

SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 2.3  
(ID # 25617)

MEETING DATE:  
Tuesday, September 10, 2024

FROM : SUPERVISOR KAREN SPIEGEL AND SUPERVISOR V. MANUEL PEREZ

SUBJECT: SUPERVISOR KAREN SPIEGEL AND SUPERVISOR V. MANUEL PEREZ:  
Strengthen and Stabilize California's Marketplace for Homeowners Insurance and Commercial Property Insurance.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Authorize the Board Chair to send a letter requesting that the California Insurance Commissioner, State Legislature, and the Governor declare a state of emergency and take immediate emergency regulatory and legislative action to strengthen and stabilize California's marketplace for homeowners' insurance and commercial property insurance.

ACTION: Consent

  
Supervisor V. Manuel Perez, Supervisor 4th. District

9/5/2024

  
Supervisor Karen Spiegel, Supervisor 2nd District

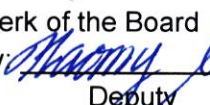
9/5/2024

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MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: September 10, 2024  
xc: BOS-Dist. 2, BOS-Dist. 4

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

**BACKGROUND INFORMATION**

California homeowners and commercial property owners are facing a growing crisis due to the steep reduction in insurance policies being offered in California by insurance carriers. Last year, two of the State's largest insurance carriers, representing over 27% of the admitted insurance market in California, announced they would stop issuing new homeowners and commercial property insurance policies in California. Several others, representing more than an additional 36% of the market, announced plans to limit new policies. Under Proposition 103 enacted by the voters in 1988, insurance companies are free to choose where they will write policies in California.

The reduction of insurance options in the State has a direct negative effect on consumer access to coverage. Access to insurance allows existing homeowners to protect what is for many their largest and most important asset, and empowers homebuyers to secure a mortgage for a home. A scarcity of options may freeze real estate transactions and slow or stop the rate of new housing development, including attached dwelling units like affordable housing projects, apartments, and condominiums, exacerbating the State's critical housing shortage.

Californians who cannot obtain coverage from the insurance marketplace are forced to apply for protection through the California Fair Access to Insurance Requirements (FAIR) Plan. The FAIR Plan, a state-established risk pool, was intended to be a safety-net last resort to provide temporary coverage as consumers pursue insurance in the traditional market. The collapsing insurance market has caused steadily increasing enrollment in the FAIR Plan over the past years, threatening the ongoing stability of that plan, and places this safety net at risk.

Policy decisions have placed Californians' homes and businesses at risk of catastrophic loss that can only be prevented by stabilizing the homeowners' insurance and commercial property insurance markets, while providing rates that remain fair and affordable to consumers. It is also critically important to maintaining the ongoing viability of the FAIR Plan, which provides a vital safety net to Californians whose policies are nonrenewed and to homebuyers who cannot secure a mortgage without insurance.

The California Insurance Commissioner has broad authority under the Insurance Code to adopt emergency regulations to promote the public welfare, and to adopt emergency regulations under section 11346.1 of Government Code and section 12921.7 of the Insurance Code. This Board action authorizes the Board Chair to send a letter requesting that the Insurance Commissioner, State Legislature, and the Governor declare a state of emergency and take immediate emergency regulatory and legislative action to strengthen and stabilize California's marketplace for homeowners' insurance and commercial property insurance.



Riverside County Board of Supervisors  
Request to Speak

Submit request to Clerk of Board (right of podium), Speakers are entitled to three (3) minutes, subject to Board Rules listed on the reverse side of this form. The Board may limit the public input on any item, based on the number of people requesting to speak and the business of the Board.

SPEAKER'S NAME: Lou Monville - BIA R.V. Co.

Address: \_\_\_\_\_  
(Only if follow-up mail response requested)

City: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone #: 951-850-5900

Date: 9-10-24 Agenda # 2.3

PLEASE STATE YOUR POSITION BELOW:

Position on "Regular" (non-appealed) Agenda Item:

X Support \_\_\_\_\_ Oppose \_\_\_\_\_ Neutral

Note: If you are here for an agenda item that is filed for "Appeal", please state separately your position on the appeal below:

\_\_\_\_\_ Support \_\_\_\_\_ Oppose \_\_\_\_\_ Neutral

I give my 3 minutes to: \_\_\_\_\_

Parking validations available for speakers only – see Clerk of the Board.