

RICARDO LARA

INSURANCE COMMISSIONER

California Department of Insurance

Notes on Assemblymember Rob Bonta Small Biz and Insurance

Virtual Town Hall

Wednesday, September 16, 2020

California businesses of all sizes are suffering great losses because of the COVID-19 pandemic. While we have encountered business interruption questions in the past following wildfires or other disasters, we have seen nothing on this scale, with thousands of businesses closing and/or drastically reducing their payroll. Insurance Commissioner Ricardo Lara, along with Assemblymember Rob Bonta, hosted the following small business experts to address issues faced by California's small businesses:

- Julie Clowes, San Francisco District Director, U.S. Small Business Administration; and
- Tony Cignarale, Deputy Commissioner, Consumer Services & Market Conduct Branch, California Department of Insurance.

Assemblymember Rob Bonta

Thank you all for joining today's discussion on small businesses and insurance issues. I would like to thank Insurance Commissioner Ricardo Lara and his staff who helped put this event together.

Commissioner Lara is California's 8th elected Insurance Commissioner. As leader of the nation's largest state consumer protection agency, he is charged with protecting California consumers. During the COVID-19 pandemic, the Commissioner has taken action to protect consumers, workers, and businesses.

This includes: ordering insurance companies to return a percentage of premiums to businesses and drivers affected by the COVID-19 pandemic and requiring companies to comply with their contracts and California law by fairly investigating all business interruption claims caused by COVID-19 – just as they would for any disaster. While businesses have encountered problems in the past following wildfires or other disasters the current challenges are unprecedented. We are happy to have Commissioner Lara here to provide resources and answer your questions.

We are also joined by Julie Clowes. Julie is the District Director of U.S. Small Business Administration's San Francisco District Office (SFDO) where she oversees delivery of SBA's programs and services within 14 counties in Northern California. Prior to joining the SFDO, she was the Deputy District Director of SBA's Washington Metropolitan Area District Office overseeing the largest 8(a) portfolio in the country with approximately 1,000 firms receiving \$4-6 billion in contracts annually. Julie will provide information and available resources for small businesses at the Federal level.

We are here today because this pandemic is unprecedented and as our state and counties work to put public health first by implementing the effective shelter at home policies, the unfortunate and unintended consequence has been the shuttering of businesses and unfortunate job loss. Our economy is reeling.

Small businesses and workers have had to bear the brunt of this downturn. Some studies estimate that close to 45% of businesses are at risk of closure. It is so important—especially in our current COVID-19 reality – to support small businesses—these enterprises create greater economic opportunity for millions of Californians, which in turn leads to more families and communities gaining economic stability and our state sustaining its economic vitality.

There are close to 4 million small businesses in California employing nearly 7 million of the state’s private workforce. Small businesses are an integral part of our state’s economy – they are the engines of innovation and growth driving California’s success.

Our state is working harder than ever to make sure small businesses continue to get the support they deserve. Last week Governor Newsom signed a bill (SB 1447-Bradford), which establishes a new \$100 million small businesses hiring tax credit program to assist with the hiring and re-hiring of workers. We also passed a bill (AB 1577-Burke), which excludes gross income, for state income tax purposes, on Paycheck Protection Program loans that were forgiven by the federal CARES Act. Without this bill, business owners may have been liable for taxes on forgiven loans.

Insurance Commissioner Ricardo Lara

Thank you, Assemblymember Bonta, I am happy to join you today to discuss resources for businesses and give your constituents in the East Bay an update on the work that the Department of Insurance and myself have been doing on their behalf.

We all have a lot of work to do to assist businesses and their workers as we continue to try to cope with this pandemic and the future of our economy and the state.

Wildfire investigatory hearing

Over the past month, we have all experienced the disruption caused by climate change. California’s devastating wildfires are causing tragic losses of life and property, mass evacuations, and public health impacts from smoke pollution.

California’s extreme heat wave is another reminder that climate change is going to continue to disrupt communities and affect our insurance markets. Depending on where you live, insurance is getting harder to find and more expensive to keep. Rising rates and non-renewals hurt those who can least afford it – working families, retirees on fixed incomes – the same people already hurt by the pandemic.

Today, I am announcing that I am using my authority as the regulator of the nation’s largest insurance market to take action in the following four areas to assist policyholders:

- developing home-hardening standards that are consistent throughout the state, based on fire science, and apply to all insurance companies;
- giving transparency for consumers about their wildfire risk score and what they can do to reduce it. Insurance companies use wildfire risk scores to determine which homes they will write and the premium they charge;
- creating insurance incentives recognizing home hardening, mitigation of properties, and community mitigation actions; and
- requiring that insurance companies seek adequate and justifiable rates to protect the solvency of the market.

I will hold an investigatory hearing on October 19 with homeowners, first responders, and other impacted parties. That information is on our website: insurance.ca.gov. And I invite all Californians to participate. These actions will help bring down wildfire risk, protect consumers, and ultimately help make insurance more available and affordable. I also want to say a little bit about how my Department is assisting wildfire survivors.

Today, the Department of Insurance staff is on the ground at Local Assistance Centers in Santa Cruz, Monterey County, and San Diego County, giving in-person advice and information to help wildfire survivors. We are also taking many requests for help through our website and consumer 800-number hotline.

One of the things my staff is hearing is that some evacuees are losing access to their insurance benefits that pay for a hotel or other emergency expenses after just two weeks – even when their homes are still difficult to reach or uninhabitable due to loss of water or power.

That is something I saw firsthand after the Camp Fire, when residents of Paradise were unable to move back into their homes because water mains were damaged by the heat of the fire – but people had to pay out of pocket for emergency costs.

That does not seem fair to me – and this month I took action to extend additional living expense benefits to people who are in this situation.

I sponsored legislation this year to make this change permanent. This legislation is on its way to Governor Newsom's desk with bipartisan support. The bill (Senate Bill 872 authored by Senator Bill Dodd) also clears up other red tape for wildfire survivors, including:

- an immediate advance payment of no less than four months of living expenses;
- reducing onerous itemization of a homeowner's personal contents;
- a 60-day grace period for premium payments for policyholders; and
- allowing a homeowner who suffers a total loss but elects not to rebuild to collect the full benefit without deduction for land value.

Thank you Assemblymember Bonta for your support for this needed change.

If you ever suffer a wildfire loss, the California Department of Insurance is here to help you and get the most out of your insurance benefits.

Pandemic Response

Of course, we are still dealing with the pandemic which has turned our lives upside down.

My priorities since this pandemic started have been:

- getting money back to consumers and businesses;
- helping small businesses to file insurance claims and combat fraud; and
- protecting the health of Californians.

I ordered partial premium refunds for motorists due to lower risk on the road, which have resulted in \$1.2 billion in relief to California drivers so far. I also ordered refunds for businesses that are seeing their payrolls reduced or storefronts closed; as a result, we should see less risk of insurance losses.

I expect savings to continue as long as people are driving less or businesses are affected due to the pandemic.

If you have questions about your home, auto, business or other insurance, please contact my Department at 800-927-4357. We have experts who can help you Monday to Friday, not a recording. You can also use our new live chat feature on insurance.ca.gov.

Thank you and I look forward to answering your questions.

Thank you again to Assemblymember Bonta for partnering with my Department to share this information.

Julie Clowes – Small Business Administration

Julie Clowes, from the Small Business Administration, helpfully made this information available through a PowerPoint.

COVID Financial Assistance Available:

For small business affected by COVID-19 - Information current as of 9/16/20

- Debt Deferment or Relief:
 - Automatically deferring payments on existing disaster loans thru 12/31/20
 - Reflected in monthly notice
 - SBA Debt Relief Program
 - The SBA will pay the principal and interest of current 7(a), 504 and microloans for a period of six months.
 - The SBA will also pay the principal and interest of new 7(a), 504 and microloans issued prior to September 27, 2020.
- Loans:
 - Economic Injury Disaster Loan (EIDL) – available
 - EIDL Advance – ended 7/11/20
 - Community Advantage Recovery Loan (CARL) – ends 9/27/20
 - CDC Small Business Finance or Lendistry

PPP Forgiveness:

- Apply after use all the funds
- 2 Forgiveness Applications – read guidance documents
 - 3508EZ – must qualify
 - 3508 – everyone else
- Document Everything
 - Keep all employee-related records
 - Utility bills/rent and proof of payment
 - State/local ordinances affecting your business
- Submit forgiveness application to your lender

COVID Financial Assistance Results:

Program	Number	Dollars	Average
PPP Round 1 (4/16/20)	1,661,367	\$342 billion	\$206,000
PPP Totals (8/8/20)	5,212,128	\$525 billion	\$100,729
PPP – CA Totals (8/8/20)	623,360	\$68.6 billion	\$109,000
EIDL Totals (8/24/20)	3,573,856	\$188 billion	\$52,610
EIDL –CA (8/24/20)	543,366	\$33.6 billion	\$61,786

- PPP Round 1 (4/16/20)
 - 74% loans \$150,000 or less
- PPP Total (8/8/20)
 - 87.4% loans \$150,000 or less
 - 68.8% loans \$50,000 or less
 - 432 CDFI/MDIs participating

Wildfire Disaster Assistance (Current as of 9/16/20)

- Physical Disaster Loans – uninsured losses; repair or replace
 - Homeowners
 - Renters
 - All size businesses
 - Non-profits
 - Available: Napa, Sonoma, Lake, Solano, Yolo, Butte, San Mateo, Santa Cruz and Monterey
 - Deadline: Oct 21, 2020

- Economic Injury Disaster Loans – working capital loan
 - Small businesses
 - Non-profits
 - Available: counties above plus all contiguous counties
 - Deadline: December 31, 2020

How Access Assistance - Wildfire Specific Assistance

- FEMA – grant programs
 - <https://www.disasterassistance.gov>
- SBA – loan programs
 - <https://disasterloanassistance.sba.gov>
- SBA Virtual Recovery Center – 5:00am-5:00pm PT
 - Call: (916) 735-1500
 - Email: FOCWAssistance@sba.gov
- Recorded Webinar hosted by NorCal SBDC
 - <https://vimeo.com/456676568/242d0d96df>

PPP Rules and Resources – Forgiveness Focused

<https://www.sba.gov/paycheckprotection> OR
<https://home.treasury.gov/policy-issues/top-priorities/cares-act/assistance-for-small-businesses>

- Interim Final Rules:
 - [Interim Final Rule 1 \(4/2/2020\)](#)
 - [Interim Final Rule on Loan Forgiveness \(originally posted 5/22/2020\)](#)
 - [Interim Final Rule on SBA Loan Review Procedures and Related Borrower and Lender Responsibilities \(5/22/2020\)](#)
- [Interim Final Rule on Revisions to First Interim Final Rule \(6/11/2020\)](#)
- [Interim Final Rule on Additional Revisions to First Interim Final Rule \(originally posted 6/12/2020\)](#)
- [Interim Final Rule on Revisions to the Third and Sixth Interim Final Rules \(originally posted 6/17/2020\)](#)
- [Interim Final Rule on Revisions to Loan Forgiveness Interim Final Rule and SBA Loan Review Procedures Interim Final Rule \(6/22/2020\)](#)
- [Interim Final Rule on Additional Eligibility Revisions to First Interim Final Rule \(6/24/2020\)](#)
- [Interim Final Rule on Certain Eligible Payroll Costs \(originally posted 6/25/2020\)](#)
 - [Interim Final Rule on Appeals of SBA Loan Review Decisions Under the PPP \(originally posted 8/11/2020\)](#)
 - [Interim Final Rule on Treatment of Owners and Forgiveness of Certain Nonpayroll Costs \(originally posted 8/24/2020\)](#)
 - [Frequently Asked Questions on Loan Forgiveness \(8/11/2020\)](#)

SBA is OPEN for Business

District Office teams are assisting people by phone and email as are our resource partners.

- Contact San Francisco District Office

- Email: SFOMail@sba.gov
- Call: (415) 744-6820 and leave a message.
- Web: <https://www.sba.gov/ca/sf>
- Twitter: @SBAgov or @SBA_SF
- Our Resource Partners, SBDC, SCORE, WBC, VBOC, are ready to help with free business advising.
 - NorCal SBDC Financing Team: 833-ASK-SBDC or loans@asksbdc.com
- Webinars: to find out when and where, sign up for our newsletter and we will push info to you as it becomes available or see calendar of events on website
- SFDO Newsletter – sign up to have the latest information pushed to you.
 - Sign up: <https://www.sba.gov/ca/sf>

Questions and Answers

Question 1: What can individuals and businesses do if their premium was not adjusted or they haven't received rebates from their insurance company per your April directive?

Commissioner Lara: You should not have to do anything to receive the refund, and insurance companies must provide this relief as soon as possible. If you haven't received any message from your insurer, check your account or reach out to them to find out how much you saved.

Currently, my Department is reviewing the reports we received from insurance companies about how much premium they are returning from commercial policies – and we will share this information as soon as it's available.

While we have directed insurers to provide refunds for drivers and businesses during the pandemic, personal auto insureds who have significantly reduced their driving mileage or businesses that have significantly reduced their payroll and have reduced receipts should contact their agents or insurers to change their policies to reflect the new reality.

If you have questions on whether your insurance offered a refund, you can call us at (800) 927-4357.

Question 2: Californians are facing a multitude of issues right now, including wildfire. Can folks apply for SBA's wildfire disaster loans if they already have a COVID Economic Injury Disaster Loan (EIDL) loan?

Julie Clowes: Yes, you can qualify for both. In disasters, we treat each one individually. Applying for COVID relief does not negatively impact your ability to get a wildfire loan. Obviously, when we look at repayment ability, they factor in some existing debt. However, it is not a red flag that determines whether or not you will receive a loan. Typically, our EIDL program is the same program. However, under COVID there are some other considerations and modifications to the program to try to accommodate more businesses and make more businesses eligible to qualify.

There are two different applications. The COVID application is new and streamlined. It doesn't even need a great deal of financial data to be reported at that time. The wildfire EIDL application is our traditional application, where they are going to ask you to attach your financials, your tax returns, and an IRS Form that authorizes us to pull your tax transcripts.

You can do this application online as well. The website assistance.sba.gov gives you direct access to that. There are a several pop ups which might be confusing, but just remember that there are two different applications.

A limited geography of individuals is eligible to apply because of the way the wildfires have affected different counties. Unfortunately, pure farming businesses are not eligible for the wildfire EIDL program. If there are people who are purely engaged in farming activities, we're more than happy to work with them and help them to find the right USDA program.

Assemblymember Bonta: This is very helpful. There is a menu of different options that are available depending on the disaster that someone has experienced. Thank you for the clarification.

Question 3: Can you describe the California Department of Insurance's regulatory process to make sure insurers are complying with efforts to protect consumers and businesses?

Commissioner Lara: The Department of Insurance has regulatory oversight over how insurance companies pay claims, charge premiums, underwrite policies and all related transactions (like billing, refunds, non-renewals, etc.).

If we find that an insurance company is violating any insurance laws or regulations, we can take an enforcement action against the company and seek fines, and other penalties like a suspension of their license (depending on the severity and frequency of the violations).

To that end, I encourage residents and businesses to file a complaint with us so we can investigate the allegations, assist in resolving the dispute, and also determine if enforcement action is warranted. My goal is to resolve each specific dispute, but also to make sure others are protected from the same unfair practices.

We have an enforcement branch in my office, which includes over 300 agents and investigators who pursue insurance fraud. California remains a target for so many fraudsters, even during the pandemic. This poses a particular problem for our elderly, disabled veterans, business owners that are immigrant business owners that might not speak English, and other vulnerable individuals. If you suspect something is not legitimate, give us a call. We would investigate it. My goal is to resolve each specific dispute and to make sure that our consumers are protected from unfair practices.

Question 4: With your 300 members of your enforcement arm, you are obviously proactively finding violations and curing them and providing accountability. If a consumer has a problem, should they call the general number or is there a specific hotline number?

Commissioner Lara: It is the same number that I have mentioned before. Please contact us at 1 (800) 927-4357 or through our website at: www.insurance.ca.gov.

Question 5: Many businesses had trouble getting loans during the 1st round of Paycheck Protection Program (PPP). Was there more success during the second round of PPP? If there is a third round of PPP, what can businesses do to prepare now?

Julie Clowes: The analysis is still taking place. We knew Round 1 would move fast. However, it moved even faster than our expectations. One of the reasons is that a lot of businesses struggled

because they didn't have preexisting banking relationships. For a lot of businesses, this may have been the first time they were ever applying for a business loan. As such, these businesses were not familiar with the process and didn't have financial statements and other documents readily available to input data and calculate their eligibility for PPP. It was a difficult task to establish a relationship with a bank overnight.

We took a close look at the lending community who were already working with a lot of these smaller businesses or, alternatively, had the ability to start working with these smaller businesses. And that is where we found lenders, including some micro lenders and online lenders. We made a concerted effort to create as many avenues as possible for people to tap into the program and we did see success as a result of that effort.

The good thing is that everybody in the financial community wanted to step up and help the businesses. We were grateful that they did the outreach and that we were able to onboard them into SBA program quickly. We are still working with them. Some of my team worked with both the borrowers and the lenders to make sure the borrowers fully understand the process.

I think if there will be a round three. We have learned a great deal from the previous rounds; hopefully, we will be more successful in round three. I recommend that businesses pursue in round 3 even who didn't get a PPP loan in previous rounds. You can start preparing today by making sure you have all your financial information from 2019 and also look at year-to-date.

Take a look at your situation today and compare it with your situation from a previous year. How did it change throughout this year with COVID? While putting that information together, you can tap into one of our business advising services to help you with that too. All of our business advisor services are free of charge. They will sit down to help you to package this information and help you understand what additional information is needed. It is a great idea to be prepared now, in hopeful anticipation that Congress will authorize another round of PPP.

Question 6: Can you briefly describe the function of business interruption insurance in the context of the COVID-19 pandemic? Who is eligible and who is not covered?

Commissioner Lara: Business interruption insurance is intended to cover a business's loss of income due to a suspension of the business caused by a covered loss (such as a fire and other events). Many businesses have looked to their insurance policies for possible coverage for this pandemic.

As you know, each policy is a legal contract between the business owner and the insurance company. Since early March, we have seen dozens of lawsuits around the country, including California, which concern the interpretation of these policies and whether these policies cover losses due to COVID-19.

I can tell you we are monitoring these cases as they move through the courts, but I have taken several significant steps to address business interruption.

We have been learning that some insurance companies are denying business interruption claims without a thorough investigation or discouraging business owners from even filing a claim. That is simply unacceptable.

In response to numerous complaints from businesses, public officials, and other stakeholders, I required insurance companies to comply with their contracts and California law by fairly investigating all business interruption claims caused by COVID-19 – just as they would for any disaster.

My Department will be watching to make sure they do and ensure everyone is getting their claim fairly considered.

Not all policies are the same. My advice here is that if a business has not filed a formal claim, it should do so immediately. If the business has filed a formal claim and that claim has been denied, we recommend they file a “Request for Assistance” with my Department by calling us at (800) 927-4357 or through our website at: www.insurance.ca.gov.

We would need to look at the specific policy to better understand what coverages and exclusions a policyholder has. We have had some success in getting denied business interruption claims and event cancellation claims paid, so it’s worth you contacting us to let us take a look at your policy.

If you truly do not have any Business Interruption coverage, you should look at the various federal, state, and local programs available through the SBA and other sources.

Question 7: Some mom-and-pops in my district have not only been impacted by the COVID-19 pandemic but have also faced damages due to break-ins / looting. Generally, what coverage information can you offer these businesses?

Commissioner Lara: I’d like to first say that I hear and see the small business owners already vulnerable because of the pandemic.

Standard commercial policies typically include coverage for damage to the insured premises and other business property resulting from looting, vandalism, and riots.

Whether a specific loss will be covered depends on the actual language in the policy and any coverage exclusions that may apply.

It is important to check your specific insurance policy for the following coverages:

- **Vandalism and Malicious Mischief:** These both involve willful destruction of property, and are closely related.
- **Riot and Civil Commotion:** These both involve a revolt by a group of people in a public place – a civil commotion is similar to a riot but involves a greater number of people. Insurance policies often list these together.
- **Business Income Coverage:** This covers your loss of income when you have to suspend operations, and typically is triggered by a direct physical loss from a covered peril in your policy, such as a fire.
- **Civil Authority Coverage:** Business income coverage will typically include civil authority coverage, which protects your loss of income if a civil authority prohibits access to your business, such as a local government order. Businesses that have this coverage and are forced to limit their hours or suspend operations during rioting, vandalism or civil commotion may be covered after an initial waiting period.

- **Glass Coverage:** Many commercial policies cover glass breakage. But we have seen some companies requiring separate glass coverage be added to the policy for an additional premium.

I also want to mention two other coverages.

- **Auto coverage:** Damage to a personal vehicle because of riot or civil commotion is covered under the comprehensive portion of your policy. This is optional, separate from the liability coverage that is required under California law.
- **Homeowners and renters' coverage:** A standard homeowners and renters' policy will cover all the perils I mentioned – riots, civil commotion, vandalism or malicious mischief. If you have a California FAIR Plan policy – the insurer of last resort in California – these coverages are optional, so you need to verify that you purchased them.

If you are wondering whether to file a claim, I urge you to contact the agent or company who sold you the policy. You should face no consequences for inquiring about a claim – such as losing a claims free discount. You need to make the decision that is best for you.

If you are not satisfied with the answers you get or have other questions, please contact us at 1 (800) 927-4357 or through our website at: www.insurance.ca.gov.

As I just mentioned, physical loss to your business and loss of income due to vandalism and looting during a riot is typically covered.

If you are wondering whether to file a claim, I urge you to contact the agent or company who sold you the policy.

You should face no consequences for inquiring about a claim, such as losing a claims free discount.

Whether you file a claim is going to be up to you. If you are not satisfied with the answers you get from your agent or have other questions, please contact us at 1 (800) 927-4357 or through our website at: www.insurance.ca.gov.

Question 8: We have talked about financial assistance – what other information and resources are available to help businesses right now?

Julie Clowes: There was a declaration for civil unrest disaster declaration, and Alameda County is absolutely covered. This is another option for businesses that might have experienced a lot of physical damage from those incidences.

There is a great deal of assistance available. Initially, everyone just needed financial support to survive COVID. Now, new strategies will need to be developed. Businesses are now coming back to say, what else can I do?

This is a great time for the business owners to think about some other options and strategies that they haven't really explored before. Businesses should think about federal contracting. As we know, currently state and local budgets are really tight, but the federal government is still spending and will

be for at least the next year or two. If you are a business owner and you have ever thought about federal contracting, it is now a great time to explore this idea.

There are several programs geared towards small businesses certification programs, especially for those who are economically disadvantaged such as business for women or for service disabled veterans. There are additional programs to explore that may give you a contracting preference in the federal government.

Additionally, business owners should also explore exporting. Our markets are impacted a certain way; however, plenty of other markets are out there. Not just SBA, but, there are about 17 federal agencies who have programs to support exporting. The federal government can assist you through this process.

If you want to look at markets outside the United States, find out what might be viable for you and the best ways to reach that market and your potential customers in that market. That's a great venue as well.

We offer free business advice to our partners, such as Small Business Development Centers for Women Business Center, and for Veteran Business Outreach Center. You can meet with these advisors once or a hundred times for no charge or fees. This is a great service for businesses to work with specialists to find a new path coupled with possible free pro bono legal work and advice. This is not just for starting up businesses but it is for all stages of their lifecycle. The goal is to make your business stronger.

Question 9: This question is about the workers' compensation process. What steps are you taking to help employers navigate the workers' compensation process if one of their employees becomes infected?

Commissioner Lara: Governor Gavin Newsom signed an executive order creating a presumption that a worker diagnosed with COVID within 14 days of working contracted it while on the job.

But this is a rebuttable presumption, meaning that employers will have a chance to prove it isn't work-related.

And I share your concern about the cost of workers' compensation – which is why I issued emergency workers' compensation regulations to address the pandemic.

These new regulations will mandate insurance companies to recompute premium charges, and could result in savings for many businesses.

Importantly, the new regulation excludes COVID-19 claims from future rate calculations so employers are not penalized with higher rates due to unforeseeable COVID-19 claims.

For issues relating to COVID-19 workers' compensation claims, employers can contact their insurers and/or the Workers' Compensation Appeals Board for information and assistance.

I think we all agree that we want to make sure our workers are protected, especially our vulnerable workers who are on the front lines fighting every day to help others get through this pandemic.

I am keeping a close eye on the issue and will carefully weigh the costs to all parties involved -- the financial costs to businesses that may be struggling to survive, the costs to the health and recovery of our workers, and the costs to the overall workers' compensation market.

Question 10: What priorities will you be focusing on in the near future to ensure business owners and employees alike are supported throughout the pandemic? How can the business community partner with you and help you achieve your goals for the district and the State of California?

Commissioner Lara: My number one priority is the protection of California consumers which includes California businesses. Before my election as Insurance Commissioner in 2018, I supported legislation to expand the rights of wildfire survivors as a member of the California Senate.

I authored Senate Bill 824, which gives protection against insurance non-renewals to everyone living in or near the perimeter of a declared wildfire emergency. Last year, I put that new law into effect for the first time.

As our first responders get control over these latest fires, I will again work with our CAL FIRE and the Governor's Office of Emergency Services on any areas that deserve these protections following our latest wildfire emergencies.

Last year, I sponsored a new law by Senator Steven Bradford (SB 534) which extended our Insurance Diversity Initiative.

I am currently working to expand opportunities for procurement in the insurance industry for black-owned, LGBT-owned, woman-owned, veteran-owned, and other diverse small businesses.

The bill gives homeowners more adequate notification regarding their homeowners' policies as well as reduces the burden on disaster survivors when they rebuild their home by including replacement costs to cover any necessary updated building codes such as solar panels, water efficiency, and indoor sprinklers.

I will continue to work with stakeholders and partner with the Governor and Legislature to find creative solutions that help consumers and businesses recover from this pandemic and the wildfires under my existing regulatory authority and, if needed, through legislation.

Insurance is difficult and most people will sign their paperwork when they first acquire it and never look at it again.

It is only when we face major losses that we realize how important that one line in our contract makes the difference between being able to keep a business open or close down for good.

I want to make sure every business and every consumer who signs up for insurance knows that the Department of Insurance is your resource for support.

We can't provide access, information and opportunities for businesses and Californians if they don't know that we are here. I want to partner with you to ensure that every business in California knows that they can count on us as a resource.

2020 is a pivotal year that will shape our future for generations to come. The racial justice movement and COVID-19 have shown us the inequalities that continue to devastate our diverse business community.

I am working with a dynamic Diversity Task Force that is committed to opening the doors of opportunity for local businesses in the insurance industry.

With California being the largest insurance market in the nation – collecting \$310 billion annually in premiums – this is critical.

As I continue to work on issues of consumer protection, I want to hear from you too. We will be able to move the state forward if we collaborate so if you have ideas, I want to hear them!

Additional Resources

Request Assistance with the Department of Insurance:

- (800) 927-4357
www.insurance.ca.gov

Assemblymember Rob Bonta:

- District Office: (510) 286-1670

FAQs and complete Paycheck Protection Program information can be found here:

- <https://home.treasury.gov/policy-issues/cares/assistance-for-small-businesses>

Small Business Administration:

- <https://www.sba.gov/local-assistance>
- Check Status of my Economic Injury Disaster Loans: (800) 659-2955
- SBA San Francisco District Office email: sfomail@sba.gov
- SBA San Francisco District Office phone number: (415) 744-6820

Covered California for Small Business:

- Service center at (877) 777-6782
- CCSB@covered.ca.gov

Learn about loans, retirement and healthcare for small businesses, and get connected to trusted providers to help your enterprise grow

- <https://venturize.org/>

Ask Small Business Development Council (SBDC)

- www.AskSBDC.com
- SBDC email address: loans@askSBDC.com
- SBDC phone number: 833-ASK-SBDC

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