



United Policyholders
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April 4, 2013

The Honorable Ron Calderon
Chair, Senate Insurance Committee
State Capitol, Room 2195
Sacramento, CA 95814

RE: SB 251 (Calderon) - OPPOSE

Board of Directors

Amy Bach
Executive Director

Alice J. Wolfson
Chair, Board of Directors

David Baria
Mississippi State Senator

Hon. Stanley G. Feldman
Chief Justice (RET)
Arizona Supreme Court

Larry P. Ginsburg, CFP®
Ginsburg Financial Advisors, Inc.

William H. Hedden
Consolidated Adjusting, Inc.

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Mannion & Lowe

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Non-Profit Consultant

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Insurance Commissioner (1993-2001)
Washington State

William M. Shernoff
Shernoff Bidart Echeverria LLP
Ex Officio

Programs

Advocacy in Action

Roadmap to Preparedness™

Roadmap to Recovery™

Dear Senator Calderon,

United Policyholders writes to respectfully register our strong opposition to Senate Bill 251. Nearly 90% of homes in California are uninsured for earthquake losses. This bill may lead to inadvertent policy lapses and missed communications, which leaves Californians at an even greater risk.

There remain myriad technological reasons why people don't receive emails that get sent to them; spam blockers, junk mail filters, connection and server problems. This bill creates a significant risk that people will fail to receive notices related to financial protection for their biggest asset: their home.

United Policyholders, ("UP") is a non-profit 501(c) (3) organization founded in 1991 that is a voice and an information resource for insurance consumers in all 50 states. UP's work is funded by donations and grants from individuals, businesses and foundations. UP participates in the proceedings of the National Association of Insurance Commissioners as an official consumer representative. Through a "Roadmap to Preparedness" program, UP does outreach and education to help consumers be insurance literate and make sound insurance decisions.

Earthquakes are a serious and constant threat in California. We want Californians to protect their property and not cling to an unrealistic assumption that the federal government will swoop in and repair their home after the next big quake.

We believe this bill will decrease the likelihood that homeowners will receive and accept the offer to buy earthquake insurance if the notice only offer is made electronically.

We strongly oppose this bill.

Sincerely,

Amy Bach, Executive Director