

[Joint hearing addresses insurance concerns from North Bay fire victims](#)

KTVU

NAPA, Calif.KTVU) – A joint hearing of the state Assembly and Senate Insurance Committees took place at Napa Valley College on Tuesday. The hearing comes after many key proposed reforms, were defeated in the Legislature.

The hearing explored if homeowner’s insurance coverage actually meets the reality of rebuilding a home in Wine Country. The hearing was aimed mostly at real or perceived wrongs fire victims are suffering.

“Only one house has been completely rebuilt in Napa County. Unincorporated Sonoma County reports only seventeen homes completed. 30 homes have reportedly been completed in Coffey Park in Santa Rosa, but only one in Fountain Grove,” said Senator Steve Glazer D) Orinda.

The two biggest complaints are the constant changing of adjusters working for insurers causing delays and “Exactimate”, the insurance industry’s rate setting computer software which many homeowners say led to massive under insurance.

“Either labor is too low or materials are too low or both,” said independent adjuster Tim Larsen.

“A survey was done. Two-thirds of Santa Rosans that lost their home were underinsured by more than \$300,000,” said Santa Rosa Vice Mayor Chris Rogers.

“The consumer relies, at the point of sale on these professionals. They don’t know anything about insurance. They don’t know anything about real estate other than what they paid for their house. Maybe they know how much square footage. They have zero idea about what their insurance needs are,” said Amy Bach of consumer advocacy group United Policyholders.

Santa Rosa’s Vice-Mayor says insurers, who are not settling claims because of alleged low balling, are now using the customers’ soon to expire living expenses benefits as as leverage.

“And I am hearing over and over again, from my constituents in Fountain Grove that they are being pressured to sign on the dotted line on an agreement before they are even able to even find a contractor to give them a bid for rebuilding their home,” said Vice Mayor Rogers.

The insurance industry lobby says the industry has suffered too.

“The 2017 fire losses wiped out 16 years of underwriting profits dating back to 2001,” Rex Frazier of the Personal Insurance Federation of California. But, the highly politically active Personal Insurance Federation of California did not mention the money it makes from interest on premiums held or profits made from stock and other financial market investments which make it very strong financially. And, he did not mention that much of the industry’s payouts will be recovered from Pacific Gas & Electric whose equipment started some of the fires.

“California’s homeowners insurance rate is just below the average in the country,” said Mr. Frazier. No one mentioned the enormous campaign contributions insurers give to legislators of both parties, which is why so many proposed reforms were D.O.A. in Sacramento.