



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: July 7, 2003

To: Honorable Denise Moreno Ducheny, Chair
Members, Senate Housing and Community Development

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

Re: AB 1576 (Liu): Water Heaters: Earthquake
Senate Housing and Community Development: July 7, 2003
PIFC Position: Support

The Personal Insurance Federation of California (PIFC), representing insurers whose customers purchase 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 requiring rental agreements entered into, or existing after, July 1, 2004 to contain a notice stating the requirement under existing law that water heaters must be braced to avoid earthquake damage.

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 securing water heaters as do residential homeowners. Making tenants aware of the strapping requirement will reduce the risk of property damage and human injury.

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

cc: Assembly member Liu, Author
Ann Richardson, Office of the Governor
Richard Figueroa, Office of the Governor
Mark Stivers, Senate Housing and Community Development Committee
Alex Alanis, Senate Republican Caucus
Henry Sepulveda, California Seismic Safety Commission