

May 9, 2016



STATE FARM

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LIBERTY MUTUAL
INSURANCE

PROGRESSIVE

ALLSTATE

MERCURY

NATIONWIDE

To: The Honorable Ricardo Lara, Chair
The Honorable Patricia Bates, Vice Chair
Members, Senate Appropriations Committee

From: Rex D. Frazier, President
Michael A. Gunning, Vice President
Kara Cross, General Counsel
Manolo P. Morales, Senior Legislative Advocate

Re: SB 1302 (McGuire) Basic Property Insurance: California FAIR Plan

Senate Appropriations Committee Hearing: May 16, 2016
As amended, April 19, 2016

PIFC Position: Support

The Personal Insurance Federation of California, representing seven of the nation's largest insurance companies (State Farm, Farmers, Liberty Mutual Insurance, Progressive, Allstate, Mercury and Nationwide) who collectively write a majority of the personal line auto and home insurance in California, **supports SB 1302, Basic Property Insurance: California FAIR Plan, by Senator McGuire.**

The Fair Access to Insurance (FAIR) Plan is the residual fire insurance company that was created by the State of California to offer fire insurance coverage to property owners who find themselves without traditional fire insurance coverage. As the devastating wildfires of 2015 has shown, many of these impacted homeowners are unaware of the FAIR Plan.

SB 1302 would mandate that insurance agents and brokers educate the public of the FAIR Plan insurance option if they receive notice of cancelation or non-renewal of their fire insurance, and will provide the toll-free number and website address of the FAIR Plan to the consumer to help them secure fire insurance.

PIFC member companies have been involved in making sure all Californians are covered in case a devastating wildfire strikes. For this reason, PIFC supports SB 1302, by Senator McGuire and urges your "aye" vote.

If you have any questions regarding PIFC's position, please contact Manolo P. Morales at (916) 442-6646.

cc: Senator McGuire, Author
Mark McKenzie, Sen. Appropriations Committee
Tim Conaghan, Consultant, Senate Republican Caucus
Graciela Castillo-Krings, Dep. Secretary of Legislative Affairs, Gov. Office
Robert Herrell, Legislative Director, California Department of Insurance