

Assembly Joint Resolution

No. 1

Introduced by Assembly Member Blakeslee

January 22, 2009

Assembly Joint Resolution No. 1—Relative to natural catastrophes.

LEGISLATIVE COUNSEL’S DIGEST

AJR 1, as introduced, Blakeslee. Natural catastrophes: planning.

This measure would respectfully memorialize the Congress and the President of the United States to enact legislation creating a comprehensive national catastrophe plan that includes a federal insurance backstop to improve the availability of reasonably priced property and casualty insurance policies covering losses related to natural catastrophes.

Fiscal committee: no.

- 1 WHEREAS, The United States Geological Survey has predicted
- 2 a magnitude 6.7 or greater earthquake in California within the next
- 3 30 years; and
- 4 WHEREAS, It is predicted with certainty that the Hayward
- 5 Fault, near San Francisco, will rupture again with greater force
- 6 than the 1989 Loma Prieta earthquake; and
- 7 WHEREAS, It is an appropriate role for the federal government
- 8 to make it possible for more Americans to take responsibility for
- 9 protecting their families’ property and assets from natural disasters;
- 10 and
- 11 WHEREAS, The economic consequences of a state-specific
- 12 natural catastrophe, including taxpayer funded relief, recovery,

1 and rebuilding programs and higher insurance costs, extend to the
2 citizens of all states; and

3 WHEREAS, Few California homeowners buy earthquake
4 insurance because the premium and deductible are prohibitively
5 expensive; and

6 WHEREAS, A federal backstop would help qualified states
7 purchase federal reinsurance at significantly lower cost; and

8 WHEREAS, It is an appropriate role for the federal government
9 to save lives and protect property by strengthening natural
10 catastrophe prevention, mitigation, and response programs; now,
11 therefore, be it

12 *Resolved by the Assembly and the Senate of the State of*
13 *California, jointly*, That the Legislature respectfully memorializes
14 the Congress and the President of the United States to enact
15 legislation creating a comprehensive, integrated national
16 catastrophe plan that includes the participation of states to better
17 prepare and protect American homeowners from inevitable,
18 large-scale natural catastrophes; and be it further

19 *Resolved*, That the legislation should include a federal backstop
20 supported by actuarially sound premiums to improve the
21 availability of reasonably priced property and casualty insurance
22 from private markets to homeowners throughout the nation; and
23 be it further

24 *Resolved*, That the Chief Clerk of the Assembly transmit copies
25 of this resolution to the President and Vice President of the United
26 States, to the Speaker of the House of Representatives, to the
27 Majority Leader of the Senate, and to each Senator and
28 Representative from California in the Congress of the United
29 States.