



By Rep. John Campbell and Rep. Loretta Sanchez

Monday morning, a 3.9 magnitude earthquake rattled Orange County. While it was a shallow earthquake and no damages were reported, it served as a sobering reminder of the need to be prepared for a big earthquake.

As Californians, we know that few natural disasters are as unpredictable or as destructive as an earthquake. In our state, they are a common occurrence, though most are so small they are not felt. However, we face a very real possibility that California will someday be hit by a major earthquake equal in power to that which struck off the coast of Japan last year.

Because of the San Andreas Fault, the West Coast will experience extraordinary damage when the next major earthquake occurs. Therefore, it is absolutely crucial that Californians are prepared to deal with this emergency situation – both from a safety and a financial standpoint. Though the impact of earthquakes is beyond our control, we do have full control over our own preparations for them.

California will be best-prepared financially for a major earthquake when the majority of its property owners have affordable earthquake insurance. This will ensure that Californians receive fair compensation for damages incurred the next time a disaster strikes without the need for federal emergency funds. To this end, we have joined together to introduce H.R. 3125, the Earthquake Insurance Affordability Act, which aims to make earthquake insurance more affordable. We are joined in this effort by a number of California Republican and Democratic Members in both the House and Senate.

Our bill would lower premiums on new and existing policies by as much as 20 percent. This would mean that more Californians would be able to afford the insurance they need, thereby expanding the number of California homes that would be protected in the event of an earthquake. It's good news for all of us as 90 percent of homes in the state are currently completely unprotected from earthquake emergencies.

However, our bill not only protects homeowners, it protects the taxpayer. The legislation gives the secretary of the Treasury the power and authority to facilitate qualifying state programs in accessing global investors for the purpose of securing private capital to pay for losses. In California, this state program is the California Earthquake Authority, a financially separate entity from the state, which is charged with providing Californians with earthquake insurance. However, given the potential cost of recovering from a catastrophic earthquake in California, the price of earthquake insurance is currently astronomical. Our bill would help put earthquake insurance within the reach of many more Californians while reducing our reliance on FEMA and other government programs that are often inadequate, inefficient, or both.

A major earthquake will hit Southern California. We need to prepare now for the recovery. In a time of growing concern over the national debt, we should proactively address this issue to protect you, other taxpayers, and California's fragile economy. To be very clear, this legislation would protect the American taxpayer against future federal bailouts, allowing private investors to fulfill a role traditionally played by the government. State based programs like CEA have robust financials and a strong ability to repay debt, and they would benefit California consumers by saving them over \$1 billion dollars over five years.

Although April is California Earthquake Preparedness Month, California families should be prepared for a catastrophic earthquake 365 days of the year. Please empower yourself by taking steps to prepare and protect you and your family from the next big quake. For more information on how you can be best prepared, please visit the website of California's Emergency Management Agency at <http://www.calema.ca.gov>. We would also encourage you to contact your representative and express your support for the Earthquake Insurance Affordability Act. By making earthquake insurance affordable, the costly cleanup that would ensue following an earthquake can be mitigated.