



Personal Insurance Federation of California

California's Personal Lines Trade Association

REPRESENTING THE LEADING AUTOMOBILE AND HOMEOWNERS INSURERS

State Farm • Farmers • 21st Century Insurance Group • SAFECO • Progressive • NAMIC

FLOOR ALERT

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Dan C. Dunmoyer
President

Rex D. Frazier
*Vice President &
General Counsel*

Michael A. Gunning
Senior Legislative Advocate

Michael A. Paiva
Senior Legislative Advocate

E. Jerry Davies
Director of Communications

Date: August 25, 2005
To: Members of the California State Assembly
From: Dan C. Dunmoyer, President
Rex D. Frazier, Vice President & General Counsel
Michael A. Gunning, Senior Legislative Advocate
Michael A. Paiva, Senior Legislative Advocate
Re: SB 2 (Speier): Homeowners' Insurance: Valuation
As Amended August 25, 2005
Assembly Floor
PIFC Position: Support

The Personal Insurance Federation of California (PIFC), representing insurers who write 55% of all homeowners' insurance sold in California, **supports SB 2, as amended**, authored by Senator Speier. PIFC is appreciative of the author's willingness to resolve several concerns that existed with previous versions of this bill. The August 25th amendments address our final concern and we are now in full support of this measure.

SB 2 would change the way California insurance companies handle the adjusting and managing of claims following major fires and catastrophic losses. Specifically, following a state of emergency or government declared disaster, SB 2 would extend additional living expense (ALE) coverage for affected homeowners, require insurance companies to explain ALE coverage to their insureds, and make permanent the earthquake and fire mediation programs currently operating under the California Department of Insurance.

These changes will help to simplify and streamline the claims process for insurance consumers and hopefully ease some of the frustration and pain following the partial or complete loss of a home.

For the reason stated above, **PIFC supports SB 2 and urges your aye vote**. If you have any questions regarding our position, please contact Dan Dunmoyer or Rex Frazier at (916) 442-6646.

cc: Senator Speier, Author
Christine Ebbink, Assembly Insurance Committee
Mary Ader, Assembly Appropriations Committee
Kevin Hanley, Assembly Republican Caucus
Chris Ryan, Assembly Republican Caucus
Cynthia Bryant, Deputy Legislative Secretary for the Governor
Scott Reid, Office of the Insurance Advisor

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