

[Join UP in opposing AB 2167](#)

Californians are experiencing a challenging insurance marketplace and there are two bills we are watching that could make the affordability crisis worse. We are talking about AB 2167 and its companion SB 292. [We OPPOSE these two bills](#) and hope you will join us by writing to [your elected representatives](#) on this pending legislation. Help us convince insurance companies to support and reward wildfire risk reduction and make your voice heard.

[DATE]

[RECIPIENT] YOUR STATE SENATOR <http://findyourrep.legislature.ca.gov/>

Via (US Mail) (Fax) (Email)

Re: AB 2167 – Oppose

Dear Senator _____

We write to respectfully register our opposition to AB 2167 and its companion, SB 292.

Both these bills say they will help solve the home insurance availability and affordability crisis that so many California households are struggling with, but in our view, all they will do is take away price controls. They do nothing to establish official wildfire risk reduction and structure “hardening” standards that will help communities and households do their part and qualify for more affordable insurance. They allow insurance companies to continue to refuse to take into account the time and money that residents and communities are investing in risk reduction.

AB 2197 and SB292 are virtually guaranteed to make the affordability crisis worse. The complicated

“IMAP” program they create *may help some* WUI residents keep or get home insurance, but with no guarantees and at a cost that is anybody’s guess.

We join United Policyholders, the California Department of Insurance, Consumer Watchdog, the Consumer Federation of America AND the Consumer Federation of California in opposing these two bills. They are bad for consumers and good for insurers’ pocketbooks.

These two bills give three gifts to insurance companies:

1. The freedom to raise rates with reduced oversight from consumer advocates and the Department of Insurance.
2. The freedom to add the cost of the “reinsurance” they buy for high dollar risks into what we pay for our home insurance. Current CA law protects consumers from bearing that cost.
3. The freedom to use untested, “black box,” controversial formulas/models in setting prices – instead of the traditional historical, fact based information that insurance prices have always been based on. Again, CA law currently does not allow insurers to use these speculative formulae for setting rates because they are basically fancy mathematical crystal balls.

According to the California Department of Insurance, insurers have ***already gotten*** at least two rate increases on average in recent years, and they are coming back for more. Many Californians are already paying twice and three times what they had been paying for home insurance.

Allowing insurers to set rates by shifting from using verifiable historical data to using “black box” complex catastrophe predictive modeling is controversial nationwide.

[Add additional interest or perspective of the bill from your organization’s vantage point]

[Insert information about your organization (i.e. what you do/how long you have been doing it/why you do it) and interest in the issue]

Thank you for your time and consideration on this important matter.



Sincerely,

[Name]

[Title]

Read more about this bill in the LA Times here: [As the focus turned to the coronavirus crisis, insurers pushed for a sneaky hike on homeowners](#)

For more information on the current problem, our proposed solutions, and how we got here, visit: [Wildfire Risk Reduction and Asset Protection Project](#).

The information presented in this publication is for general informational purposes and is not a substitute for legal advice. If you have a specific legal issue or problem, United Policyholders recommends that you consult with an attorney. Guidance on hiring professional help can be found in the "Find Help" section of www.uphelp.org. United Policyholders does not sell insurance or certify, endorse or warrant any of the insurance products, vendors, or professionals identified on our website.

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