

**SUPPORT FOR WILDFIRE RELIEF LEGISLATION**

The January 2025 Los Angeles County Wildfires inflicted incomprehensible damage on the Los Angeles County (County) community, destroying over 18,000 homes and structures, taking 29 lives, and displacing hundreds of thousands of residents. As communities emerge from the disaster, comprehensive legislation is needed to protect impacted residents' financial stability, access to healthcare and critical public benefits, and ability to rebuild their homes.

Assemblymember John Harabedian's proposed Wildfire Relief Package, composed of Assembly Bills (ABs) 238, 239, 493, 597, 797, 1032, and 1161, is a robust endeavor to address some of the most prominent challenges community members face. The Los Angeles County Board of Supervisors (Board) voted to support AB 238, the Mortgage Deferment Act, on March 4, 2025, which would provide financial relief to impacted homeowners. On April 4, 2025, the County issued a position of support for AB 1161. The remaining bills in the package identify a critical community need and offer substantive protections in response.

AB 239 would establish a State-Led Disaster Housing Task Force, jointly convened by the California Department of Housing and Community Development and the Office of Emergency Services. The Task Force would streamline federal, state, and local government efforts to rebuild communities. This enhanced coordination and collaboration of government partners will help facilitate community recovery in a timely manner.

AB 493, the Disaster Interest Accrual Act, would ensure that interest earned on disaster insurance fund payments go to homeowners rather than banks. The bill would amend the current Civil Code to explicitly state the post-loss escrowed funds must be held in an interest-bearing account and that the interest earned on these funds belong to the homeowner. Further, financial institutions cannot impose fees or charges on escrowed funds if doing so would reduce the interest rate below 2% per annum. These provisions would apply to loans executed on or after January 1, 2026 except for existing loans for property located within the Los Angeles County wildfire disaster area.

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MOTION

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This bill ensures homeowners benefit from interest earned on insurance funds and can maximize these funds as they rebuild.

AB 597, the Insurance Payment Protection Act, prevents unfair fees and price gouging by public adjusters, particularly after major disasters, and applies to residential properties and certain commercial properties. This bill would strengthen consumer protections by ensuring transparency and fairness in public adjuster agreements and would impose fee restrictions, price gouging protections, contract transparency requirements, stronger consumer cancellation provisions, and stricter solicitation protections.

AB 797, the Community Stabilization Act, would allow qualified investors, such as nonprofits, to fund the purchase and management of residential properties. Under the Governor's Office of Business and Economic Development, this bill takes Community Reinvestment Act dollars, which banks are tasked with investing in underserved communities and creates an investment vehicle through which nonprofits can purchase properties at zero-interest. The nonprofit can then invest those dollars back into the community. This bill would keep the land owned and operated by the community while protecting residents from predatory speculation.

AB 1032, the Wildfire Trauma Recovery and Resiliency Act, requires health care service plans and insurers, on or after January 1, 2026, to reimburse an eligible enrollee for up to 12 annual visits per year with a licensed behavioral health provider if the enrollee is in a county where a local or state emergency has been declared due to wildfires. This bill also specifies that enrollees are entitled to these benefits until one year after the local or state of emergency is lifted. As an urgency statute, this bill would take effect immediately if passed.

Taken together, these bills offer a wide range of protections for Los Angeles County residents impacted by the wildfires while also empowering them to rebuild and reinvest in their communities.

**I, THEREFORE, MOVE** that the Board of Supervisors directs the Chief Executive Officer, through the Legislative Affairs and Intergovernmental Relations Branch, support AB 239, AB 493, AB 597, AB 797, and AB 1032.

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