



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

August 20, 2019

The Honorable Tom Daly
Member, California State Assembly
State Capitol, Room 2137
Sacramento, CA 95814

**RE: Assembly Bill 1816 – SUPPORT
As Amended July 9, 2019**

Dear Assembly Member Daly:

On behalf of the Rural County Representatives of California (RCRC), I am writing to express our support for your recently-amended Assembly Bill 1816, which would among other things, extend the notification period of a nonrenewal or expiration of an insurance policy from 30 to 45 days beginning July 1, 2020. RCRC is an association of thirty-seven rural California counties, and the RCRC Board of Directors is comprised of elected supervisors from those member counties.

California has encountered unprecedented wildfire activity over the past decade, culminating in the most destructive wildfires the State has endured over the past two years. RCRC member counties, which contain more than 70 percent of the State's forested lands, have suffered the vast majority of these fires. RCRC also contains eight of the ten high hazard tree mortality counties, and in recent years residents in our member counties have experienced a sharp uptick in sudden homeowners insurance nonrenewals, resulting in difficulties finding affordable and sustainable coverage outside of the California FAIR Plan.

While the state's insurance issues in high fire hazard severity areas are complex and will take a collaborative effort between residents, insurers, and local governments to resolve, we believe AB 1816 is a good first step to allow homeowners additional time to find replacement coverage in the event they are nonrenewed. RCRC would, however, recommend at least a 75-day notification window for nonrenewals. Rural homeowners in particular have a greater challenge finding new coverage in areas where insurance options are becoming fewer in number. A 75-day period would allow homeowners to exhaust a larger universe of options before having to turn to the expensive FAIR Plan as a last resort for coverage.

1215 K Street, Suite 1650, Sacramento, CA 95814 | www.rcrcnet.org | 916.447.4806 | Fax: 916.448.3154

The Honorable Tom Daly
Assembly Bill 1816
August 20, 2019
Page 2

For the above reasons, RCRC supports your AB 1816. If you should have any questions or concerns, please do not hesitate to contact me at (916) 447-4806.

Sincerely,

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

STACI HEATON
Senior Regulatory Affairs Advocate

cc: The Honorable Susan Rubio, Chair, Senate Insurance Committee
Members of the Senate Insurance Committee
Hugh Slayden, Principal Consultant, Senate Insurance Committee
Tim Conaghan, Consultant, Senate Republican Caucus