

(Without Reference to File)**CONCURRENCE IN SENATE AMENDMENTS**

AB 2700 (Patterson)

As Amended August 13, 2026

Majority vote

SUMMARY

Original Committee of Reference: Utilities and Energy

Requires the California Public Utilities Commission (CPUC), on or before January 1, 2028, to generate a report assessing the verified restitution shortfalls for victims of wildfires caused by electrical corporations occurring before July 12, 2019, and to recommend restitution mechanisms for electrical corporations to address restitution shortfalls, as provided.

Senate Amendments

Current Committee Recommendation: Senate Amendments Be Concurred In

Provide specific direction to the CPUC regarding the report requirements for assessing the verified restitution shortfalls for victims of wildfires caused by electrical corporations occurring before July 12, 2019. These details include the following:

- 1) Requires the CPUC, in developing the restitution mechanisms in the report, to ensure, among other things, that the verified restitution shortfalls are consistently and fairly paid to ensure full compensation is issued in a timely manner while supporting long-term rate stability.
- 2) Requires the CPUC to ensure the restitution mechanisms in the report provide, among other requirements, a path to full restitution for wildfire victims of Pacific Gas and Electric (PG&E) Company from wildfires occurring between calendar years 2015 and 2018.
- 3) Prohibits recommendations that include any measures that authorize rate recovery for restitution payments.

COMMENTS

On July 12, 2019, Governor Newsom signed AB 1054, which established the California Wildfire Fund. A "covered wildfire" under that law is only one ignited on or after July 12, 2019. This means that while electrical corporations are still liable for damages caused by wildfires caused by their equipment prior to July 12, 2019, they cannot access the Wildfire Fund to pay those liabilities. The fires at issue primarily include the 2015 Butte Fire, 2017 North Bay Fires (including the Tubbs Fire), 2017 Thomas Fire, and 2018 Camp Fire. For victims of the 2015 Butte Fire, 2017 North Bay Fires, and 2018 Camp Fire, the primary restitution mechanism is the PG&E Fire Victim Trust (Trust), established as a condition of PG&E's bankruptcy reorganization. PG&E funded the Trust with \$5.4 billion in cash and 22.19% of stock in the reorganized PG&E. Tying compensation to PG&E stock value proved problematic for victims. As of October 2024, the pro rata payment percentage stood at 70%, with no mechanism to recover the remaining 30%. The stock held in the Trust is fully liquidated, with the final distribution expected this summer following resolution on a settlement agreement with a utility vegetation management contractor. As of the last reporting, the Trust has paid out \$13.71 billion in claims with a total of \$19.57 billion in determination for economic and noneconomic claims.

According to the Author

According to the author, "Wildfire victims have lost their properties, their homes, and sometimes even their loved ones. Despite these significant losses, wildfire victims have waited years to be paid what they were promised. No amount of compensation can fully redress the pain and heartache victims have suffered but even this meager help has not been provided them. AB 2700 is an important step to ensure that victims of wildfires can receive the compensation they deserve."

Arguments in Support

According to the Utility Wildfire Survivor Coalition, "Many wildfire survivors from the 2015-2018 PG&E fires continue to suffer from dramatically incomplete compensation, unrepaired homes, vacant lots, unpaid medical liens, financial instability, and years of delayed recovery. PG&E has not made good on their stated commitments to fully and fairly pay fire victims...AB 2700 does not predetermine the outcome of the CPUC's work. It simply requires the CPUC to assess verified restitution shortfalls and recommend mechanisms for electrical corporations to address them."

Arguments in Opposition

In joint opposition, Pacific Gas and Electric (PG&E) and Southern California Edison (SCE) write "AB 2700 is counterproductive, impractical and legally flawed. It offers no workable solution to California's pressing wildfire and affordability challenges. Instead, it increases utility financial instability, discourages investment in critical infrastructure, and undermines the timely grid upgrades that a safe, reliable and carbon-free energy system require."

FISCAL COMMENTS

According to the Senate Committee on Appropriations, the CPUC estimates one-time costs of \$5 million to conduct the study.

VOTES

ASM UTILITIES AND ENERGY: 17-0-1

YES: Petrie-Norris, Patterson, Boerner, Calderon, Davies, Mark González, Harabedian, Hart, Irwin, Kalra, Papan, Rogers, Schiavo, Schultz, Ta, Wallis, Zbur

ABS, ABST OR NV: Chen

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Hoover, Aguiar-Curry, Calderon, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

ASSEMBLY FLOOR: 76-0-4

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Johnson, Kalra, Krell, Lackey, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

ABS, ABST OR NV: Jackson, Lee, Quirk-Silva, Celeste Rodriguez

SENATE FLOOR: 40-0-0

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

ASM UTILITIES AND ENERGY: 17-0-1

YES: Petrie-Norris, Patterson, Boerner, Calderon, Chen, Davies, Harabedian, Hart, Irwin, Kalra, Papan, Rogers, Schiavo, Schultz, Ta, Wallis, Zbur

ABS, ABST OR NV: Mark González

UPDATED

VERSION: August 13, 2026

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FN: 0004545