January 9, 2019

Honorable Anthony Rendon
Speaker of the California Assembly
California Assembly
State Capitol
Sacramento, CA 95814

Honorable Toni Atkins
Senator Pro Tempore
California Senate
State Capitol
Sacramento, CA 95814

RE: Utility & Other Legislative Junkets Should Be Disclosed in Real Time

Speaker Rendon and Senator Pro Tem Atkins,

We were shocked to learn that while many wildfire victims fled for their lives in Paradise and Malibu this November, utility executives and lobbyists for California’s big utilities were wining and dining 12 influential state legislators in a different paradise -- Wailea, Maui.

The New York Times reported the details of the junket this week and the discussion about the wildfires there, which inevitably had to include another ratepayer bailout for the utilities that may have helped spark the blaze.

Legislative junkets to far-flung and exotic destinations have become a regulator rite of passage in the Capitol. Nonetheless, the timing of this gathering is beyond the pale.

Edison and its executives had a captive audience with the 12 Wailea legislators around the pool at the posh Fairmont Kea Lani as the Woolsey fire devastated Malibu. PG&E executives had paid for their seat at the luau, but decided not to show as the Campfire raged and their equipment was fingered as a possible cause. Executives from SEMPRa, parent of San Diego Gas & Electric, were there too.

The "Wailea 12" received more than $630,000 from the utilities in campaign contributions. They are part of the key committees deciding the fate of legislation determining who pays for wildfires -- utilities (whose equipment was at fault), insurance companies, ratepayers or taxpayers.

Legislators in attendance include Assembly Members Tom Daly, Frank Bigelow, Bill Brough, Jim Cooper, Heath Flora, Jim Frazier, Reggie Jones-Sawyer, Freddie Rodriguez, Blanca Rubio
and the Assembly Majority Leader Ian Calderon, as well as Senators Hueso and Cathleen Galgiani, according to the Independent Voter Project, which organized the event.

The tragic irony is the host, the so-called Independent Voter Foundation, is headed by the author and architect of California’s disastrous electricity deregulation experiment, former state senator Steve Peace. Peace is the last person legislators should be taking advice from, his advocacy of free market electricity brought us Enron and the last utility bankruptcies.

The ink is barely dry on the ratepayer bailout of utilities over the 2017 wildfires, grudgingly passed on the last night of the legislative session in September. Already the utilities and their advocates are pushing for a new bailout in Sacramento over the 2018 fires.

Assembly Member Chris Holden, Chair of the Assembly Utilities Committee, said he would introduce such legislation. Holden was the recipient of Peace's same freebee junket to Maui in November of 2017, according to his statement of economic interest forms filed in March 2018, right before co-chairing the legislative conference committee that pushed through last session’s bailout.

It’s shameful that while wildfire victims fled for their lives, and many lost them, legislative policy about the wildfires was being made over Mai Tais in Maui with utilities executives and lobbyists. Such junkets should stop, but if they do not then the legislators, lobbyists and lobbyist employers involved should at least be required to disclose them in real time on their websites to constituents.

Currently, as you know, legislators only disclose paid-for travel and accommodations for these junkets once per year on their statements of economic interest. The public is left in the dark about how and when their elected officials hobnob with special interests who have business before the legislature.

Consumer Watchdog urges you to institute new rules for your respective houses that require sitting legislators to disclose on their public websites the educational “seminars” and trips they attend when they accept an invitation and the lobbyists attending as well. Had this been a requirement for the Wailea trip in November many legislators would likely have reconsidered their attendance.

The public deserves full and immediate disclosure. Thanks for your consideration. We look forward to your response.

Sincerely,

Jamie Court