



STATE FARM

LIBERTY MUTUAL
INSURANCE

PROGRESSIVE

MERCURY

NATIONWIDE

NAMIC

Date: August 2nd, 2019

To: The Honorable Lorena Gonzalez, Chair
The Honorable Frank Bigelow, Vice Chair
Members, Assembly Appropriations Committee

From: Rex D. Frazier, President
Seren Taylor, Senior Legislative Advocate

Re: SB 240 (Dodd) Insurance Adjuster Act

PIFC Position: Support

The Personal Insurance Federation of California (PIFC) is a statewide trade association that represents five of the nation's largest insurance companies (State Farm, Liberty Mutual Insurance, Progressive, Mercury, and Nationwide as well as associate member NAMIC) who write personal line auto and home insurance in California. PIFC is pleased to support SB 240, authored by Senator Dodd.

Claims adjusters investigate and evaluate insurance claims, and help decide whether an insurer must pay a claim, and, if so, how much should be paid. They are a vital component of insurer operations. Unfortunately, following the devastating 2017-18 wildfires in California, concerns were raised about out-of-state insurance adjusters providing inaccurate information to consumers related to their contractual rights under California law.

To address those concerns, SB 240 will establish new requirements for insurance adjusters handling homeowners' insurance claims following a disaster that will help ensure they are familiar with California law and give accurate advice to consumers. In addition, if there is a lack of consistency among property claims adjusters, SB 240 requires an insurer to provide the homeowner with a primary point of contact regarding their claim so victims get the correct information they need after a catastrophic loss.

PIFC member companies believe it is important to work in partnership with the Legislature and California Department of Insurance to ensure homeowners have the support and information they need throughout the claims process so they can quickly restore their lives following a disaster. SB 240 will help insurance adjusters have a greater understanding of California's requirements for homeowner's claims, which is beneficial for all of our policyholders.

For this reason, PIFC supports SB 240. If you have any questions regarding PIFC's position, please contact Seren Taylor at (916) 442-6646.

cc: Senator Bill Dodd, Author
Lisa Murawski, Principal Consultant, Assembly Appropriations Committee
Suzanne Sutton, Consultant, Assembly Republican Caucus
Ronda Paschal, Deputy Legislative Secretary, Office of the Governor
Michael Martinez, Senior Deputy Commissioner and Legislative Director, California Department of Insurance