
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair
2019 - 2020 Regular Session

SB 254 (Hertzberg) - California Earthquake Authority

Version: January 6, 2020

Policy Vote: INS. 7 - 3

Urgency: No

Mandate: No

Hearing Date: January 23, 2020

Consultant: Mark McKenzie

***** ANALYSIS ADDENDUM – SUSPENSE FILE *****

The following information is revised to reflect author amendments
crossed on January 6, 2020, while the bill was on the Suspense File.

Bill Summary: SB 254 would delete obsolete provisions that authorized the California Earthquake Authority (CEA) to impose a specified assessment on certain insurance companies that offer basic earthquake insurance.

Fiscal Impact:

- No state costs. The industry assessment deleted by this bill was subject to a statutory reduction formula, which effectively reduced the assessment authority to zero as of April 1, 2018.

Author Amendments: The January 6, 2020 amendments deleted provisions that would have revised CEA's financial structure to expand mitigation programs. The amended bill would delete obsolete provisions that authorized CEA to impose an assessment on participating insurance companies and make conforming changes.

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