

June 14, 2016



STATE FARM

FARMERS

LIBERTY MUTUAL
INSURANCE

PROGRESSIVE

ALLSTATE

MERCURY

NATIONWIDE

To: The Honorable Tom Daly, Chair
The Honorable Melissa Melendez, Vice Chair
Members, Assembly Insurance Committee

From: Rex D. Frazier, President
Michael A. Gunning, Vice President
Kara Cross, General Counsel

Re: SB 1302 (McGuire) Basic Property Insurance: California FAIR Plan
As amended, April 19, 2016

Assembly Insurance Committee Hearing: June 22, 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. Insurance agents and brokers will need to provide the toll-free number and website address of the FAIR Plan to the consumer to assist them in securing 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 Kara Cross at (916) 442-6646.

cc: Senator McGuire, Author
Paul Riches, Consultant, Asm. Insurance 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