



Date: April 27, 2021

To: The Honorable Luz Rivas, Chair
The Honorable Heath Flora, Vice Chair
Members, Assembly Natural Resources Committee

From: Rex D. Frazier, President
Seren Taylor, Senior Legislative Advocate
Deanna LaTour-Jarquín, Legislative Advocate

Re: AB 448 (Mayes) Fire safety: electrical transmission or distribution lines: clearances: notice and opportunity to be heard, as amended April 26, 2021.

PIFC Position: Support

The Personal Insurance Federation of California (PIFC) is a statewide trade association that represents seven of the nation's largest property and casualty insurance companies including (State Farm, Farmers, Liberty Mutual Insurance, Progressive, Mercury, Nationwide and Allstate as well as associate members CHUBB, CONNECT by American Family Insurance, and NAMIC) who collectively write the majority of personal lines auto and home insurance in California.

PIFC supports AB 448 because it would remove barriers that may impede electric utilities from mitigating the risk vegetation poses to wildfire ignition. Preventing contact between trees and electric lines often requires action by the utilities beyond the easement boundaries for the lines. The presence of trees far beyond the easements is a growing threat to safety, particularly with the added challenges of climate change conditions.

Frequent extreme weather events are leading to mounting economic losses for insurers, particularly in California where average annual wildfire losses trailed well below \$5 billion even within this millennium, until 2017 and 2018, when they leapt to more than \$26 billion. PIFC believes electrical utilities should have both the responsibility and appropriate tools to ensure they are taking effective actions to reduce utility-related wildfire risk, thereby protecting the state from loss of life and property damage.

This bill permits an electric utility to enter a property to perform necessary vegetation management if the utility meets certain requirements including:

- The utility provides notice and an opportunity to be heard to the landowner;
- The property is in a high fire threat district (HFTD) or state responsibility area (SRA); and
- The utility uses tools and methods developed or approved by a certified arborist to identify a hazardous tree.

California electric utilities remove thousands of dead, dying, leaning, or defective trees that are likely to fall on electric facilities that are located on properties each year. However, existing law can leave electric utilities liable for civil damages if

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they follow through with vegetation management without the permission of the property landowner.

AB 448 will allow an electric utility to remove hazardous trees from public or private properties where it otherwise lacked legal authority to do so without being exposed to liability from landowners for abatement or removal of the hazard trees. However, this bill would not protect electric utilities from any liability associated with utility negligence in performing removals (such as causing collateral property damage incurred while performing the hazard tree removals).

For these reasons, PIFC supports AB 448. If you have any questions regarding PIFC's position, please contact Seren Taylor at (916) 346-9427.

CC: Assemblymember Chad Mayes, Author
Lawrence Lingbloom, Chief Consultant, Assembly Natural Resources Committee
Kirsten Kolpitcke, Assembly Republican Caucus
Hazel Miranda, Deputy Legislative Secretary, Office of the Governor
Michael Martinez, Senior Deputy Commissioner and Legislative Director, California Department of Insurance