

1 [Supporting the Passage of Senate Bill 637 and House of Representative Bill 3125 -  
2 Earthquake Insurance Affordability Act]

3 **Resolution supporting the passage of Senate Bill 637 and House of Representative Bill**  
4 **3125, which would enact the Earthquake Insurance Affordability Act.**

5  
6 WHEREAS, According to the U.S. Geological Survey, earthquakes pose a  
7 significant risk to 75 million Americans in 39 states; and

8 WHEREAS, Having experienced a magnitude 7.1 earthquake on October 17,  
9 1989, residents in the City and County of San Francisco know all too well the devastation that  
10 earthquakes can cause; and

11 WHEREAS, While 80% of Californians live on or near a fault, currently fewer than  
12 10% of California households are covered by earthquake insurance, with many of those  
13 who are uninsured citing the high cost as the reason; and

14 WHEREAS, The extraordinary damage caused by earthquakes points clearly to  
15 the importance of having affordable earthquake insurance to help rebuild after disaster  
16 strikes; and

17 WHEREAS, Senators Dianne Feinstein and Barbara Boxer have introduced  
18 Senate Bill 637, and an identical companion bill, House of Representative Bill 3125, has been  
19 introduced in the House by Congressman John Campbell; and

20 WHEREAS, Senate Bill 637 and House of Representative Bill 3125 would lower the  
21 cost of earthquake insurance for Californians and individuals who purchase coverage from a  
22 non-profit, state-run earthquake insurance program; and

23 WHEREAS, Known as the Earthquake Insurance Affordability Act, Senate Bill 637 and  
24  
25

1 House of Representative Bill 3125 would establish a program to provide guarantees for debt  
2 issued by or on behalf of State catastrophe insurance programs to assist in the financial  
3 recovery from earthquakes, earthquake-induced landslides, volcanic eruptions, and tsunamis;  
4 and

5 WHEREAS, It is critically important for residents and homeowners in California to  
6 be able to purchase affordable earthquake insurance in order to increase the number of  
7 insured homeowners and hopefully reduce the risk to all taxpayers who may otherwise  
8 bear significant costs in the aftermath of a catastrophic earthquake; and

9 WHEREAS, Access to affordable insurance also helps speed the recovery  
10 process, which is essential in rebuilding local communities after a disaster; and

11 WHEREAS, The Earthquake Insurance Affordability Act allows non-profit  
12 insurance programs, including the California Earthquake Authority (CEA), to access  
13 federal loan guarantees and more effectively and efficiently capitalize for catastrophic  
14 earthquakes, which in turn will allow them to provide lower rates to homeowners and  
15 empower more Californians to purchase protection in anticipation of California's next  
16 major earthquake; and

17 WHEREAS, Because the federal government often spends billions of dollars to  
18 support response efforts following a major disaster, enacting the Earthquake Insurance  
19 Affordability Act could result in lower costs to the federal government, and by extension  
20 to local taxpayers; now, therefore, be it

21 RESOLVED that the San Francisco Board of Supervisors hereby supports the passage  
22 of Senate Bill 637 and House of Representative Bill 3125.



City and County of San Francisco

Tails  
Resolution

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

File Number: 121049

Date Passed: October 30, 2012

Resolution supporting the passage of Senate Bill 637 and House of Representatives Bill 3125, which would enact the Earthquake Insurance Affordability Act.

October 30, 2012 Board of Supervisors - ADOPTED

Ayes: 9 - Avalos, Campos, Chiu, Cohen, Farrell, Kim, Mar, Olague and Wiener

Excused: 1 - Chu

Absent: 1 - Elsbernd

File No. 121049

I hereby certify that the foregoing Resolution was ADOPTED on 10/30/2012 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo  
Clerk of the Board

Unsigned

11/9/12

Mayor

Date Approved

Date: November 9, 2012

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter.

Angela Calvillo  
Clerk of the Board

File No.  
121049