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PIFC

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NATIONAL ASSOCIATION OF MUTUAL INSURANCE COMPANIES
SHAPING OUR MUTUAL FUTURE®

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AMERICAN FAMILY INSURANCE

INTERINSURANCE EXCHANGE OF THE AUTOMOBILE CLUB
(Automobile Club of Southern California)

Associate Members:

CHUBB

NAMIC

REINSURANCE ASSOCIATION OF AMERICA

September 10, 2026

The Honorable Gavin Newsom
Governor of California
1021 O Street, Suite 9000
Sacramento, CA 95814

Re: AB 706 (Aguiar-Curry) – Request for Signature

Dear Governor Newsom,

The Personal Insurance Federation of California (PIFC) is a statewide trade association that represents thirteen of the nation's largest property and casualty insurance companies. These companies include State Farm, Farmers, Liberty Mutual Insurance, Progressive, Mercury, Nationwide, Allstate, American Family Insurance, Kemper, CSAA Insurance Group, Interinsurance Exchange of the Automobile Club (Automobile Club of Southern California), GEICO, and USAA as well as associate members NAMIC, CHUBB and Reinsurance Association of America. Collectively, these insurance companies write the majority of personal lines auto and home insurance in California.

The National Association of Mutual Insurance Companies (NAMIC) is the largest property/casualty insurance trade association in the country, with more than 1,400 member companies representing 40 percent of the total market. NAMIC supports regional and local mutual insurance companies on main streets across America and many of the country's largest national insurers.

Climate change along with population shift toward the wildland-urban interface (WUI) areas have contributed to an increase in the impacts of wildfires and other weather-related disasters. The 2017 and 2018 wildfires were the largest and most destructive in California's history up to that point. The $26 billion wildfire related losses experienced in 2017-18 drove California homeowners' insurance loss ratios to the highest levels in the nation. The 2025 wildfires in Los Angeles have since shattered that record generating roughly $53 billion in total losses.

The insurance industry has consistently emphasized that California must focus not only on wildfire suppression, but also on long-term risk reduction. Effective forest management, strategic fuel reduction, and community scale vegetation management projects are essential components of a comprehensive wildfire resilience strategy. AB 706 advances these objectives by helping create the infrastructure and market certainty needed to support larger-scale vegetation management efforts across the state.

AB 706 establishes the Forest Organic Residue, Energy, and Safety Transformation (FOREST) and Wildfire Prevention Fund to support the procurement, transportation, and beneficial use of forest biomass generated through fuel reduction and forest restoration activities. By helping to address the economic barriers associated with biomass removal, the bill helps ensure that

critical forest management projects can move forward and that hazardous fuels are removed from the landscape rather than remaining in place.

The insurance industry has been working diligently to help customers rebuild their homes, replace their personal property, and restore their lives. Insurers support communities as they recover from wildfire, but without substantial and effective wildfire mitigation efforts and investments, Californians will face increasingly higher insurance premiums and growing health risks from wildfire-related pollution. PIFC and NAMIC support programs that reduce wildfire risks and help address climate change. **For this reason, we respectfully request your signature on AB 706.**

Sincerely,



Paul Ramey
Legislative Advocate
Personal Insurance Federation of California



Christian Rataj, Esq.
Senior Regional Vice President
National Association of Mutual Insurance Companies

CC:
Assemblymember Cecilia Aguiar-Curry, Author
Brady Borcherding, Deputy Legislative Affairs Secretary, Office of the Governor
Josephine Figueroa, Deputy Commissioner and Legislative Director, California Department of Insurance