



DIVISION OF  
CORPORATION FINANCE  
Mail Stop 3010

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

January 28, 2010

Maxim C.W. Webb  
Chief Financial Officer  
PICO Holdings, Inc.  
875 Prospect Street, Suite 301  
La Jolla, California 92037

**Re: PICO Holdings, Inc.**  
**Form 10-K for the Fiscal Year Ended December 31, 2008**  
**Filed March 2, 2009**  
**File No. 033-36383**

Dear Mr. Webb:

We have completed our review of your Form 10-K for the fiscal year ended December 31, 2008 and have no further comments at this time.

Sincerely,

Sonia Barros  
Special Counsel