-cover26-2008oct26,0,3390715.story>
32. Associated Press report: *Victims of San Diego Fires Criticize Insurers*, October 24, 2008  
[http://www1.pressdemocrat.com/article/20081024/NEWS/810240409/1034/NEWS02?Title=Victims of San Diego fires criticize insurers](http://www1.pressdemocrat.com/article/20081024/NEWS/810240409/1034/NEWS02?Title=Victims%20of%20San%20Diego%20fires%20criticize%20insurers)
33. L.A. Times article: *Wildfire Victims Burned Again When Coverage Comes Up Short*, David Lazarus, November 19, 2008  
<http://www.latimes.com/business/printedition/la-fi-lazarus19-2008nov19,0,2636582.column>
34. Insurance Journal article: *California Commissioner Declares Insurance Emergency to Expedite Fire Claims Processing*, November 17, 2008  
<http://www.insurancejournal.com/news/west/2008/11/17/95632.htm>
35. Claims article: *Wildfires Add to Catastrophe Counts*, Eric V. Gilkey, November 18, 2008  
<http://www.claimsmag.com/cms/Claims/Breaking%20News/2008/11/19-Wildfires%20Add%20to%20Catastrophe%20Counts>
36. Insurance Journal article: *Study: SoCal Fires Strike Those Who Often Reject Insurance*, November 21, 2008  
<http://www.insurancejournal.com/news/west/2008/11/21/95708.htm>
37. KCOY report: *November Wildfire Victims Have 30 Days to Register for Federal-State Assistance*, December 18, 2008  
<http://www.kcoy.com/Global/story.asp?S=9551088>

38. Insurance Journal article: *California Hosts Insurance Recovery Forum for Wildfire Survivors*, January 9, 2009  
<http://www.insurancejournal.com/news/west/2009/01/09/96829.htm>
39. Napa Valley Register article: *Home Insurance in Wildfire Country*, Brooke L. Dunton, March 14, 2009  
<http://www.napaValleyregister.com/articles/2009/03/18/home/doc49bb399a7cf05203261954.txt>
40. Sacramento Bee article: *Agencies Scramble to Meet Rural Residents' Need for Fire Insurance Inspections*, May 29, 2009  
<http://www.sacbee.com/topstories/story/1900917.html>

Accordingly, pursuant to the provisions Government Code section 11347.1, the Commissioner invites written public comment on these documents.

The above listed documents will be available for public inspection, beginning October 28, 2010. The documents may be inspected between the hours of 9:00 a.m. and 4:00 p.m., by arrangement with the contact person listed below, at the Department's offices at 45 Fremont Street, 23rd Floor, San Francisco, California 94105.

## CONTACT PERSON

All written comments submitted in response to this Notice and all general or substantive questions regarding this Notice should be directed to the following contact person:

Michael Tancredi, Senior Staff Counsel  
California Department of Insurance  
300 South Spring St., 12th Floor  
Los Angeles, CA 90013  
Telephone: (213) 346-6637

## SUBMISSION OF WRITTEN COMMENTS

All written comments on the amended text of regulation or on the additions to the rulemaking file must be received by the contact person, at his address as listed above, no later than **5:00 p.m. on November 12, 2010**. Any written materials received after that time may not be considered.

The Commissioner will accept written comments transmitted by e-mail provided they are sent to the following e-mail address: [tancredim@insurance.ca.gov](mailto:tancredim@insurance.ca.gov). The Commissioner will also accept written comments transmitted by facsimile provided they are directed to the attention of Michael Tancredi and sent to the following facsimile number: (213) 897- 9241. **Comments sent to other e-mail addresses or other facsimile numbers may not be considered. Comments sent by e-mail or facsimile are subject to the deadline set forth above for written comments.**

## AUTOMATIC MAILING

A copy of this notice, together with the amended text of regulation, will automatically be sent to all persons who testified or submitted written comments at the public hearing, all persons whose

comments were received during the public comment period, and all persons who requested notification of the availability of changes to the originally noticed text of regulation.