

CALIFORNIA LEGISLATIVE REPUBLICANS



January 11, 2025

The Honorable Gavin Newsom
Governor, State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

RE: Special Session on Wildfires and the State of Insurance

Dear Governor Newsom:

We are writing to urgently call for a special legislative session to address the escalating wildfire crisis and its destabilizing impact on the California insurance market. The recent wildfires in Los Angeles have resulted in the tragic loss of nearly a dozen lives and have devastated thousands of homes, businesses, and acres of land. This growing crisis demands immediate and decisive action.

California currently spends between \$6 billion and \$9 billion annually responding to wildfires but the 2024-25 budget allocated only \$200 million for prevention efforts. This imbalance leaves our communities vulnerable and unprepared for the increasing severity of wildfires. Moreover, the potential statewide claims exposure of the California FAIR Plan exceeds \$400 billion. The heightened wildfire risk threatens to trigger additional insurance rate hikes, impacting all California policyholders and deepening the instability of the state's insurance market.

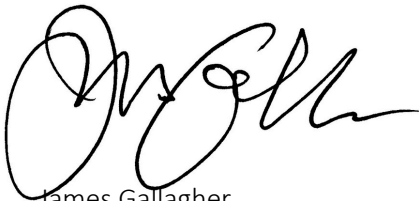
Alarming, California is already grappling with severe fires this year, well before the traditional fire season. We cannot afford to delay action. A special session is imperative to prevent further disasters. This session must prioritize:

- **Expedite Permitting for Wildfire Prevention Projects**
Fast-track critical projects such as controlled burns and post-fire reconstruction to mitigate fire risks efficiently.
- **Streamline Environmental Reviews for Fire Safety Efforts**
Introduce targeted reforms to the California Environmental Quality Act (CEQA) for wildfire prevention initiatives, including underground powerlines and constructing emergency egress routes for community safety.

- **Enhanced Criminal Penalties**
Create enhanced criminal penalties for both arson and negligent fires.
- **Home-Hardening Incentives and Assistance**
Use a combination of tax credits, deductions, grants, and loans to help Californians afford the home-hardening upgrades necessary to protect their property.
- **Increased Funding for Wildfire Prevention**
Allocate resources to local governments and conservation districts with firsthand knowledge and strategies for effective wildfire prevention and safety projects.
- **Insurance Market Transparency**
Provide a clear evaluation of the California FAIR Plan and the broader insurance industry, outlining necessary steps to stabilize the market and attract private insurers back into the state. This includes evaluating how current and proposed policies can restore confidence in the California insurance landscape.

California is facing an unprecedented crisis. Continuing on the same path will only yield the same devastating outcomes. Bold, immediate action is required to protect our communities, stabilize the insurance market, and prevent future tragedies. We urge you to convene a special session without delay to address these pressing issues.

Sincerely,



James Gallagher
Assembly Republican Leader
Assemblymember, 3rd District



Brian W. Jones
Senate Minority Leader
Senator, 40th District



David Tangipa
Assemblymember, 8th District



Megan Dahle
Senator, 1st District



Heather Hadwick
Assemblymember, 1st District



Marie Alvarado-Gil
Senator, 4th District



Joe Patterson
Assemblymember, 5th District



Roger Niello
Senator, 6th District



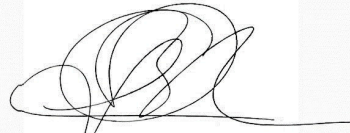
Josh Hoover
Assemblymember, 7th District



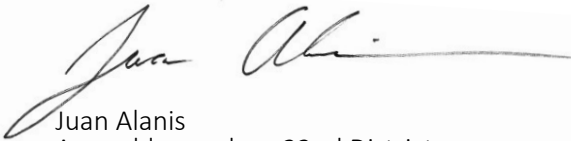
Shannon Grove
Senator, 12th District



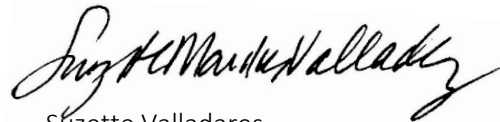
Heath Flora
Assemblymember, 9th District



Rosilcie Ochoa Bogh
Senator, 19th District



Juan Alanis
Assemblymember, 22nd District



Suzette Valladares
Senator, 23rd District



Alexandra Macedo
Assemblymember, 33rd District



Kelly Seyarto
Senator, 32nd District



Tom Lackey
Assemblymember, 34th District



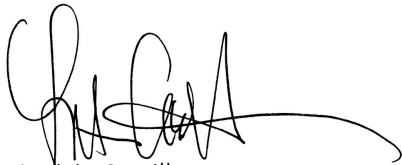
Steven Choi
Senator, 37th District



Jeff Gonzalez
Assemblymember, 36th District



Greg Wallis
Assemblymember, 47th District



Leticia Castillo
Assemblymember, 58th District



Phillip Chen
Assemblymember, 59th District



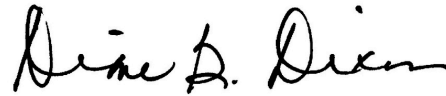
Bill Essayli
Assemblymember, 63rd District



Tri Ta
Assemblymember, 70th District



Kate Sanchez
Assemblymember, 71st District



Diane Dixon
Assemblymember, 72nd District



Laurie Davies
Assemblymember, 74th District



Carl DeMaio
Assemblymember, 75th District