

Submitter: Todd Hoener

On Behalf Of:

Committee: House Committee On Business and Labor

Measure: HB2982

My wife, Carey, and I were victims of the 2020 Alameda fire here in Talent. Lost everything except our vehicles and the few items we packed to escape. We support HB 2982. However, we think the minimum content benefit amount should be raised from 70% to at least 75%.

The reason is simple: Some of the impacted survivors I spoke to after the fire, had policies with other insurance companies that paid out 75% of their declarations on personal property if that policy holder chose not to itemize their losses and simply took the money (don't blame them). I remember one company, Farmers, who offered this option.

We had State Farm and SF would Not allow that option, and, thus, I produced 128 pages of spreadsheet with detailed, itemized personal property lost per SF's claim conditions.

I was able to produce this list because I took pictures of everything in and around the house before we evacuated the house (I missed the closed drawers and the closets, regrettably -- You remember to do so!).

This exercise was excruciating, a 9 month-long listing (right after the traumatic disaster and through a heartbreaking and torturous period that still lingers), and -- what I considered -- stupid. I can submit this itemized list, if requested.

It was "stupid" because we lost everything. Fire -- as opposed to tornadoes, hurricanes, floods, earthquakes -- destroys everything. There is no "picking up the pieces" with ashes.

Here's another point: We are retired. We had time and resources to wade through the pictures I took and complete this ridiculous effort. Other fire victims -- displaced and with jobs and children or others to care for -- well, I can't imagine how they accomplished such a task and receive the insurance coverage claim THEY PAID FOR.

Here are some other items I found out in my research. According to The Press Democrat (Santa Rosa, CA) 26 March 2018 article by Bill Swindell titled " The dreaded inventory after fires. Does your insurer require it?" State Farm actually offered policyholders a percentage offer of their personal property declarations after the Tubbs Fiire.

According to the article (this was in regards to the Tubbs Wildfire aftermath), "One Allstate policyholder told The Press Democrat that he received a 100 percent payout two weeks after Jones' request. The company did not respond to repeated requests for comment.

"Four insurers were paying at least 75 percent of a fire victims' personal property claim without an itemized list.

"State Farm, The Hartford and USAA all confirmed they were paying claims at that

percentage. USAA has been paying that level for catastrophes since 2011, said spokesman Roger Wildermuth. Nationwide policyholders told The Press Democrat they received a 75 percent payout, though the company did not provide any specific percentages when contacted.

"Many of those customers have lobbied their carriers to pay 100 percent of their personal property claims without itemization.

"State Farm spokesman Sevag Sarkissian noted that consumers who want more coverage for personal property can always buy it from their insurer. The company bases its prices on how much it anticipates actually paying in personal property claims, not on how much it would cost the company to automatically pay out 100 percent of the value of its customers' policies."

As one victim stated in the article, ""When your body is still in a shocked state in trying to deal with the reality (of rebuilding) and everything with that ... it hurts," said [the victim]. "Your mind starts screaming at you and says, 'No, I just don't want to do this.'"

If some insurance companies will allow 75%, then that should at least be the minimum. I'm sure they've done the math and that 75% still is within its profit margin formula.

Thank you for this opportunity.