



Personal Insurance Federation of California

California's Personal Lines Trade Association

REPRESENTING THE LEADING AUTOMOBILE AND HOMEOWNERS INSURERS

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MEMORANDUM

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Date: May 9, 2003

To: Honorable Darrell Steinberg, Chair
Members, Assembly Appropriations Committee

From: Dan C. Dunmoyer, President
G. Diane Colborn, Vice President of Legislative and Regulatory Affairs
Michael A. Gunning, Senior Legislative Advocate

Re: AB 1576 (Liu): Water Heaters: Earthquake
Assembly Appropriations Committee Hearing: May 14, 2003
PIFC Position: Support

The Personal Insurance Federation of California (PIFC), representing insurers who sell over 50% of all the earthquake insurance sold in California, **supports AB 1576** by Assembly member Liu. AB 1576 attempts to mitigate earthquake damage by amending current law to specifically require that all water heaters in rental housing units be braced, anchored or strapped so as to resist falling or displacement due to earthquake movement by July 1, 2005.

Since 1991, California law has required all residential water heaters be braced, strapped or anchored upon the transfer of home ownership or the installation of a new or replacement water heater. However, residents of rental properties do not have the same amount of knowledge or control over the servicing or strapping of their water heaters as do residential homeowners. AB 1576 would strengthen current law and reduce the risk of property and human injury by explicitly extending this law to rental properties.

For the foregoing reasons, we urge your **"yes" vote on AB 1576**. If you have any questions regarding PIFC's position, please contact Dan Dunmoyer at (916) 442-6646.

cc: Assembly member Liu, Author
Ann Richardson, Deputy Legislative Secretary, Governor's Office
Chuck Nicol, Assembly Appropriations Committee
Mike Genest, Assembly Republican Caucus
Henry Sepulveda, California Seismic Safety Commission