

RULES, ELECTIONS AND INTERGOVERNMENTAL RELATIONS COMMITTEE REPORT and RESOLUTION relative to establishing the City's position on Senate Bill (SB) 876 (Padilla), which would reform the insurance claim process.

Recommendation for Council action, pursuant to Resolution (Rodriguez – Lee), SUBJECT TO THE CONCURRENCE OF THE MAYOR:

RESOLVE to include in the City's 2025-26 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.

Fiscal Impact Statement: None submitted by the Chief Legislative Analyst (CLA). The City Administrative Officer has not completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

On March 4, 2026, your Rules, Elections and Intergovernmental Relations Committee considered a February 27, 2026 CLA report and February 3, 2026 Resolution (Rodriguez – Lee) relative to establishing the City's position on SB 876 (Padilla), which would reform the insurance claim process. According to the Resolution, SB 876 would require a "disaster recovery plan" from insurers, double penalties during a declared emergency, mandate restitution payments from insurance companies, address delays caused by the assignment of multiple adjusters, expand policy limits for Additional Living Expenses in a declared disaster, expand up-front payments, provide adequate recovery funds, and lay the foundation for safer rebuilding by applying mandatory building code upgrade coverage at the time of rebuild. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the CLA report recommendation and Resolution. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Rules, Elections, and Intergovernmental Relations Committee

COUNCILMEMBER VOTE

HARRIS-DAWSON: ABSENT
RAMAN: ABSENT
YAROSLAVSKY: YES
SOTO-MARTINEZ: YES
LEE: YES

RM

03/04/26

-NOT OFFICIAL UNTIL COUNCIL ACTS-