



Personal Insurance Federation of California

California's Personal Lines Trade Association

REPRESENTING THE LEADING AUTOMOBILE AND HOMEOWNERS INSURERS

State Farm • Farmers • 21st Century Insurance Group • SAFECO • Progressive • NAMIC

MEMORANDUM

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Rex D. Frazier
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General Counsel*

Michael A. Gunning
Senior Legislative Advocate

Michael A. Paiva
Senior Legislative Advocate

E. Jerry Davies
Director of Communications

Date: May 20, 2005

To: The Honorable Judy Chu, Chair
Members, Assembly Appropriations Committee

From: Dan C. Dunmoyer, President
Rex D. Frazier, Vice President & General Counsel
Michael A. Gunning, Senior Legislative Advocate
Michael A. Paiva, Senior Legislative Advocate
E. Jerry Davies, Director of Communications

Re: AB 178 (Koretz) California Cigarette Fire Safety and
Firefighter Protection Act.
As Amended May 4, 2005
Assembly Appropriations Committee Hearing: May 25, 2005
PIFC Position: Support

The Personal Insurance Federation of California (PIFC), representing insurers who write 50% of all homeowners' insurance sold in California, **supports AB 178** as amended.

According to the National Fire Protection Association (NFPA), cigarettes are the leading cause of fire deaths in the United States each year, claiming 1,000 lives and causing nearly 4,000 injuries and four billion dollars in societal costs for deaths, injuries, and property damage.

NFPA reports that more than one-third of all cigarette-related fire injuries and deaths occur to persons that do not smoke. Many fires began due to someone abandoning or improperly disposing of a cigarette.

The purpose of AB 178 would establish a fire safe cigarette program in California that mirrors the statutory and regulatory requirements of those in effect in New York. It would prohibit, beginning January 1, 2006, the sale of cigarettes in California that do not meet the standards established by the American Society of Testing and Materials (ASTM) protocol for measuring the ignition strength of cigarettes. It requires the manufacturers to certify that cigarettes meet California's standards and creates new crimes and penalties for violations. The bill would become inoperative should federal cigarette safety standards that are determined to be equivalent or stronger than California's standards become effective.

The State of New York enacted a cigarette fire safety regulation effective June 28, 2004, that requires cigarettes sold in that state to meet a fire safety performance standard. Canada is scheduled to implement the New York fire safety standard in the fall of 2005. PIFC believes that uniformity is important and would like AB 178 to be clarified to be identical to those regulations already adopted in the State of New York. Further, PIFC believes that to ensure uniformity across all states, federal policy would be best so that we don't end up with 50 different laws dealing with the same issue.

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It is the intent of the Legislature to adopt the cigarette fire safety standard that is in effect in New York to reduce the likelihood that cigarettes will cause fires, which result in deaths, injuries, and property damage.

The Personal Insurance Federation of California supports measures aimed at promoting safety and reducing hazards that save lives and property. For the reasons stated, PIFC **supports AB 178 and urges an aye vote**. If you have any questions, please contact Jerry Davies at (916) 442-6646 or via email at jdavies@pifc.org.

cc: Assembly Member Paul Koretz, Author
Mary Ader, Assembly Committee on Appropriations
Chris Ryan, Assembly Republican Caucus
Cynthia Bryant, Deputy Legislative Secretary to the Governor
Scott Reid, Office of the Insurance Advisor

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