

STATE CAPITOL SACRAMENTO, CALIFORNIA 95814

May 21, 2021

The Honorable Rob Bonta Attorney General State of California 1300 I Street. Suite 125 P.O. Box 944255 Sacramento, CA 94244-2250

RE: Special Fire Victim Trust

Dear Attorney General Bonta:

First off, congratulations on your new position.

As you know, the massive wildfire events that have burned through almost every corner of this state are among the largest, most destructive, and deadliest in modern American history. Tens of thousands of homes, businesses and buildings have been destroyed, millions of acres burned and countless lives have turned upside down due to the growing size and scope of California's wildfires. That's why we're contacting you today.

We want to bring your attention to a developing and deeply concerning situation which could cause tens of thousands of fire survivors to be victimized yet again. We are extremely concerned about the lack of distributions and payouts issued via the \$13.5 billion Victim Trust as required to be initiated by the Pacific Gas & Electric (PG&E) bankruptcy settlement. We urge you to use the full authority of your office to review the fund's recent expenditures and the fund's administrators.

PG&E's Fire Victim Trust was created out of PG&E's bankruptcy with the purpose of compensating survivors of the Butte Fire in 2015, North Bay Fire Storm in 2017 and Camp Fire in 2018. The settlement fund is meant to benefit fire survivors who lost loved ones and whose property was damaged or destroyed due to PG&E's negligence. Despite over 67,000 Californians included in the December 2019 settlement, there has been a disturbing lack of

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funds distributed to the survivors. Instead, the Trust spent almost 90% of the funds on overhead during the first year.

This is outrageous, especially in light of the fact that thousands of fire victims are struggling to rebuild their lives. During the first year, the Fire Victim Trust accumulated over \$51 million in overhead costs, but allocated just \$7 million to fire survivors: less than 0.1% of the total settlement. This is unacceptable.

Survivors are already expecting up to two years for their claims to be settled, if not longer. The longer it takes to pay out these claims, the more overhead costs there will be. Further delays only make a bad situation worse.

Fire survivors have already been victimized once by a negligent utility and the trustees of this massive settlement are ushering in a further injustice by delaying payments and instead paying out millions for processor fees, legal and consulting fees and data collection. Californians deserve better. Efforts must be focused on holding the Trust accountable, expeditiously processing claims and avoiding exorbitant administrative costs.

Thank you again for the consideration of this request, and we look forward to working with you in the months to come.

Warmest Regards,

MIKE McGUIRE

Senator, District 2

BRIAN DAHLE Senator, District 1 MEGAN DAHLE

Assembly, District 1

JIM WOOD

Assembly, District 2

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BILL DODD

Senator, District 3

JIM NIELSEN Senator, District 4

ANDREAS BORGEAS Senator, District 8

Anchors Sorger

MARC LEVINE Assembly, District 10 JAMES GALLAGHER Assembly, District 3

CECILIA AGUIAR-CURRY Assembly, District 4

Frank Bigelow

FRANK BIGELOW Assembly, District 5