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# California State Senate

## SENATE COMMITTEE ON INSURANCE

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May 19, 2014

Amy Bach  
Executive Director  
United Policyholders  
381 Bush Street, 8<sup>th</sup> Floor  
San Francisco, CA 94104

Dear Ms. Bach:

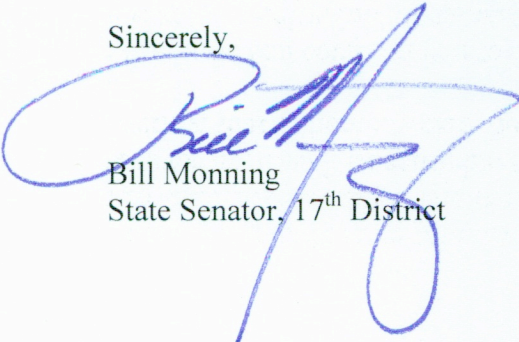
Thank you for participating in the hearing of the Senate Insurance Committee examining California's preparedness for a major natural catastrophe, including earthquake, wildfire or flood. You provided helpful insights into the state of the current insurance market for earthquake, fire and flood coverage, and the critical role insurance plays in the ability of our communities to recover from such catastrophic events. You brought an important and unique perspective to the hearing, that of homeowners themselves.

I know we can count on you to quickly alert us to problems in the homeowners' insurance market generally, including underinsurance and affordability issues. I also appreciated some of the ideas you shared to address the challenge of increasing take-up rates for earthquake insurance, including some kind of statewide mandate, or of again examining the possibility of an all-perils policy. I also strongly support a greater focus on mitigation, and believe the insurance, real estate and financial industries needs to be part of that effort. There must a reward of lower premiums tied to the lower risk mitigation generates.

It is clear there is more to do to ensure Californians don't just survive, but are resilient following a major earthquake or other disaster. I believe that working together we can promote a greater sense of urgency in the Legislature and the public to improve our insurance safety net for California homeowners.

Thank you again for participating in our hearing, and for the work you do every day on behalf of California homeowners. I look forward to working with you and your staff to improve our readiness for a major natural disaster.

Sincerely,

  
Bill Monning  
State Senator, 17<sup>th</sup> District

*Dear Amy,  
Thank you!  
Bill*