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Fire Victim Trust head blasts call for investigation

The legislators, who represent constituents who lost homes, businesses and property in the fires, say they are dissatisfied with “a disturbing lack of funds distributed to the survivors” and what they say is too much money spent on overhead.



Retired 4th District Court of Appeal Justice John K. "Jack" Trotter.

Retired 4th District Court of Appeal Justice John K. “Jack” Trotter fired back at 11 state legislators who have asked Attorney General Rob Bonta to investigate the Fire Victim Trust and its leaders for failing to quickly distribute money to victims.

The trust was created last year to distribute funds to people who lost their homes to three blazes in Northern California between 2015 and 2018 as part of a settlement between Pacific Gas & Electric Co. and plaintiffs’ attorneys.

The legislators, who represent constituents who lost homes, businesses and property in the fires, say they are dissatisfied with “a disturbing lack of funds distributed to the survivors” and what they say is too much money spent on overhead.

“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,” the legislators wrote. “Californians deserve better.”

Trotter was having none of it.

In a letter to Bonta, he accused the legislators of “carelessness” in the letter, which he said they signed without talking to him about why the startup costs were necessary or what they were.

“The fire victims have suffered enough. They do not need their own elected officials adding to their angst by thoughtless accusations,” Trotter wrote.

“I have been a judge for over 40 years and have always valued thoughtful and informed discussions regarding the matters before me,” he added. “This letter was neither.”

In an interview Tuesday, Trotter stated that while the fires took place years ago, the trust was only created in July 2020. Since then, he said, half the claims he has received were missing vital information and most were filed just before the February deadline.

“We were just overwhelmed with claims,” Trotter said.

Compounding the problem, 10,000 of the roughly 70,000 victims who have claims are not represented by counsel. Trotter said he has hired UC Berkeley School of Law students to assist unrepresented clients to submit claims, which must be done online.

“This is just an enormous undertaking, and [the legislators] just didn’t seem to want to know,” he said.

Another difficulty is the unusual arrangement of the settlement, which was negotiated between PG&E and plaintiffs’ lawyers and approved in bankruptcy court.

Half of the funds are in cash, while the remainder is in PG&E stock. But aside from the problems with the company’s low stock price, Trotter said he needed to ensure that any profits were not subject to federal and state taxes.

This required approval from the IRS and state authorities as well as U.S. Bankruptcy Judge Dennis Montali of San Francisco, he said. The final approval from the state took place a couple of weeks ago, he said.

A spokesperson for Bonta said the attorney general’s office cannot comment on, even to confirm or deny, a potential or ongoing investigation.

Trotter said Tuesday he has not been contacted by Bonta’s office.

Attempts to contact the legislators who signed the May 21 letter on Tuesday were unsuccessful.

“We urge you to use the full authority of your office to review the fund’s recent expenditures and the fund’s administrators,” the legislators wrote.

The trust reported Tuesday that \$285.8 million has been paid so far in preliminary and pro rata payments.

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