

1 [Supporting California State Senate Bill No. 222 (Wiener; Muratsuchi, et al.) - The Affordable
2 Insurance and Climate Recovery Act]

3 **Resolution supporting California State Senate Bill No. 222, introduced by Senator Scott**
4 **Wiener and principal coauthor Assembly Member Al Muratsuchi and others, to address**
5 **the insurance crisis in California by shifting the burden of increased insurance costs**
6 **away from California residents and small businesses to fossil fuel companies that have**
7 **created the climate and insurance crises.**

8
9 WHEREAS, Climate change is increasing the frequency and severity of climate
10 disasters across California, including devastating wildfires, extreme heat events, floods,
11 hurricane-force winds, droughts, mud slides, and sea level rise; and

12 WHEREAS, The Palisades and Eaton fires in Los Angeles caused over \$250 billion in
13 damages, burning 58.5 square miles of land and destroying 16,200 structures, resulting in the
14 displacement of tens of thousands of families; and

15 WHEREAS, A series of atmospheric rivers that impacted Northern California in 2024
16 caused \$4.5 billion in damages; and

17 WHEREAS, These climate disasters have caused insurance prices to skyrocket across
18 California, resulting in some major insurers raising rates by as much as 48% in 2024; and

19 WHEREAS, Between 2020 and 2022, insurance companies declined to renew 2.8
20 million homeowner policies in California, including 531,000 in Los Angeles County; and

21 WHEREAS, Skyrocketing prices and the unavailability of coverage have pushed many
22 families into the State's insurer of last resort, the FAIR Plan; and

23 WHEREAS, Between 2020 and 2024, the number of homes covered by the FAIR plan
24 tripled to a value of \$458 billion, and the number of covered businesses rose 464% to a value
25 of \$26.6 billion; and

1 WHEREAS, This explosive growth dramatically increased the risk held by the FAIR
2 Plan, which assesses a fee on all California policyholders to cover losses that exceed its
3 reserves; and

4 WHEREAS, Tens of thousands of homeowners are at risk of shouldering unsustainable
5 cost increases; and

6 WHEREAS, Major fossil fuel companies have emitted billions of tons of climate
7 warming gasses while generating billions of dollars in profits; and

8 WHEREAS, California has a long and successful history of holding industries
9 accountable for the harm of their operations and the impacts of their products through
10 Extended Producer Responsibility laws, litigation, and other means; and

11 WHEREAS, Senate Bill No. 222 (SB 222), authored by State Senator Scott Wiener, will
12 establish a private right of action so individuals harmed by climate disasters can recover their
13 losses from the oil and gas companies, incentivizes private insurers to similarly seek and
14 recover damages for their increased costs, and when appropriate, requires the FAIR Plan to
15 exercise its right of subrogation against oil and gas companies; and

16 WHEREAS, SB 222 can provide a major infusion of financial support to stabilize the
17 insurance market and help Californians; and

18 WHEREAS, SB 222 is sponsored by a broad array of state legislators, consumer
19 advocates and environmental organizations, including the Center for Climate Integrity,
20 California Environmental Voters, and Extreme Weather Survivors; and

21 WHEREAS, San Francisco remains committed to cutting emissions citywide while
22 supporting racial and social equity and resilience through our Climate Action Plan; now,
23 therefore, be it

24 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
25 supports Senate Bill 222; and, be it

1 FURTHER RESOLVED, That the Board of Supervisors urges our local delegation
2 representing San Francisco in the State Legislature to support SB 222 and further urges the
3 California State Legislature and Governor Gavin Newsom to sign SB 222 into law; and, be it

4 FURTHER RESOLVED, That the Clerk of the Board shall send a copy of this
5 Resolution to Governor Gavin Newsom, President pro-Tempore Mike McGuire, Speaker of
6 the State Assembly Robert Rivas, the offices of San Francisco’s State delegation, and
7 Insurance Commissioner Ricardo Lara.

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25