



March 15, 2021

The Honorable Susan Rubio
Member, California State Senate
State Capitol, Room 5035
Sacramento, CA 95814

**RE: Senate Bill 11 – SUPPORT
As Amended March 1, 2021**

Dear Senator Rubio:

On behalf of the Rural County Representatives of California (RCRC), I am writing to express our support for your Senate Bill 11, which would remove certain barriers to enable homes and structures used to conduct business on farmland to be covered through the California Fair Access to Insurance Requirements (FAIR) Plan. RCRC is an association of thirty-seven rural California counties, and the RCRC Board of Directors is comprised of elected supervisors from each member county.

RCRC member counties have a disproportionate percentage of businesses and residents who have had their residential property insurance nonrenewed due to wildfire risk in the past five years. A large majority of our communities are in high hazard severity zones and have seen both dramatic premium increases and drastic spikes in nonrenewals. While many rural residents and business owners understand that higher costs for coverage will be the new standard under higher wildfire threats, many of them have had to resort to the FAIR Plan for fire insurance coverage as a last resort.

In recent months, nonrenewals of commercial businesses, including farm properties, have become more common, with owners having to resort to the FAIR Plan for fire insurance. Currently, establishing law does not technically allow for farm properties to be insured under the FAIR Plan because of how the statute is written. SB 11 would make a slight technical change to statute which would allow for the structures on farmlands to be covered under the FAIR Plan, while clarifying that the coverage does not extend to any agricultural crop risks. This will allow farmers to obtain coverage for their homes and other structures on their farms under the FAIR Plan in the event that their policies are nonrenewed.

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For the above reasons, RCRC supports your SB 11. If you should have any questions, please do not hesitate to contact me at sheaton@rcrcnet.org or (916) 447-4806.

Sincerely,

A handwritten signature in black ink, appearing to read "Staci Heaton", with a stylized flourish at the end.

STACI HEATON
Senior Regulatory Affairs Advocate

cc: Members of the Senate Insurance Committee
Consultant, Senate Insurance Committee