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## **CEA Governing Board votes to sponsor and support Resilient Homes Initiative**

State Senate Bill 254 would help more Californians prepare for next big earthquake

(SACRAMENTO) The California Earthquake Authority (CEA) <u>Governing Board</u> voted on Friday to formally sponsor and support the enactment of California Senate Bill (SB) 254, introduced by state Senate Majority Leader Bob Hertzberg (D-Van Nuys) in January.

Called the <u>Resilient Homes Initiative</u>, this bill would help more Californians prepare for, survive and recover from the next damaging earthquake by restructuring CEA to further strengthen its long-term financial sustainability, and greatly increase the number and types of seismic-retrofit grants CEA can offer.

"We never know when the next big earthquake will hit," said State Treasurer and CEA Governing Board Member Fiona Ma. "Making homes stronger today will save lives tomorrow, and help our communities recover from the disaster that is coming."

"Twenty-five years after the deadly Northridge earthquake, millions of Californians live in residences that are not built to withstand another disaster," said California Insurance Commissioner and CEA Governing Board Member Ricardo Lara. "SB 254 is a forward-looking bill that will retrofit eligible properties, leaving us better prepared to withstand the next earthquake."

"A home built prior to 1980 is like a ticking time bomb, waiting to slide off its foundation during a big earthquake that scientists say is inevitable," said CEA CEO Glenn Pomeroy. "This bill would increase funding needed to help more Californians retrofit their older homes, and help sustain CEA's claim-paying capacity through multiple earthquakes. This is a bold and innovative step toward preparedness."

Details about SB 254 are available on the California Legislative Information website.

The CEA Governing Board also voted on Friday to support other helpful legislation, related to the CEA-funded Earthquake Brace + Bolt (EBB) program: <u>Assembly Bill (AB) 548</u>, introduced by state Assembly Member Freddie Rodriguez (D-Pomona) in February; and <u>federal legislation</u> reintroduced by U.S. Reps. Mike Thompson (CA-05) and Ken Calvert (CA-42), along with U.S. Sens. Kamala Harris (D-Calif.) and Dianne Feinstein (D-Calif.), in early April. AB 548 would increase EBB program outreach to low-income households and require EBB to set aside additional funds for low-income grant-program participants to help them cover more of the costs

of a seismic retrofit. The federal legislation, known as the Earthquake Mitigation Incentive and Tax Parity Act, would exclude EBB and similar mitigation grants from federal taxation.

The EBB program—jointly managed by CEA and the California Governor's Office of Emergency Services through the California Residential Mitigation Program—provides California homeowners with grants to help strengthen vulnerable older houses that are at risk of tumbling off their foundations during an earthquake. The EBB program has provided more than 7,700 retrofit grants across California since 2014, but CEA estimates that more than 1 million older single-family houses in California need a brace-and-bolt type retrofit. Learn more about the EBB program and seismic retrofitting at EarthquakeBraceBolt.com.

CEA is the country's largest provider of residential earthquake insurance. Learn more about CEA and its <u>creation by the California Legislature</u> to solve a home-insurance crisis following the 1994 Northridge earthquake at <u>EarthquakeAuthority.com</u>.

## **About CEA**

The California Earthquake Authority (CEA) is a not-for-profit, privately funded, publicly managed organization that provides residential earthquake insurance and encourages Californians to reduce their risk of earthquake loss. Learn more at EarthquakeAuthority.com.