

FLOOR ALERT

Date: September 9th, 2019

To: Members, California State Senate

From: Personal Insurance Federation of California
Pacific Association of Domestic Insurance Companies

Re: **AB 38 (Wood) Fire safety:** *Low-Cost Retrofits: Regional Capacity Review: Wildfire Mitigation*

Position: Support



STATE FARM

LIBERTY MUTUAL
INSURANCE

PROGRESSIVE

MERCURY

NATIONWIDE

NAMIC

The Personal Insurance Federation of California (PIFC) is a statewide trade association that represents five of the nation's largest insurance companies (State Farm, Liberty Mutual Insurance, Progressive, Mercury, and Nationwide as well as associate member NAMIC) who write personal line auto and home insurance in California. Membership of the Pacific Association of Domestic Insurance Companies, is comprised of about a dozen property and casualty insurers domesticated in California.

Wildfire has been an integral part of California ecosystems for centuries. Now, however, nearly a third of homes in California are in wildland urban interface areas where houses intermingling with wildlands and fire is a natural phenomenon. Two of the most important factors in protecting homes from wildfire are selection of building materials and the maintenance of vegetation and other flammable materials in order to establish adequate defensible space.

Hardening or mitigation of homes is a valuable tool that can lessen damages resulting from wildfires and other natural catastrophic events while a defensible space area around a building, in which vegetation and other types of combustible fuels have been cleared, can help slow the spread of fire to and from the structure.

PIFC and PADIC member companies are committed to supporting policies that help reduce the risks and harm to people and property associated with devastating wildfires that have become part of California's "new normal".

Towards that end, **PIFC and PADIC are pleased to support AB 38 (Wood)**, which will require the National Resources Agency to review the regional capacity of each county that contains a very high fire hazard severity zone to improve forest health, fire resilience, and safety. In addition, it will authorize CalFire and the Office of Emergency Services to establish the California Wildfire Mitigation Financial Assistance Program that could, if properly funded, assist property owners with structural hardening, retrofitting, and vegetation management to reduce fire risk.

If you have any questions regarding our position, please contact Seren Taylor at (916) 442-6646.

cc: Assemblymember Jim Wood, Author
Tim Conaghan, Consultant, Senate Republican Caucus
Rachel Wagoner, Deputy Legislative Secretary, Office of the Governor
Michael Martinez, Senior Deputy Commissioner and Legislative Director, California Department of Insurance

