



SALLY J. LIEBER

VICE CHAIR
CALIFORNIA STATE BOARD OF EQUALIZATION

MEMORANDUM

Date: April 11, 2025

To: Ted Gaines, Chair, Board Member, First District
Antonio Vazquez, Board Member, Third District
Mike Schaefer, Board Member, Fourth District
Malia M. Cohen, California State Controller

From: Sally J. Lieber, Vice Chair, Board Member, Second District

Informational Hearing Request: California Wildfire Disaster Relief, Issues Impacting Recovery, and the Impact of Insufficient Replacement Costs

This memorandum is a request for the Board to hold a one-hour Informational Hearing at its May 28, 2025, Board meeting on “California Wildfire Disaster Relief, Issues Impacting Recovery, and the Impact of Insufficient Replacement Costs.” This hearing will include the status of recovery from recent disasters, as well as from wildfires and other disasters in the recent past, consideration of the impact of algorithmically driven underinsurance of properties across California, and especially in wildfire prone areas, and to consider possible legislation to address identified issues.

Recently, the San Francisco Chronicle published a report on alleged underinsurance coverage in areas that have been ravaged by wildfires. (See: “A broken system: Millions in California have no idea that flawed algorithms and processes put their homes at risk of being underinsured.” San Francisco Chronicle, April 6, 2025, Page 1.)¹ The issues raised in this San Francisco Chronicle report, including personal stories of fire victims who were underinsured, were also discussed in an April 9, 2025, KQED Forum podcast.²

¹ Linked at: <https://www.sfchronicle.com/projects/2025/california-home-insurance-underinsured/>

² Linked at: <https://www.kqed.org/forum/2010101909501/sf-chronicle-investigates-broken-home-insurance-system>

These reports projected that underinsurance was prevalent in areas devastated by wildfires, contributing to a deficit of rebuilt homes in wildfire burn areas. These issues reflect directly on the Board's authority to administer the state's Property Tax system, particularly if policies and practices of private companies impact negatively the ability of property taxpayers to rebuild their properties and restore the housing stock in areas impacted by wildfires and by other predictable natural disasters.

In view of these reports, I respectfully request that the Board holds a one-hour Informational Hearing on these topics at the upcoming May 28, 2025, Board Meeting.

I look forward to discussing this request.

Sincerely,

A handwritten signature in black ink that reads "Sally J. Lieber". The signature is written in a cursive, flowing style.

Sally J. Lieber, Vice Chair

cc:

Mr. Matt Cox, Chief Deputy, Office of Chair Ted Gaines

Mr. Douglas Winslow, Chief Deputy, Office of Vice Chair Sally J. Lieber

Mr. Alexander Fay, Staff Counsel, Office of Member Antonio Vazquez

Mr. Cody Petterson, Chief Deputy, Office of Member Mike Schaefer

Mr. Hasib Emran, Deputy State Controller

Ms. Yvette M. Stowers, Executive Director