It could happen today.

National Earthquake Conference
March 6, 2020

Janiele Maffei
Chief Mitigation Officer

Improving Homeowners’ Seismic Resilience
CEA is a not-for-profit residential earthquake insurer.
• Earthquake coverage is excluded from homeowners insurance policy

• However, insurance companies are required to offer a separate earthquake insurance policy at time of homeowner policy sale.
January 17, 1994
Publicly Managed • Privately Financed

• A not-for-profit provider of residential earthquake insurance

**GOVERNING BOARD:**

• Governor

• Insurance Commissioner

• State Treasurer

Non Voting:

• Assembly Speaker and Senate Rules Chair

**PRIVATELY FINANCED:**

• 1,111,000 Policyholders

**MISSION:**

• Educate

• Mitigate

• Insure
CEA claim-paying capacity as of January 1, 2020

5% of the investment income on CEA capital (up to $5 million) each year into Loss Mitigation Fund

CEA Loss Mitigation Fund

California Earthquake Authority
Claim-Paying Capacity
as of January 1, 2020

Post Earthquake Industry Assessment (2nd FAE-5)
$1,656
Policyholders Surcharge
$1,000
Revenue Bonds $722

Risk Transfer $8,593

CEA Available Capital $6,048

Total Capacity $18,019M

Note: Not drawn to scale
THINGS TO KNOW
ABOUT EARTHQUAKE RISK
RISK | CEA | INSURE | CHOICE | RETROFIT
• Your risk is real
• It can happen to you
California is home to two-thirds of our nation’s earthquake risk.

Most Californians live within 30 miles of an active fault.
LOCAL FAULTS AND HISTORIC EARTHQUAKES

- M7.9 1906 San Francisco EQ
- M7.0 1868 Hayward EQ
- M6.2 1948 Morgan Hill EQ
- M6.9 1989 Loma Prieta EQ
There’s more than a 99% chance of one or more magnitude 6.7 or greater earthquakes striking California.

Actually greater than 99%

Scientists say that damaging earthquakes are inevitable for California and that earthquakes are not confined to separate, individual faults, but occasionally can rupture multiple faults simultaneously.
There is a 76% chance of one or more M7.0 or greater earthquakes striking Northern California.

3 times greater than Northridge
Watch the Ridgecrest earthquake shatter the desert floor in stunning before-and-after pictures
MYTH:

“The government will bail me out.”

FACT:

Government assistance, if available, is limited to urgent health and safety needs.

*Government loans must be repaid.*
• Provide easy to understand visual clues on earthquake vulnerabilities
• Provide cost-effective retrofit solutions to reduce damage and loss
Earthquake Vulnerabilities

- Cripple wall
- Living-space-over garage
- Hillside house
- Chimney
Cripple Wall Vulnerability

• 2014 South Napa M6.0 Earthquake Damage to a Cripple Wall House

House shifted and dropped

Cripple wall collapsed
Cripple Wall Vulnerability

• Typical House for a Crawlspace Retrofit

Several steps to the house

Crawl space vents and access door
**EARTHQUAKE BRACE + BOLT**

- Stem Wall (No Cripple Wall) Requires Framing Clips and Foundation Plates

Crawlspace **Before** Retrofit

Crawlspace **After** Retrofit
EARTHQUAKE BRACE + BOLT
• Short Cripple Wall Requires Framing Clips, Foundation Plates, and Plywood

Crawlspace **Before** Retrofit

Crawlspace **After** Retrofit
EARTHQUAKE BRACE + BOLT

- Tall Cripple Wall Requires Framing Clips, Anchor Bolts, and Plywood

Crawlspace **Before** Retrofit

Crawlspace **After** Retrofit
Grants to reimburse homeowners up to $3,000 regardless of whether you have a CEA policy.

CEA policyholders may be eligible for up to a 25% premium discount.
EBB Retrofits To Date

- **2014:** 9 homes
- **2015:** 528 homes
- **2016:** 1,555 homes
- **2017:** 2,185 homes
- **2018:** 3,350 homes
- **2019:** 1,513 homes
- **2020:** Target of 5,000
EARTHQUAKE BRACE + BOLT

- Website: EarthquakeBraceBolt.com

EARTHQUAKE BRACE + BOLT
REGISTRATION OPENS FEBRUARY 19, 2020 THROUGH MARCH 19, 2020

EBB ZIP Code Lookup

Enter your ZIP Code to see if your house is in an EBB area.

Stay current on EBB news including where and when the program will open next by clicking on "Sign Up" and entering your contact information.

Sign Up

Homeowners
EBB provides $3,000 grants to be used toward a code-compliant seismic retrofit for houses that qualify. Find out

Contractors
Starting with the 2019 EBB program, homeowners hiring a contractor for their EBB retrofit must hire from the EBB

Building Departments
Building departments play a critical role in the success of EBB. They must certify that a

Licensed Design Professional
EBB was created to provide incentives to California homeowners to seismically
Example ____________

ZIP Code: 90026

Within: 10 Miles

Full/Partial Company Name: ____________

Contractor’s Licensed #: ____________

If they wish to hire a contractor, homeowners may use our Contractor Directory as a resource.
EARTHQUAKE BRACE + BOLT

• Design Professional (Civil Engineer, Structural Engineer, or Architect) Directory

Example

ZIP Code: 94702
Within: 10 Miles
Full/Partial Company Name:
Professional’s Licensed #:

If they need to hire a design professional, homeowners may use our Professional Directory as a resource.
2020 EBB REGISTRATION PRESS CONFERENCE
For more on retrofitting visit:
Earthquake Brace Bolt.com
Policyholder CEA BB Support:
CEABraceBolt.com
It could happen today.

EarthquakeAuthority.com