

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council; and

WHEREAS, the 2025 Southern California wildfires exposed deep weaknesses in a decades-old framework of insurance regulation and enforcement; and

WHEREAS, in the aftermath of the wildfires, survivors have continued to experience systemic difficulties in obtaining insurance benefits, citing delays, denials, and inadequate communication from insurance providers; and

WHEREAS, SB 876 (Padilla) would directly respond to wildfire survivors' call for comprehensive reform in the insurance claim process by improving payouts, cutting red tape, and putting an end to runarounds by insurance companies; and

WHEREAS, SB 876 (Padilla) would address wildfire survivor concerns in a multifaceted approach by requiring a "disaster recovery plan" from insurers, doubling penalties during a declared emergency, mandating restitution payments from insurance companies, addressing delays caused by the assignment of multiple adjusters, expanding policy limits for Additional Living Expenses in a declared disaster, expanding up-front payments, providing adequate recovery funds, and laying the foundation for safer rebuilding by applying mandatory building code upgrade coverage at the time of rebuild; and

WHEREAS, this legislation would build on recently enacted laws that established a new grant program for wildfire mitigation measures in homes, expanded insurance discounts, sped up claim payouts, extended non-renewal moratorium protections to businesses, and provided additional financial support to the California Fair Access to Insurance Requirements (FAIR) Plan;

NOW, THEREFORE, BE IT RESOLVED, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2025 - 2026 State Legislative Program SUPPORT for SB 876 (Padilla) relative to reforming the insurance claim process by improving the timeliness of claim payments and strengthening consumer protections, thereby safeguarding homeowners from insurer roadblocks.

PRESENTED BY: Monica Rodriguez
MONICA RODRIGUEZ
Councilwoman, 7th District

SECONDED BY: J.S.L.

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