

Wildfire Liability Fund Reform Policy Considerations

Counties will **OPPOSE** any proposal that...

1. *Does Not Require Utilities to Pay for Infrastructure Damage*

- You can't rebuild homes without infrastructure.
- Let's say a utility causes a wildfire, and sewer lines four feet underground melt.
- Under current law, the utility is liable for that damage. They reimburse the county, and the county builds the new system.
- If counties cannot recoup the cost from the utility for the destroyed infrastructure, the county is on its own — with no funding or revenue source to rebuild.
- Without infrastructure, survivors cannot rebuild.

2. *Forces counties to absorb emergency response costs for negligent utilities.*

- When disaster strikes, counties and cities don't wait for lawsuits to take action.
 - We clear roads.
 - Restore water systems.
 - Rebuild communities.

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- Keep essential services running.
- If local governments can't recover utility-caused infrastructure and emergency costs, local taxpayers must pay instead.
- Which means ... survivors and communities cannot rebuild.
- 3. *Leaves counties waiting years for reimbursement while our communities struggle to recover.***
- Any proposal that forces counties to seek reimbursement from FEMA instead of utilities is not realistic.
- Many local governments have been waiting for FEMA reimbursement for years.
- And some of these emergencies don't trigger a FEMA response at all.
- 4. *Eliminates any ability for counties to recoup lost tax revenues.***
- Property tax revenues are counties' largest source of discretionary revenue.
- That money funds sheriff's deputies, fire fighters, and case workers on the front lines of ensuring Californians have access to health care and food assistance.
- If utilities don't have to reimburse counties for losses that their equipment caused, public safety and the safety net will be at risk.

Counties will **SUPPORT** proposals that...

(please refer to our attached coalition letter)

1. Prevent wildfires before they start.

- Counties have consistently supported stronger coordination, streamlined project delivery, and financing tools that accelerate wildfire prevention and mitigation:
 - More grid hardening.
 - More vegetation management.
 - More fuel reduction.
 - Faster wildfire mitigation projects.

2. Hold utilities accountable for safety.

- Counties support stronger safety oversight, meaningful enforcement and incentives that put safety ahead of shareholder returns:
 - Tie utility executives' compensation to safety.
 - Escalate enforcement for repeated safety violations.

3. Help homeowners and communities reduce wildfire risk.

- Counties strongly support projects that make our communities safer:
 - Home hardening
 - Zone Zero implementation
 - Updated fire hazard maps
 - Financing tools for mitigation
 - Stronger links between mitigation and insurance affordability.

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