

**March 31, 2025**

The Honorable Mark González  
California State Assembly  
1021 O Street, Suite 6150  
Sacramento, CA 95814

**RE: AB 1339 (González) – Affordable Housing Insurance Data Transparency - SUPPORT**

Dear Assemblymember González:

MidPen Housing is pleased to write to you in support of your bill AB 1339, which requires the California Department of Insurance (CDI) to conduct a comprehensive study analyzing the availability, cost and coverage of insurance for affordable housing providers that receive funding or tax credits from the state and provide recommendations to make it easier to secure insurance coverage.

MidPen Housing is one of the nation's leading nonprofit developers, owners, and managers of high-quality, affordable housing and onsite resident services. Since MidPen was founded in 1970, we have developed 139 communities and over 10,000 homes for low-income families, seniors and those with supportive housing needs throughout Northern California.

California is facing a severe insurance crisis that has significantly impacted the affordable housing sector in California. Between 2020 and 2022, insurance costs for affordable housing providers increased by 56% on average, with some providers experiencing rate hikes as high as 500% from 2022 to 2024. These increases, coupled with reductions in coverage availability and scope, threaten the financial viability of affordable housing developments. Unlike market-rate housing, where costs can be offset through rent increases or profit margins, affordable housing providers operate under strict regulations on rents as well as significant financial constraints as mission-driven organizations. As a result, many are being forced to implement coping strategies, including using operational reserves meant for one time uses, deferring necessary property maintenance and improvements, cutting services and staff, and reducing insurance coverage, which increases financial vulnerability.

AB 1339 would facilitate an evidence-based approach to ensuring fair and affordable access to insurance for affordable housing providers. To achieve this, AB 1339 would require CDI to collect and analyze five years of data on policy availability, premium trends, and claims history, and to investigate underwriting factors, including resident populations and source of income. Based on this data, AB 1339 would also require CDI to publish a report with policy and budget recommendations to mitigate cost and access challenges by December 31, 2026.

AB 1339 is essential to ensuring the continued viability of California's affordable housing investments and protecting vulnerable residents from displacement due to insurance market challenges. Thank you for considering this important legislation and I respectfully request an AYE vote.

Thank you for your consideration and please feel free to contact Nevada V. Merriman, Vice President of Policy & Advocacy, at 650-477-6195 or [nmerriman@midpen-housing.org](mailto:nmerriman@midpen-housing.org)

Best Regards,



Matthew O. Franklin  
President and CEO

CC: Nevada V. Merriman, Vice President of Policy & Advocacy, MidPen Housing