

Senator Ben Allen, Chair
Senator Catherine Blakespear
Senator Steven Choi
Senator Jerry McNerney



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Consultant: Joanne Roy

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PUBLIC COMMENT ONLY

0540 CALIFORNIA NATURAL RESOURCES AGENCY (CNRA)

Issue 1: Museum of Tolerance (Governor's Budget (GB))

Governor's Proposal. According to the Legislative Analyst's Office (LAO):

The Governor's budget includes \$10 million General Fund in 2025-26 through CNRA to support a variety of improvements at the Museum of Tolerance. Of this amount, \$6.3 million would be used to extend the themes from the new antisemitism exhibit to the rest of the museum, including installing interactive and immersive learning features. The project is expected to be completed in June 2027.

The proposal also includes \$2 million to make improvements to the museum's entryway, lobby, and memorial plaza. Those improvements are expected to be completed in January 2026.

Both components would be funded solely by this proposal. The remaining funds from this proposal would cover project overhead (\$1.2 million) and CNRA administrative costs (\$500,000).

Background. According to the LAO:

Overview of the Museum of Tolerance. The Museum of Tolerance is a privately owned and operated museum in Los Angeles that is centered around combatting prejudice and discrimination, with a focus on the history of the Holocaust. The museum was established in 1933 by the Simon Wiesenthal Center (a nonprofit organization) and features a variety of exhibits, hosts special events, and provides educational programs for youths and adults.

State Has Provided One-Time General Fund Support for the Museum of Tolerance in Recent Years. The state has provided a number of one-time General Fund appropriations through CNRA to support various improvements at the museum over the past few years. These include: (1) \$10 million in 2021-22 to build a new exhibit on antisemitism, (2) \$5 million in 2022-23 to support museum repairs and to purchase and retrofit a bus to deliver mobile learning services, (3) \$2.1 million in 2023-24 to renovate the museum's training center, and (4) \$2 million in 2024-25 to support further renovations at the training center. Additionally, the state provides \$3 million annually in ongoing Proposition 98 funds to the Los Angeles County Office of Education to support anti-bias training and professional development for education professionals conducted by the museum.

LAO Comments. According to the LAO:

Proposal Related to Previously Funded Effort, but Represents New Projects. The administration indicates that the funding from this proposal would not directly support the construction of the new exhibit on antisemitism for which the state provided some funding in the 2021-22 budget. (That new exhibit is expected to be completed in October 2025.) Instead, the new proposed funding would expand on the central themes of that exhibit by adding new interactive and immersive learning features throughout the rest of the museum, in addition to other unrelated improvements. The LAO therefore finds that the Legislature should view this proposal as a new and distinct set of projects and evaluate their merits accordingly.

Key Question Is Whether Improvements to Nonstate-Owned Infrastructure Are a Top Priority Given Current Budget Constraints. While supporting privately owned infrastructure may provide benefits — such as making improvements to a museum with an important anti-discrimination mission — it does not fall within the core responsibilities of the state. This is a distinction that is particularly important in a budget environment with limited General Fund resources where the state may find it challenging to address its own areas of responsibility — such as infrastructure it owns and operates. Given that every dollar of new spending essentially requires offsetting reductions elsewhere in the budget, the Legislature is in the position of needing to weigh the importance and value of the proposed spending for the Museum of Tolerance against its other General Fund priorities.

LAO Recommendation. *Weigh Merits of Proposal Against Other General Fund Priorities.* The LAO recommends the Legislature assess whether the proposal aligns with its highest priorities for General Fund. During its deliberations, the LAO recommends that the Legislature (1) view this proposal as a distinct set of projects and evaluate their merits independently of previously funded projects at the museum; and (2) consider whether improvements to nonstate-owned infrastructure are a top priority given current budget constraints.

Staff Recommendation. Hold open.

3110 SPECIAL RESOURCES PROGRAMS – TAHOE REGIONAL PLANNING AGENCY (TRPA)

Issue 2: Tahoe Regional Planning Agency Salary Adjustments (GB)

Governor’s Proposal. The Governor’s budget requests \$230,000 Environmental License Plate Fund (ELPF) in 2025-26 and \$130,000 ELPF ongoing to support the state’s share of TRPA staff salary adjustments to be aligned with California state employee pay.

The State of Nevada has agreed to fund its one-third of the budget request for pay increases contingent on California providing two-thirds of the necessary funding.

TRPA’s core budget from California has not been increased for staff salaries for years. This request would incorporate a salary adjustment equal to what California state employees receive for equivalent classifications. Providing funds for salary changes is intended to allow TRPA to compete effectively for talent while also retaining key team members required to support its mission and reduce turnover.

Background. TRPA. TPRA is a bi-state entity receiving funding from both the State of California and the State of Nevada. Per the Tahoe Regional Planning Compact, funding must be apportioned two-thirds from California and one-third from Nevada. TRPA’s funding includes state funds, fees for services, and grants. The majority of TRPA’s staff (80 percent) is funded out of TRPA’s operating budget, which comes from the California and Nevada annual contributions.

Staff Recommendation. Hold open.

3125 CALIFORNIA TAHOE CONSERVANCY

Issue 3: Conceptual Feasibility Planning (GB)

Governor's Proposal. The Governor's budget requests \$300,000 Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84) for initial conceptual feasibility planning for development of potential capital outlay projects over its ownership of approximately 4,700 parcels. Conceptual feasibility planning is intended to focus on Conservancy ownerships in key watersheds, several potential lakefront access points, and other sites requiring restoration and improvements for future watershed habitat and recreation. The Conservancy intends to use the funding to hire outside contractors and for existing Conservancy staff to carry out the planning work. The current schedule estimates study activities will be carried out between July 1, 2025, and June 30, 2026.

Background. The Conservancy was established in 1984 for the purposes of protecting and restoring Lake Tahoe's natural environment, including water quality, air quality, and wildlife habitat; acquiring, restoring, and managing lands; preserving the scenic beauty and recreational opportunities of the region; and providing public access.

The Conservancy's conceptual feasibility planning activities are intended to advance the Conservancy's Strategic Plan, including the following goals:

- **Access.** Provide recreational opportunities and access for all.
- **Protection.** Safeguard the basin's environmental, cultural, tribal, and recreational attributes for future generations.
- **Restoration.** Restore the basin's social and ecological resilience.
- **Stewardship.** Care for the basin's natural, tribal, and cultural resources.

The Lake Tahoe Environmental Improvement Program (EIP) is the Tahoe Basin's environmental restoration strategy. Since 1998-99, the Conservancy has received appropriations totaling over \$500 million for EIP implementation purposes. The request for funding for conceptual feasibility studies and activities in support of new project proposals and opportunities is consistent with continuation of this commitment.

Staff Recommendation. Hold open.

Issue 4: Opportunity Acquisitions (GB)

Governor’s Proposal. The Governor’s budget requests \$5.98 million from various funds for the acquisition of lands in environmentally sensitive or significant resource areas. The requested funding is comprised of:

- \$378,000 of Lake Tahoe Acquisition Fund;
- \$1.3 million of California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund (Proposition 68); and,
- \$4.3 million of reimbursement authority.

In addition, the request includes reversion of \$1.3 million Proposition 68 local assistance funding from the 2019 Budget.

Conservancy staff and partner agencies have identified up to 13 properties (commercial development, and residential lots on environmentally sensitive land) for acquisition in the City of South Lake Tahoe, El Dorado County, and Placer County.

Background. The acquisition of environmentally sensitive lands helps advance California State Executive Order N-82-20, which establishes a state goal of conserving 30 percent of California lands and coastal waters by 2030. In addition, land purchases are intended to protect critical wetland and meadow habitat, promote biodiversity and provide opportunities to improve climate resilience.

The Conservancy acquisition program promotes local land use goals and the Lake Tahoe Regional Plan to accelerate environmental restoration by transferring aging development from sensitive areas to town centers and to build environmentally resilient communities.

Staff Recommendation. Hold open.

Issue 5: Upper Truckee River Sunset Stables Reach 6 Restoration Project (GB)

Governor’s Proposal. The Governor’s budget requests \$250,000 in authority (\$150,000 in Federal Trust Fund authority and \$100,000 in Habitat Conservation Fund (HCF)) to develop preliminary plans for the multiple-benefit Upper Truckee River Sunset Stables Reach 6 Restoration Project (Project). The Conservancy estimates total project costs at \$2.9 million.

The Conservancy intends to develop preliminary plans to restore a degraded section of the Upper Truckee River (River) and adjacent floodplain. The Project is intended to reduce sediment and nutrients that flow from the River into Lake Tahoe; enhance aquatic and terrestrial habitat; protect biodiversity; sequester carbon; improve public access; and restore climate resilience. As part of the eventual Project Construction phase, the Conservancy intends to improve 4,500 feet of river channel, enhance 70 acres of floodplain, and remove conifers on 30 acres to improve habitat and reduce fire risk.

The USDA Forest Service awarded a \$1.9 million grant to the Conservancy to plan and implement the Project. The Conservancy will fund the remaining \$1 million with HCF and other potential state and federal grant sources. The Conservancy will complete the Project Study phase in late 2025, begin work on preliminary plans in early 2026, and initiate working drawings in July 2026. The Conservancy anticipates starting construction in 2027.

Background. The Conservancy seeks to restore Reach 6 of the River and surrounding areas to address environmental impairments and achieve agency, state, and federal resource objectives. The Conservancy aims to enhance wildlife habitat and biodiversity, increase climate resilience and greenhouse gas sequestration, improve water quality and public access, and decrease fire risk.

The River is Lake Tahoe’s largest inflowing stream and is a major source of sediment and nutrients to Lake Tahoe. Logging, grazing, roads, stream channelization, urban development, recreation, and an airport have extensively degraded the lower portion of the watershed, resulting in impairments that reduce habitat value, water quality, and climate resilience. In the Project area, the channel is deep and oversized and does not frequently inundate the floodplain during typical snowmelt flows. The long history of fire suppression and channel impairment has lowered groundwater elevations and converted a large meadow complex into a thicket of lodgepole pine, reducing the extent of meadow habitats that are important to many wildlife species. Extensive droughts will make the area even drier and reduce wildlife habitat. The resulting loss of vegetation will make the area more vulnerable to damage from extreme precipitation events.

In 1999, the Conservancy acquired the former Sunset Stables property because of its valuable environmental resources and it presents numerous opportunities for protection, restoration, and public access. The property includes large stretches of the River and floodplain.

Staff Recommendation. Hold open.

3340 CALIFORNIA CONSERVATION CORPS (CCC)

Issue 6: Greenwood Residential Center (Construction) – Reappropriation (GB)

Governor’s Proposal. The Governor’s budget requests reappropriation of the construction phase of the Greenwood: New Residential Center project. Although the construction contract of \$60.21 million has been awarded and funds were transferred to the Architectural Revolving Fund in 2023-24, the balance of \$6.4 million is currently available until June 30, 2025. Given construction schedule estimates completion in Spring 2026, this request is intended to provide sufficient time for project completion. Total project costs are estimated at \$73.52 million.

The project includes buildings consisting of an administration building, seven dormitories, an education/recreation building, a multi-purpose with kitchen and dining room, a warehouse with a work area, and a hazardous materials storage room. Additionally, the scope of work will include related infrastructure and site work as needed. The facility will be designed based on the CCC’s residential center needs and will accommodate about 100 permanent residential corpsmembers.

Background. Focus of Greenwood is for corpsmembers to gain work experience, advance their education through a high school diploma program with a charter school, and learn about career opportunities, while helping to enhance California’s natural resources and its communities.

Greenwood corpsmembers perform a wide range of projects that includes conservation and restoration of ecosystems, fuel hazard reduction, arborist work projects, planting of native shrubs and trees, invasive weed/plant eradication, trail construction in accordance with the American with Disabilities Act (ADA), and campground construction. Corpsmembers also respond to emergencies such as natural disaster relief, search and rescue, fires, and floods. The Greenwood Center’s location allows for response to emergencies ranging from the Sierra Nevada Mountains to the coast. All crews must be ready to deploy at a moment’s notice to provide services and relief to residents of California.

Two significant buildings absent at Greenwood are a multipurpose gymnasium and warehouse. The existing facilities at Greenwood are in critical need of repairs/replacement, such as: several ceilings contain multiple holes, cracks and water stains that need to be repaired, the center’s restrooms and showers need to be upgraded to current ADA requirements, water efficiency standards and energy efficiency requirements, the fire life safety system is not up to date and the buildings do not contain a fire sprinkler system, and the utility infrastructure is in poor condition, and the electrical system/wiring needs replacement. Continuing to repair the existing buildings is not efficient for long-term costs and will not bring the structures up to current building code requirements.

Staff Recommendation. Hold open.

3480 DEPARTMENT OF CONSERVATION

Issue 7: Division of Mine Reclamation SMARA-4 (GB)

Governor's Proposal. The Governor's budget requests one permanent position and an appropriation increase of \$866,000 Surface Mining and Reclamation Account (SMARA) to contract a Software-as-a-Service (SaaS) solution vendor to implement and configure an integrated case management system with external facing portals for stakeholder document submission and communications to replace four aging and unsupportable software systems.

Background. SMARA. The purpose of SMARA is to address the need for a continuing supply of mineral and industrial material resources as well as enable a safe and useful post-mining condition for these disturbed lands that minimizes environmental impacts. This is achieved by preparing for the reclamation of the land in advance, including developing a Reclamation Plan and establishing Financial Assurances. In this way, DOC's Division of Mine Reclamation (DMR) and its partners confirm surface mine operators have the plans and means to reclaim the mines or have equipped DOC with the funds to reclaim in the event an operator cannot. The DMR provides ongoing geologic, environmental, ecological and regulatory technical assistance to both Lead Agencies and operators, maintains a statewide database of mine locations and operational information, performs certain oversight functions, and collects reports and fees to administer programs within the DMR, the State Mining and Geology Board, and the California Geologic Survey (CGS), among other things.

The DMR processes hundreds of reports with thousands of data points every year, much of it manually. In accordance with statute, some documents and data operators submit to the DMR directly while others are submitted to the Lead Agency and shared with the DMR to provide technical assistance, as well as to support the uniform application of SMARA statewide. During the life of a mine, several reports must be submitted to the DMR by operators or Lead Agencies, including:

- A Reclamation Plan and associated Amendments when mines are established or significantly altered, which are the engineering, geologic, landscape, etc. designs needed to ensure a safe and useful post-mining condition that minimizes environmental impacts.
- An Annual Report, data from which are necessary for effective oversight of SMARA and in quantifying State's mineral reserves.
- Annual Financial Assurance Cost Estimates (FACEs), which are anticipated costs to reclaim the mine based on current conditions.
- Financial Assurance Mechanisms (FAMs), to demonstrate adequate funds are available to reclaim the mine at any time, such as bonds or other securities.
- Inspection Reports and enforcement documentation annually, for DMR tracking and public transparency.

If an operator is out of compliance with SMARA, the Division and/or Lead Agencies may pursue enforcement, which requires an accurate administrative record (record of documents, data, and communications).

To track all of these documents, communications, and data for more than 1,100 operating mines that are used by multiple programs within the state, local governments, and the public, the DMR currently relies on four aged, unintegrated databases, several of which require manual data entry, most limit stakeholder submittal/retrieval of information, and the principal of which was built on antiquated technology and

therefore is technologically unsupportable, posing a number of significant challenges. For example, data security is at increased risk for compromise due to cyber security exploits because of this lack of support.

Currently, DMR staff must enter data manually to process both electronic and paper documentation using cumbersome and disjointed workflows that cause errors. This creates unreliable data which poses many challenges, including tracking compliance and enforcement in order to ensure that the DMR is holding the right party accountable in issuing notices of violation, levying administrative penalties, and collecting fees. An updated system is needed to meet the goal of working with lawful mine operators to meet the public infrastructure, maintenance, housing development, and other critical sustainable economic growth objectives.

Staff Recommendation. Hold open.

3480 DEPARTMENT OF CONSERVATION (DOC)
3540 DEPARTMENT OF FORESTRY AND FIRE PROTECTION (CALFIRE)
3600 CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE (CDFW)
3720 CALIFORNIA COASTAL COMMISSION
3790 DEPARTMENT OF PARKS AND RECREATION (PARKS)

Issue 8: Natural Resources Chaptered Legislation Proposals (GB)

Governor’s Proposals. The Governor’s budget requests for funding from the General Fund and various special funds as well as positions to implement statutory requirements associated with legislation chaptered in 2024. Please see the figure below for requested resources by department.

2025-26 Governor’s Budget Natural Resources Agency Chaptered Legislation Proposals Dollars in Thousands								
BU	Department	Issue Title (Chapter/Bill)	Fund Source	2025-26	2026-27	2027-28	2028-29	Total Ongoing Positions
3480	Department of Conservation	Idle Oil and Gas Wells (Chapter 548, AB 1866)	3046	\$4,766	\$4,491	\$4,491	\$4,491	20.0
3480	Department of Conservation	Low-production Oil and Gas Wells (Chapter 549, AB 2716)	3046	\$2,018	\$1,896	\$1,896	\$1,896	9.0
3540	Department of Forestry and Fire Protection	Fire Prevention: Prescribed Fire: State Contracts: Maps (Chapter 778, SB 1101)	3228	\$511	\$566	\$549	\$549	2.0
3540	Department of Forestry and Fire Protection	State Fire Marshal: Fire Safety: Regulations: Lithium-based Battery Systems: Telecommunications Infrastructure (Chapter 781, SB 1152)	3144	\$148	\$288	\$0	\$0	2.0
3540	Department of Forestry and Fire Protection	Emergency Management Assistance Compact: California Wildfire Mitigation Financial Assistance Program (Chapter 402, AB 2469)	0001	\$529	\$809	\$809	\$809	0.0
3600	Department of Fish and Wildlife	Cannabis Cultivation: Environmental Remediation (Chapter 839, AB 2643)	3351	\$0	\$0	\$0	\$0	7.0
3720	California Coastal Commission	Local Coastal Program Guidance for Accessory Dwelling Units (Chapter 454, SB 1077)	0001	\$106	\$0	\$0	\$0	0
3720	California Coastal Commission	Local Coastal Program Updates for Housing (Chapter 282, AB 3093)	0001	\$565	\$1,202	\$1,838	\$1,838	8.0
3790	Department of Parks and Recreation	Firearms: Destruction (Chapter 547, SB 1019)	0001	\$420	\$398	\$398	\$398	2.0

Source: Department of Finance

The funding requested by the departments to implement the bills included in this proposal were cited during the 2024 legislative process, including in the Senate and Assembly Appropriations Committees prior to their enrollment. The Department of Finance has evaluated these requests and concurs with the level of resources requested to implement new statutory requirements.

Summaries of the chaptered legislation are as follows:

DOC: AB 1866 (Hart), Chapter 548, Statutes of 2024: Idle Oil and Gas Wells. This bill increases idle well fees payable in lieu of filing an idle well management plan, and revises the requirements of an idle well management plan to increase the rate at which idle wells under the plan have to be either returned to service or plugged and abandoned, among other provisions.

DOC: AB 2716 (Bryan), Chapter 549, Statutes of 2024: Low-Production Oil and Gas Wells. This bill

prohibits the operation of low-production oil and gas wells located in an oil field within the Baldwin Hills Conservancy, requires the Geologic Energy Management Division (CalGEM) to identify these wells, imposes a \$10,000 per month penalty upon these wells if certain criteria are not met, and provides for penalty revenue to fund projects, such as park creation, to benefit the nearby community, as provided, among other provisions.

CalFire: SB 1152 (Limon), Chapter 781, Statutes of 2024: State Fire Marshal (SFM): Fire Safety: Regulations: Lithium-Based Battery Systems: Telecommunications Infrastructure. This bill requires the California SFM, before the next triennial edition of the California Building Standards Code, to propose to the California Building Standards Commission updates to the fire standards relating to requirements for lithium-based battery systems, as specified.

CalFire: AB 2469 (Committee on Emergency Management), Chapter 402, Statutes of 2024: Emergency Management Assistance Compact (EMAC): California Wildfire Mitigation Financial Assistance Program. This bill extends the sunsets for the Emergency Management Assistance Compact and the California Wildfire Mitigation Financial Assistance Program, as specified. EMAC is an interstate mutual aid agreement that enables states to share resources during times of disaster. EMAC offers assistance during governor-declared states of emergency or disaster through a system that allows states to send personnel, equipment, and commodities to assist with response and recovery efforts in other states. EMAC can be used in lieu of or in conjunction with federal assistance to quickly provide needed goods and services to an affected state.

CDFW: AB 2643 (Wood), Chapter 839, Statutes of 2024: Cannabis Cultivation: Environmental Remediation. This bill requires CDFW to study and report on cannabis site restoration projects and eliminates certain apportionments to the Timber Regulation and Forest Restoration Fund and the Fish and Game Preservation Fund, instead directing those moneys to the newly created Cannabis-Impacted Lands Restoration Fund.

California Coastal Commission: SB 1077 (Blakespear), Chapter 454, Statutes of 2024: Local Coastal Program Guidance for Accessory Dwelling Units. This bill requires the California Coastal Commission, in coordination with the Department of Housing and Community Development, to develop and provide guidance for local governments to facilitate the preparation of amendments to a local coastal program to clarify and simplify the permitting process for accessory dwelling units and junior accessory dwelling units in the coastal zone, as provided.

California Coastal Commission: AB 3093 (Ward), Chapter 282, Statutes of 2024: Local Coastal Program Updates for Housing. This bill creates two new income categories, Acutely Low Income (ALI) and Extremely Low Income (ELI), in the Regional Housing Needs Allocation (RHNA) process and throughout Housing Element law. This bill defines ALI as those earning between 0-15 percent of the area median income (AMI). This bill defines ELI as those earning between 15 and 30 percent of the AMI.

Parks: SB 1019 (Blakespear), Chapter 547, Statutes of 2024: Firearms: Destruction. This bill requires law enforcement agencies to destroy firearms subject to destruction under existing law in their entirety by smelting, shredding, crushing, or cutting all parts of the firearm, including any attachments, except as specified; and requires every law enforcement agency to develop and make available on its website a written policy regarding the destruction of firearms.

Staff Recommendation. Hold open.

3540 DEPARTMENT OF FORESTRY AND FIRE PROTECTION (CALFIRE)**Issue 9: Capital Outlay Projects (GB)**

Governor's Proposal. The Governor's budget requests funding for multiple capital outlay projects, as follows:

(a)Alma Helitack Base (HB): Relocate Facility. The Governor's budget requests \$2.69 million General Fund for the preliminary plans phase of the Alma HB: Relocate Facility project, located in Santa Clara County. This is a continuing project. Total estimated project costs are \$67.98 million.

This project includes site design and construction of a barracks/mess hall building, a helicopter hangar, a helitender storage, landing pads, an administrative office space, an antenna, a tower base and station radio, a warehouse space, a flammables storage building, a generator building, and a helicopter training tower. Additionally, the scope of work will include site work and utilities as needed. Construction is estimated to begin in July 2027 and be completed in February 2029.

Currently, CalFire is in the process of replacing its existing helicopter fleet of 12 Super Huey helicopters, with 12 Sikorsky S70i Blackhawk helicopters. Funding for the new helicopters was phased out over four fiscal years; one helicopter was funded in the Budget Act (BA) of 2017, four in the BA of 2018, another four in the BA of 2019, and the remaining three in the BA of 2020. To accommodate the new aircraft and address inefficient facilities, the department has phased capital outlay projects for ten existing helitack bases statewide.

The size and operational capability of the new Sikorsky S70i Blackhawk helicopters requires an increase in size and capability of supporting infrastructure. The new helicopters are larger than the Super Huey helicopters they are replacing and will require larger hangars for storage and repair. Furthermore, the helicopter landing pad is not large enough for the rotor system of the new Sikorsky S-70i Blackhawk helicopter.

Alma HB provides initial attack and emergency response coverage for approximately 1.8 million acres of State Responsibility Area (SRA); about one-third of this area (650,000 acres) is comprised of the Santa Cruz Mountains watershed. The remaining SRA includes the interior coast range (Diablo Range) mountains and foothills east of San Francisco Bay. Alma HB is the only fire protection helicopter serving these areas. Consistent with CalFire's previously developed helitack deployment strategy, Alma HB is centered in a circle with a 20-minute flight time radius with the SRA within this circle.

The current Alma HB, located off Highway 17, at the Lexington Reservoir, has become unsuitable due to additional equipment and personnel, seismic and land stability issues, property line adjustments, and aging facilities. The advanced night-flying capability of the helicopters will allow for operational status, 24 hours per day/7 days per week, which will increase the number of pilots and fire captains required at these helitack bases. This increase in staffing results in a need for increased space. The current living quarters building is undersized (1,240 square feet) and is inadequate to provide enough space for even the current firefighters, pilots, and crew members, let alone additional staff needed. The hillside below the existing hangar has begun to slide into the reservoir and stabilization of the ground is not feasible due to the geology of the area.

(b) Boggs Mountain Helitack Base (HB): Relocate Facility. The Governor's budget requests \$1.61 million General Fund for the preliminary plans phase of the Boggs Mountain Boggs HB: Relocate Facility project in Lake County. The project includes site acquisition, design, and construction of a new Boggs HB including a helicopter hangar, support vehicle garage, barracks building, generator/pump/storage building, wash rack canopy, hazmat/retardant storage, an operation building, and helicopter-training tower. Additionally, the scope of work will include site work and utilities as needed. This is a continuing project. Total project costs are estimated at \$79.77 million and is expected to be completed in April 2029.

Boggs HB has utilized an operational Blackhawk helicopter since the 2022 fire season. The current helitack base does not have a hangar to store the new Blackhawk, meaning the helicopter is stored outside year-round. In 2021, the department completed a landing pad extension project in anticipation of the Blackhawk, knowing that there would still be a need for a new helitack base to be able to safely store and maintain the new Blackhawk.

The current Boggs HB is located at 500 Forestry Road, in the city of Cobb in Lake County. Tactically and logistically, the city of Lower Lake is a good option for relocation as it is further inland and would increase the sphere of influence to respond to incidents, increase the availability of the helicopters for nearby units, and provide enough useable ground to build the new helitack base. The city also has good approach and departure paths.

The current CalFire facility is increasingly inadequate to meet the demands of the department's operations. Periodic increases in personnel due to increased fire activity or adverse weather predictions, lead to overcrowding of the current site. The access road to the site is windy, lengthy, and located a distance away from major highways complicating logistics and potentially delaying critical response times.

(c) Butte Fire Center: Replace Facility. The Governor requests \$95.33 million public buildings construction fund for the construction phase of the Butte Fire Center: Replace Facility project, located in Butte County. This is a continuing project. Total estimated project costs are \$100.73 million and is expected to be completed in February 2028.

The project includes an administration building, Captains barracks, a laundry room, an education/training building, an auto shop, a saw/small engine repair building, a warehouse, a California Conservation Corps (CCC) utility storage garage, corps member dormitories, a fuel island storage building, an emergency generator/fire pump building, a multipurpose gym/weight room, and a recyclable vehicle wash building.

The Butte Fire Center (Camp) is located in Magalia, Butte County and was the result of a cooperative agreement between CalFire and the CCC. The agreement provided CCC members as firefighting crews, supervised by CalFire personnel. The hand crews that were located at the Camp were an integral part of the strategic resources necessary for conducting the emergency mission of CalFire. In March 2003, the facility closed when the CCC ended the cooperative agreement with CalFire. The facility was then repurposed as one of the main CalFire training centers in the northern region.

In recent years, the CCC has been in the process of expanding its residential centers. CalFire is actively working with CCC on these plans as they provide an opportunity for CalFire to address hand crew strategic resource gaps. Areas that are being addressed include response times to emergency incidents, local fuel reduction, and fire prevention work in both specific geographic areas of the state and as a statewide resource during major incidents.

The Budget Act of 2015 included \$3.1 million for CalFire to reopen the Camp with the CCC, which included facility improvements and crew activation. CalFire was staffed to manage four crews. The Budget Act of 2016 authorized the CCC to staff three crews. From the \$3.1 million provided, basic improvements were made which allowed the Camp to be operational, although most of the infrastructure and facilities remained both structurally and operationally deficient.

(d) Higgins Corner Fire Station (FS): Replace Facility. The Governor's budget requests \$9.55 million General Fund for the construction phase of the Higgins Corner FS: Replace Facility project, located in Colusa County. This is a continuing project. The total estimated project costs are \$12 million and estimated to be completed in February 2028.

The project will include the design and construction of a standard, two-engine fire station, including a 12-bed barracks/3-bay apparatus building, an administration building, a flammable storage building, and a generator/pump/storage building. Additionally, the scope of work will include site work and utilities as needed.

The Higgins Corner FS is on leased land owned by Nevada County. Since 1978, Higgins Area Fire Protection District (HAFPD), a local government special district, has co-located with CalFire at the current location of the Higgins FS. HAFPD contracts with CalFire for both fire protection and administration of the district. The district houses two engines, one water tender, and rescue capability at this location. The station also supports a volunteer company with one HAFPD Fire Chief and one office manager.

In 2008, a joint venture was developed between the HAFPD and CalFire to construct a new replacement facility on the same site for continued co-location. HAFPD acquired the property from Nevada County as the first part of the joint venture. The plan at the time of purchase by HAFPD was to either enter a long-term lease with or sell a portion of the property to CalFire and jointly develop plans for the replacement of the facility on the existing site. In 2013, the HAFPD's Board of Directors decided to start leasing the site and facilities to CalFire. The lease is still in place today.

The facility does not meet operational requirements. The buildings have no fire alarm or sprinkler systems, are poorly insulated, have inadequate, substandard, and failing heating, cooling, electrical and plumbing systems. The mess hall and barracks are not designed to handle the current staffing loads.

The joint venture is no longer viable due to financial and political issues with HAFPD. The site is owned by HAFPD and CalFire is operating with a short-term lease of the site. The situation has made long-term planning and protection of the State Responsibility Area (SRA) unstable. CalFire needs to either acquire the existing site or a suitable site within the response area. A training and office facility was planned as part of the joint venture, which was to be shared by HAFPD and CalFire. The office space is planned for use by CalFire's Resource Management program.

(e) Kneeland Helitack Base (HB): Replace Facility. The Governor's budget requests a supplemental appropriation of \$485,000 for the preliminary plans phase of Kneeland HB: Replace Facility project, located in Humboldt County. The project includes acquisition of a new parcel and construction of a helicopter landing pads, helicopter hangar, support vehicle garage, barracks building, generator/pump/storage building, wash rack canopy, hazmat/retardant storage, and helicopter training tower. The project site requires significant amount of off-site work that was not included in the original estimate. This is a continuing project. Total estimated project costs are \$35.4 million and expected to be completed in September 2029.

The Kneeland HB is on over four acres of state-owned land in Humboldt County adjacent to the Humboldt County Airport in Kneeland. The primary mission of the Kneeland HB is to provide a rapid aerial response to emergencies, including fires, floods, and medical incidents, in the northwest corner of the State and throughout the entire State as needed.

During an average year, the helicopter will fly 350 hours, responding to over 160 fires, at least 20 medical emergencies, medical short haul rescues, and will log more than 5,900 personnel hours. During a fire incident, the Kneeland helicopter transports fire crews to inaccessible areas and provides retardant support.

This region of northern California receives an average rainfall of 47 inches per year and that, combined with its proximity to the coast, causes Kneeland HB to experience limited visibility due to frequent fog and low clouds. CalFire helicopters cannot fly in fog or clouds due to poor visibility. Frequently, the aircrafts are unable to return to Kneeland HB due to fog creating a lack of visibility and are diverted to either Rohnerville Air Attack Base (approximately 39 miles southwest of Kneeland HB), Eel River Conservation Camp (approximately 53 miles southeast of Kneeland HB), or the Redding Airport (approximately 80 miles east). The helicopter crew must then rent hotels in Fortuna, Garberville, or Redding for lodging until visibility is restored and the aircraft can return to base.

CalFire submitted a request for acquisition funding in the 2021-22 Governor's Budget for the purchase of this land. This request for funding the preliminary plans phase is intended to allow the department to accelerate the timeline for completion of this project and provide the necessary relocation and replacement of the helitack base.

(f) Macdoel Fire Station (FS): Relocate Facility. The Governor's budget requests \$10.79 million General Fund for the construction phase of the Macdoel Fire Station: Relocate Facility project, located in Siskiyou County. The project includes the constructions of a single- building, fire station, a generator/pump/storage building with generator, a storage building, an administration building, a field office for the California Highway Patrol, and all site improvements and appurtenances required for the project. This is a continuing project. Total estimated project costs are \$12.467 million and is expected to be completed in April 2027.

The Macdoel FS is a single-engine station located on 3.8 leased acres and is leased from the Butte Valley Irrigation District in Macdoel, Siskiyou County. The lease is no longer viable and Butte Valley will not renew the lease.

The station is assigned to protect 160,000 acres of timber and brush-covered State Responsibility Area (SRA) and responds to more than 80,000 acres of federal and local Mutual Threat Zone lands. In addition, the station responds to incidents in Macdoel, the city of Dorris, the city of Tule Lake, the Pleasant Valley Fire Protection District, Butte Valley Fire District, and the surrounding United States Forest Service lands.

Because of the remote location and difficulty in getting to the station, the Siskiyou Unit also houses a reserve engine at the Macdoel FS on a permanent basis. This engine is frequently staffed during high fire danger events, which includes lightning sieges, fire warning weather watches, and other increased fire activity. The closest CalFire facility is the Weed Fire Station, which is 45-minutes in travel time. The site elevation is 4,250 feet and is situated in the middle of the Butte Valley, on the valley floor. The general area is high desert with ground water, irrigated agricultural land throughout the valley.

The well-water at the existing FS has been an ongoing issue. Of the three wells drilled on the site, one goes dry during drought years, another is mineral rich (although tests acceptably), and the other is currently not in use due to agricultural contamination. There is concern about groundwater contamination from the agricultural activities around the station and personnel are supplied with bottled drinking water as a precaution. Additionally, issues with inadequate infrastructure due to aging are persistent and wide-ranging, affecting the barracks, mess hall, bathrooms, and plumbing.

(g) Prado Helitack Base (HB): Replace Facility. The Governor's budget requests a supplemental appropriation of \$17.42 million Public Buildings Construction Fund for the construction phase of the Prado Helitack Base: Replace Facility project located in San Bernardino County. This is a continuing project. The project includes a helicopter hangar, a warehouse/shop building, a support vehicle garage, a barracks building, a generator/pump/storage building, a wash rack canopy, hazmat/retardant storage, and a helicopter training tower. The scope of work includes necessary grading and drainage, above-ground fuel storage and dispensing facilities, a water tank and fire suppression pump system, asphalt paving, sidewalks, curbs, a wash rack, landscaping, lighting, solar power, fencing, water, electrical power (including a generator), liquefied petroleum gas/natural gas, telephone cabling/installation, radio cabling/installation, and associated appurtenances. This is a continuing project. Total estimated project costs are \$43.55 million and is expected to be completed in February 2027.

The Prado HB is in the city of Chino, San Bernardino County. Prado HB's primary response area includes the following: San Bernardino County, Los Angeles County, Orange County, Angeles National Forest, San Bernardino National Forest, and the Cleveland National Forest. There have been 118 fires within the San Bernardino Unit since 1960 that have exceeded 2,000 acres.

As is the case for the Alma HB, the Prado HB must also accommodate a new Sikorsky S70i Blackhawk Helicopter. The new facility is planned to be constructed on the current location where the existing helipads are located. Costs of the project have increased for all items due to the escalation in labor, materials, and additional complexities including fueling system and training tower elements. This includes electrical connections, hoistway details, and specialized equipment of the training tower.

There have also been additional regulatory requirements for structural elements of the fueling system and additional offsite utility requirements with the City of Chino. Costs have increased in construction management time, inspection time, and materials testing. Finally, builder's risk insurance has increased drastically in high fire areas.

Staff Recommendation. Hold open.

DISCUSSION

0540 CALIFORNIA NATURAL RESOURCES AGENCY (CNRA)

Issue 10: Agency Overview

The mission of CNRA is to restore, protect, and manage the state's natural, historical, and cultural resources. The Secretary for Natural Resources, a member of the Governor's Cabinet, sets the policies and coordinates the environmental preservation and restoration activities of many departments, boards, offices, commissions, and conservancies, as follows:

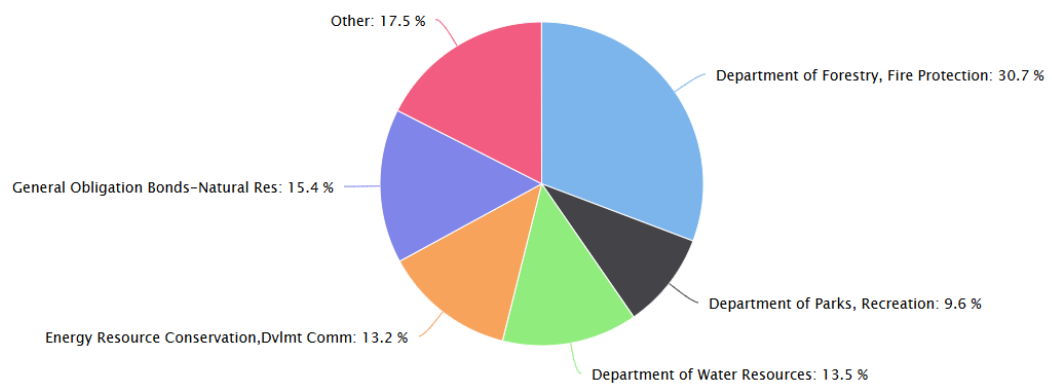
- Department of Forestry and Fire Protection (CalFire) (including Board of Forestry and Fire Protection, Office of the State Fire Marshal)
- Department of Conservation (including the Geologic Energy Management Division [CalGEM], Division of Land Resource Protection, Division of Mine Reclamation, California Geological Survey, and State Mining and Geology Board)
- Department of Fish and Wildlife (including Office of Spill Prevention and Response and Fish and Game Commission)
- Department of Parks and Recreation
- Department of Water Resources (including the Central Valley Flood Protection Board)
- California Conservation Corps
- Exposition Park
- California Science Center
- California African American Museum
- Office of Energy Infrastructure Safety
- State Lands Commission
- Colorado River Board of California
- San Francisco Bay Conservation and Development Commission
- Energy Resources Conservation and Development Commission (commonly referred to as the California Energy Commission)
- Wildlife Conservation Board
- Delta Protection Commission
- Delta Stewardship Council
- California Coastal Commission
- State Coastal Conservancy
- California Tahoe Conservancy
- Santa Monica Mountains Conservancy
- Coachella Valley Mountains Conservancy
- San Joaquin River Conservancy
- San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy
- Baldwin Hills Conservancy
- San Diego River Conservancy
- Sierra Nevada Conservancy
- Sacramento-San Joaquin Delta Conservancy
- Native American Heritage Commission

- Special Resources Program (including Tahoe Regional Planning Agency, Yosemite Foundation, and Sea Grant Program)

According to the Legislative Analyst’s Office (LAO), the 2024-25 budget package included a total of \$12.3 billion for natural resources expenditures from various fund sources — the General Fund, a number of special funds, bond funds, and federal funds — for the departments overseen by CNRA. The total in 2022-23 was \$13.9 billion. The Governor’s 2025-26 budget proposes \$10.8 billion in state funds (this does not include federal funds, other non-government cost funds, or reimbursement). The figure below provides a break down the departments’ portions of CNRA’s proposed \$10.8 billion 2025-26 budget.

DEPARTMENTS’ PORTION OF THE AGENCY’S BUDGET (State Funds)

This pie chart represents \$10.8 billion of expenditures within this Agency area. These amounts do not include federal funds, certain non-governmental cost funds, or reimbursements.



Source: Department of Finance

CNRA directly administers the Sea Grant Program, Ocean Protection Council, California Environmental Quality Act (CEQA), Environmental Enhancement Mitigation Program, Urban Greening, Tribal Nature-Based Solutions, and the California and Cultural and Historical Endowment grant programs.

The figure below shows the Governor’s 3-year plan for expenditures and positions at CNRA.

3-YEAR EXPENDITURES AND POSITIONS †

	Positions			Expenditures		
	2023-24	2024-25	2025-26	2023-24*	2024-25*	2025-26*
0320 Administration of Natural Resources Agency	117.3	128.3	128.3	\$631,809	\$551,824	\$160,670
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	117.3	128.3	128.3	\$631,809	\$551,824	\$160,670

Source: Department of Finance. *Dollars in thousands.

Ocean Protection Council. OPC is housed within CNRA and was established pursuant to the California Ocean Protection Act (COPA). OPC arose out of national initiatives to advance marine ecosystem-based management. Its mission is to protect the California coast and ocean by advancing innovative, science-based policy and management, making strategic investments, and maximizing action through partnerships and collaboration. These efforts are intended to yield significant benefits to the state while providing a global model for ecosystem-based protection and conservation.

OPC's draft 2026-2030 Strategic Plan will be released in late Spring 2025 for written public comment. The new Strategic Plan will guide OPC's work to protect the ocean and coast over the next five years and builds off of the current 2020-2025 Strategic Plan.

OPC's *Strategic Plan to Protect California's Coast and Ocean 2020-2025* is comprehensive and is comprised of objectives, targets, and actions in each goal area. The Strategic Plan includes the following goals and objectives:

- *Safeguard coastal and marine ecosystems and communities in the face of climate change.* Objectives include: Build resiliency to sea level rise, coastal storms, erosion, and flooding; minimize causes and impacts of ocean acidification and hypoxia; improve understanding of climate impacts on the state's coast and ocean; and understand the role of the state's marine protected areas in conferring climate resilience.
- *Advance equity across ocean and coastal policies and actions.* Objectives include: Enhance engagement with tribes; enhance engagement with underserved communities; improve coastal access; enhance healthy human use of the coast and ocean; advance "Healthy Oceans" policy and science.
- *Enhance coastal and marine biodiversity.* Objectives include: Protect and restore coastal and marine ecosystems; restore and protect kelp ecosystems; support sustainable marine fisheries and thriving fish and wildlife populations; improve coastal and ocean water quality; control and eradicate marine invasive species; and, accelerate collaborative accountability.
- *Support ocean health through a sustainable blue economy.* Objectives include: Advance sustainable seafood and thriving fishing communities; promote sustainable aquaculture; evaluate oil platform decommissioning; guide sustainable renewable energy projects; decarbonization ports and shipping; enhance the state's sustainable coastal tourism economy.

The pace of implementation depends on the feasibility and availability of resources and competing priorities.

OPC manages various funding sources to advance strategic investments in scientific research and monitoring, collaborative policy development, restoration, and other projects that will improve conditions for ocean and coastal ecosystems and California communities. Funding sources include bond funds, General Fund, and special funds. Examples of OPC-administered funding programs include:

- *SB 1 Sea Level Rise Adaptation Planning Grant Program.* SB 1 (Atkins, 2021) provides funding to develop SLR adaptation plans and projects to build resilience to SLR along the coast and San Francisco Bay.
- *General Fund for Marine Protected Area Monitoring.* CNRA receives an ongoing allocation of \$2.5 million General Fund to support marine protected area monitoring throughout the state.
- *General Fund for Offshore Wind.* The Budget Act of 2021 included a \$2 million General Fund appropriation for offshore wind environmental and port analysis, the Budget Act of 2022 included a \$1 million General Fund appropriation to support offshore wind, and the Budget Act of 2024 included a \$3.6 million General Fund appropriation to support offshore wind energy environmental research, monitoring, and adaptive management activities.

Proposition 4: Climate Bond. The Governor’s budget includes the following Proposition 4 proposals that would be administered by CNRA in 2025-26:

- Safe Drinking Water, Drought, Flood, Water
 - \$200,000 for wildlife refuges and wetland habitat areas (Bond total: \$25 million; PRC Section 91032(f)).
 - \$100,000 for Clear Lake Watershed (Bond total: \$20 million; PRC Section 91032(k)).
 - \$148 million to DWR/CNRA for the Salton Sea Management Program (Bond total: \$160 million; PRC Section 91033(a)).
 - \$100,000 for nature and climate education and research (Bond total: \$20 million; PRC Section 91045).
- Coastal Resilience
 - \$8 million to OPC for ocean and coastal resilience (Bond total: \$135 million; PRC Section 92020).
 - \$20 million to OPC for SB 1 implementation (Bond total: \$75 million; PRC Section 92030).
- Biodiversity and Nature-Based Solutions
 - \$9 million for the Tribal Nature-Based Solutions Program (Bond total: \$10 million; PRC Section 93040).
- Park Creation and Outdoor Access
 - \$11 million to CNRA and CDFW for projects reducing climate impacts on disadvantaged communities and expanding outdoor recreation (Bond total: \$200 million; PRC Section 94020).
 - \$700,000 to CNRA and others to be determined for projects enhancing natural resource value and expanding trail access (Bond total: \$100 million; PRC Section 94030).
 - \$200,000 for nature education facilities (Bond total: \$25 million; PRC Section 94050).

Proposition 4 includes a total of \$3.8 billion for Safe Drinking Water, Drought, Flood, and Water, \$1.2 billion for Coastal Resilience, \$1.2 billion for Biodiversity and Nature-Based Solutions, and \$700 million for Park Creation and Outdoor Access.

VARIOUS DEPARTMENTS

Issue 11: Departments’ Operational Efficiencies and Vacancy Sweeps Update

Operational Efficiencies and Vacancy Sweeps Update. The 2024-2025 budget package included two control sections — Control Section 4.05 and Control Section 4.12 — that aimed to identify and implement efficiencies across nearly all state entities to produce ongoing budgetary savings without adverse effects on state services.

Both control sections established statewide administrative exercises led by the Department of Finance to:

- 1) **Identify efficiencies** (state efficiencies are cost reduction actions including reorganizations, eliminations of boards and commissions, the cancellation or postponement of information technology projects, reduced staff travel, etc.).
- 2) **Eliminate vacant positions and related funding.**

For Control section 4.05, the 2024-25 enacted budget assumed General Fund savings of \$2.2 billion in 2024-25 and \$2.8 billion ongoing beginning in 2025-26 to reduce General Fund state operations expenditures by up to 7.95 percent. For Control Section 4.12, the 2024-25 budget assumed savings of \$1.5 billion (\$762.5 million General Fund) resulting from about 10,000 authorized positions being vacant in 2024-25.

The budget specified that the Department of Finance would propose, as part of the Governor’s 2025-26 budget proposal, the permanent elimination of vacant positions and associated funding to make the assumed savings ongoing beginning in 2025-26.

While the intent of this exercise was to achieve savings through vacancy sweeps and a 7.95 percent operations reduction across departments, the 2025-26 Governor’s budget now assumes a lower level of savings and positions reduction in 2024-25 and ongoing.

The following chart outlines how the vacancy sweeps and efficiency reductions impacted specific departmental budgets related to natural resources and environmental protection:

	2024-25		2025-26	
	General Fund	All Funds	General Fund	All Funds
Savings Assumed in 2024-25 Budget				
State Departments	\$2.7	\$3.5	\$2.8	\$3.6
Universities	0.2	0.2	0.8	0.8
Totals	\$2.9	\$3.7	\$3.6	\$4.3
Savings Identified in January 10, 2025 Report^a				
State Departments	\$0.8	\$1.8	\$0.7	\$1.7
Universities ^b	0.2	0.2	0.8	0.8
Totals	\$1.0	\$2.0	\$1.5	\$2.5

Source: Department of Finance

The following chart details the number of vacant positions swept within various departments under the jurisdiction of this subcommittee:

Various CNRA and CalEPA Department Reductions—2024-25, 2025-26, and Ongoing
(dollars in thousands)

Department/Entity	2025 Baseline Budget ²			Net Reductions			
	General Fund	Special Funds	Total	General Fund	Special Funds	Total	% Baseline
Natural Resources Agency, Secretary	\$7,497	\$12,797	\$20,294	-\$902	-\$1,344	-\$2,246	-11.1%
Environmental Protection, Secretary	\$3,767	\$17,422	\$21,189	-\$673	-\$2,539	-\$3,212	-15.2%
Department of Conservation	\$10,651	\$157,465	\$168,116	-\$1,462	-\$22,149	-\$23,611	-14.0%
Department of Fish and Wildlife	\$179,348	\$388,498	\$567,846	-\$24,992	-\$49,041	-\$74,033	-13.0%
Coastal Commission	\$30,217	\$4,749	\$34,966	-\$3,811	-\$873	-\$4,684	-13.4%
State Coastal Conservancy	\$0	\$5,812	\$5,812	\$0	-\$906	-\$906	-15.6%
Department of Parks, Recreation	\$224,609	\$444,138	\$668,747	-\$17,682	-\$13,151	-\$30,833	-4.6%
Sierra Nevada Conservancy	\$0	\$5,705	\$5,705	\$0	-\$138	-\$138	-2.4%
Department of Water Resources	\$202,532	\$2,584,011	\$2,786,543	-\$22,209	-\$220,490	-\$242,699	-8.7%
Department of Pesticide Regulation	\$0	\$121,170	\$121,170	\$0	-\$6,295	-\$6,295	-5.2%
State Water Resources Control Board	\$77,302	\$572,746	\$650,048	-\$11,792	-\$40,323	-\$52,115	-8.0%
Department of Toxic Substances Control	\$30,452	\$251,697	\$282,149	-\$2,152	-\$31,694	-\$33,846	-12.0%
Resources Recycling and Recovery	\$7,023	\$271,455	\$278,478	-\$770	-\$25,939	-\$26,709	-9.6%
Environmental Health Hazard Assessment	\$12,146	\$18,856	\$31,002	-\$1,868	-\$2,695	-\$4,563	-14.7%
Totals	\$785,544	\$4,856,821	\$5,642,065	-\$88,313	-\$417,577	-\$505,890	-9.0%

Source: Department of Finance

The following chart provides the number of reduced vacant positions per Control Section 4.12:

Vacant Positions Reductions per Control Section 4.12

Department/Entity	Positions
Natural Resources Agency, Secretary	-5.0
Environmental Protection, Secretary	-10.0
Department of Conservation	-64.0
Department of Fish and Wildlife	-190.0
Coastal Commission	-9.3
State Coastal Conservancy	-4.0
Department of Parks, Recreation	-172.0
Sierra Nevada Conservancy	0.0
Department of Water Resources	-129.0
Department of Pesticide Regulation	-19.0
State Water Resources Control Board	-100.0
Department of Toxic Substances Control	-111.1
Resources Recycling and Recovery	-98.8
Environmental Health Hazard Assessment	-13.0
Totals	-925.1

Source: Department of Finance

The LAO analyzed state departments’ operations efficiencies across a broader spectrum of state agencies than just those in CNRA and the California Environmental Protection Agency. The LAO published its analysis and comments in February 2025. Among its findings, the LAO notes the following:

Lack of Information on Savings Provided to Legislature. The LAO has tried to get information from some of the larger departments to better understand what types of operational changes are being implemented to achieve the identified savings; and has received limited information thus far. The list of identified savings that the administration provided to the Legislature provides very high-level information and does not fully meet the reporting requirements specified under the control sections for the January 10 reports. There is no information about specific funding sources, affected programs, or affected job applications as is required by the control sections.

Very Limited Information Available About How Savings Would Be Achieved From DOF... When compared with the amount of information that departments must submit to justify even small increases in their budgets (for example, the level of detail provided in budget change proposals), the two-page list to explain a multibillion-dollar adjustment to the budget that affects virtually all departments is insufficient to adequately inform the Legislature of the action. Moreover, discussions with DOF did not provide the LAO much additional information about identified savings. DOF indicated that more information would be available in the spring, and suggested that the LAO should ask individual departments for specific information about the actions they took to achieve the savings and the potential effects of the savings.

...Or Departments. The LAO sent inquiries to some of the largest departments to better understand how the identified savings might be implemented. While a couple of departments provided the LAO with relatively detailed information, the most common response the LAO received from departments was that DOF was working on the proposal and that more information would be available in the spring.

Implementation of Current-Year Savings Efforts Underway. Many of the departments the LAO communicated with indicated that they have begun implementing at least some of the operational changes that would be necessary to achieve the identified savings in the current fiscal year. However, other departments indicated that they could not share with the LAO any information about current-year implementation of the identified savings at this time and that more information would be submitted to the Legislature in the spring.

Necessary Statutory, Regulatory, or Fee Changes Unknown. It is not known, but possible, that changes in law — whether in statute, regulations, fee structure or other — are necessary to achieve some of the identified savings. This raises important implementation timing and oversight questions in instances of savings being achieved in the current year. When the LAO asked departments, they reported to LAO either that they did not anticipate changes were necessary or that they were reviewing whether any change would be necessary.

Lack of Information Raises Uncertainty Whether Administration Will Achieve the Identified Efficiencies Savings. In the few departments that provided relatively more detailed information, it appeared that many departments identified actual efficiencies — that is, the savings would not affect services. In some cases, however, responses suggested that how efficiencies would be achieved was still under development. In these cases, impacts to service levels seems possible. Moreover, in some cases, the savings the department have identified for 2024-25 cannot be repeated in the future. In some of these cases, how the identified out-year reductions will be maintained is yet to be determined. The lack of information raises uncertainty that the identified savings necessarily are the result of identified efficiencies and whether the lower spending levels will be achieved fully in the current year or ongoing.

Exempting Departments Likely to Further Erode Assumed Savings. The list of identified savings reported to the Legislature indicated that, due to recent wildfire activity in Southern California, CalFire is now exempt from the exercise and no savings were expected from that department. It is LAO's

understanding that other departments currently included in the report also might become exempt from the exercise due to concerns about the state's ability to achieve savings while responding to the fires. The suggestion that these departments cannot maintain service levels while reducing their expenditures by the levels identified as efficiency in the report to the Legislature raises concerns that the identified savings are not true efficiencies but rather constitute cuts that could negatively affect current service levels. The report had identified about \$40 million General Fund in savings from CalFire (about 6 percent of the total identified General Fund savings). Because these savings were initially included in the Governor's January proposal, this and any other savings or eliminated positions in the report associated with departments now exempted from the exercises would further erode the savings that were originally assumed in 2024-25.

Large Share of Assumed Total Savings From Unspecified "Other Funds." Why non-General Fund sources reflect a majority of the identified savings is unclear. Further, with the report provided to the Legislature not identifying non-General Fund funding sources beyond labeling them "other funds," it is not clear whether this category includes just special funds or other non-General Fund state funding sources or even nonstate sources, for example federal funds. The administration should provide justification for any reduction to nonstate funds. (For example, lower federal funds reasonably could occur in instances where there are matching requirements that directly tie the amount of federal funds the state receives to the amount of state funds spent.)

Proposed Savings in Special Fund Expenditures Should Be Accompanied by Discussion of Effects on Charges. A special fund is created to fund a specific purpose and is supported by taxes and fees levied on payers who receive the service supported by the fund. The administration reports that it identified \$1 billion in reduced non-General Fund expenditures. The LAO would expect any discussion of savings benefitting special funds to include a discussion on the effect, if any, lower spending from these special funds has on fees and other revenues that support the affected special funds. Based on the LAO's communications with departments, it seems that any such analysis currently is not available.

LAO Recommendations. Use Subcommittee Process to Provide Oversight of Identified Savings... The LAO recommends that the Legislature use the subcommittee process to gain more clarity and increase transparency around the identified savings for each department. Similar to how a proposed budget augmentation requires justification, a budgetary reduction or savings identification also requires justification and explanation to ensure that legislative priorities are maintained. The purpose of these discussions would be to understand how the department plans to achieve the identified savings and whether the identified lower spending level is the result of efficiency gains or whether it could affect services. If services would be affected by the lower spending levels, the Legislature could use the discussion to understand if the effects on services are consistent with legislative priorities.

...Before May Revision. The administration has not provided a specific timeline for its additional report on efficiencies. As such, the administration may not provide additional information until its May Revision proposal (or later). Waiting until May to understand departments' plans would provide the Legislature limited time to assess the proposed savings. As such, the subcommittee hearings before May Revision could be an opportunity for the Legislature to make clear its priorities for each department as the administration determines the final savings it intends to present in the spring. The hearings also can be used to set expectations of DOF so that the Legislature can hold DOF accountable whenever it identifies the specific savings by funding source and program.

Ask Each Department Questions to Better Understand Identified Savings and Their Effects. The LAO recommends the discussions in subcommittee hearings focus on five broad categories:

- 1) Understand the methodology used by the administration to arrive at the identified savings;
- 2) Any potential effects on programs and services;
- 3) The effects on state law;
- 4) The effects on the state workforce; and,
- 5) The implications of reducing non-General Fund sources through the exercise.

The overarching goals of these questions — and the discussion broadly — is to ensure that the Legislature is comfortable that the effects of the identified savings are consistent with Legislative priorities and intent.

Questions for Legislative Committees to Ask Affected Departments and the Department of Finance (DOF). The LAO has provided the following questions to ask departments and DOF:

- *Budgeting Methodology*
 - What information from departments did DOF review to arrive at the identified savings?
 - Were departments given a target for the level of savings necessary to the control section?
 - What, if any, specific instructions did departments receive related to the treatment of expenditures from the General Fund, special funds, federal funds, or other funds?
 - What is the rationale for the variation in identified savings across departments?
 - How were the requests for new funding in 2025-26 now before the Legislature considered in relation to the identified savings and reduced position authority under the control sections?
- *Programs and Services*
 - What operational changes, if any, will be made in order to achieve the identified savings in expenditures in the current year and ongoing?
 - Has the department implemented any of the identified savings? If so, at a high level, what do they entail?
 - What are the anticipated effects on programs and services once the ongoing lower spending levels are fully implemented?
- *State Law*
 - Are there any reductions already underway that may potentially require changes to statute or regulations? If so, under what authority is the administration implementing the reductions in the current year?
 - Does the department anticipate that any changes in statute or regulations will be necessary in order to achieve the identified savings?
 - How will the identified savings affect implementation of enacted legislation?
- *State Workforce*
 - What classifications and programs are affected by the identified elimination of vacant positions?
 - Why were the identified vacant positions chosen for elimination over other vacant positions?
 - What are the anticipated effects on the department's ability to fill vacancies going forward?
- *Affected Funding Source*
 - Expenditures from what specific "other funds," if any, are expected to be reduced and by how much?

- What effect, if any will identified savings to special funds expenditures have on fees and taxes levied to support the funds?
- Would the identified savings result in any loss of federal funds?

Be Prepared for Final Details to Arrive Late in the Budget Process. The administration has made clear that more information on specific actions taken to achieve the savings will be shared in the spring. The administration has not committed to a specific date, but the LAO suspects this most likely means that the final report could be included as part of the Governor’s May Revision proposal. There likely will be insufficient time for subcommittees to discuss each identified saving with departments between May 14 (when the May Revision is released) and June 15 (when the Legislature approves the budget). Using the subcommittee process before the May Revision to discuss the above questions with departments will better position the Legislature to understand whether the final reported savings are consistent with legislative priorities. Additionally, having an accounting of all actions a department is planning to achieve the identified savings will give the Legislature a tool to hold the administration accountable. In other words, the Legislature will know what to expect and will not be caught off guard when hearing about those actions going forward. If the final report includes actions that significantly deviate from what is discussed in the subcommittee process, the Legislature could use May Revision hearings to understand the differences.

Need for Additional Reporting Requirements on the Administration Remains Unclear. If the Legislature is satisfied that the administration’s final reported savings pursuant to the control sections are consistent with legislative priorities, it is possible that the Legislature will want to take no action to modify what the administration proposes. However, if the administration continues to provide little or no information about how the reductions will be implemented or if the Legislature disagrees with the identified reductions, the Legislature could choose to adopt budget bill language — either as a control section or under specific budget items — intended to provide further guidance to the administration or to impose new reporting and oversight requirements.

Staff Comments. As shown above, the most significant reduction in vacant positions for natural resources and environmental protection state entities is in the California Department of Fish and Wildlife (CDFW), eliminating 190 positions. The chart shows a net reduction of 13 percent at CDFW (\$74 million net total (\$49 million Special Funds and \$25 million General Fund)).

For many years, CDFW’s budget was perennially upside down and the department was short-staffed — it could not adequately fulfill its mandates. In 2018-19, CDFW had approximately 2,800 positions. In 2019, CDFW began a service-based budgeting (SBB) review to analyze its deficiencies in meeting its goals. In 2021, the department published its SBB review report, which provided evidence to show personnel and funding levels necessary for the department to meet its mission and actual levels of personnel and funding; and confirmed that CDFW was woefully understaffed in key areas to meet its mission, such as permitting and environmental protection (29 percent fulfilled by current level of staffing, species and habitat restoration (26 percent), and law enforcement (33 percent). With SBB data to back up the department’s need for significantly more staffing, CDFW’s department went from approximately 2,864 positions in 2020-21 to about 3,000 in 2021-22.

In addition, the majority of CDFW’s budget revenue is made up of many special funds. How does reducing CDFW’s special funds help the General Fund? A question arises as to the degree CDFW’s level of service is negatively impacted by the efficiency cuts especially considering the department has for years been clawing its way to have the funds and staffing needed to get closer to meeting its missions.

3600 CALIFORNIA DEPARTMENT OF FISH AND WILDLIFE (CDFW)

Issue 12: CDFW Overview

CDFW’s mission is to manage the state’s diverse fish, wildlife, and plant resources, and the habitats upon which they depend, for their ecological value and for their use and enjoyment by the public. This includes habitat protection and maintenance in a sufficient amount and quality to protect the survival of species and natural communities. The department is also responsible for the diversified use of fish and wildlife including recreational, commercial, scientific, and educational uses. Because CDFW programs drive a need for infrastructure investment, the department has a capital outlay program to support this need. The figure below shows the Governor’s 3-year plan for expenditures and positions at CDFW:

3-YEAR EXPENDITURES AND POSITIONS †

		Positions			Expenditures		
		2023-24	2024-25	2025-26	2023-24*	2024-25*	2025-26*
2590	Biodiversity Conservation Program	1,136.0	1,240.2	1,252.2	\$649,849	\$458,361	\$353,314
2595	Hunting, Fishing, and Public Use Program	487.0	494.0	494.0	115,618	119,603	119,600
2600	Management of Department Lands and Facilities	425.6	445.1	445.1	111,506	106,357	105,597
2605	Enforcement	474.3	503.5	503.5	132,442	141,930	133,863
2610	Communications, Education and Outreach	21.4	22.9	22.9	5,118	5,217	5,253
2615	Spill Prevention and Response	169.7	170.0	170.0	52,114	59,378	51,845
2620	Fish and Game Commission	11.3	11.5	11.5	2,073	2,092	2,097
9900100	Administration	332.8	332.8	332.8	65,281	65,268	65,381
9900200	Administration - Distributed	-	-	-	-65,281	-65,268	-65,381
TOTALS, POSITIONS AND EXPENDITURES (All Programs)		3,058.1	3,220.0	3,232.0	\$1,068,720	\$892,938	\$771,569

Source: Department of Finance. *Dollars in thousands.

Since the 1950s, CDFW’s funding base has shifted away from hunting and fishing license revenue, creating a long-term problem of insufficient and uncertain revenues to keep pace with program demands. Since 2001, the Legislature has enacted approximately 400 pieces of legislation impacting the department’s policy or regulatory programs.

SB 1535 (Kuehl), Chapter 667, Statutes of 2006, the Legislature found that the state’s growing population and development necessitated “a significant portion of the department’s activities to be directed toward protecting fish and wildlife” for the benefit of California residents. It further recognized that CDFW’s responsibilities increased to protect public trust resources in the face of a growing population and resource demands. The Legislature amended California Fish and Game Code Section 710.5 to declare that “the department continues to be inadequately funded to meet its mandates.”

In October 2017, CDFW submitted a progress report to the Legislature that recognized that the department continued to accumulate unfunded mandates and identified limited funding as the primary barrier to implementing changes.

SB 854 (Committee on Budget and Fiscal Review), Chapter 51, Statutes of 2018, directed CDFW to conduct a service-based budget (SBB) review.

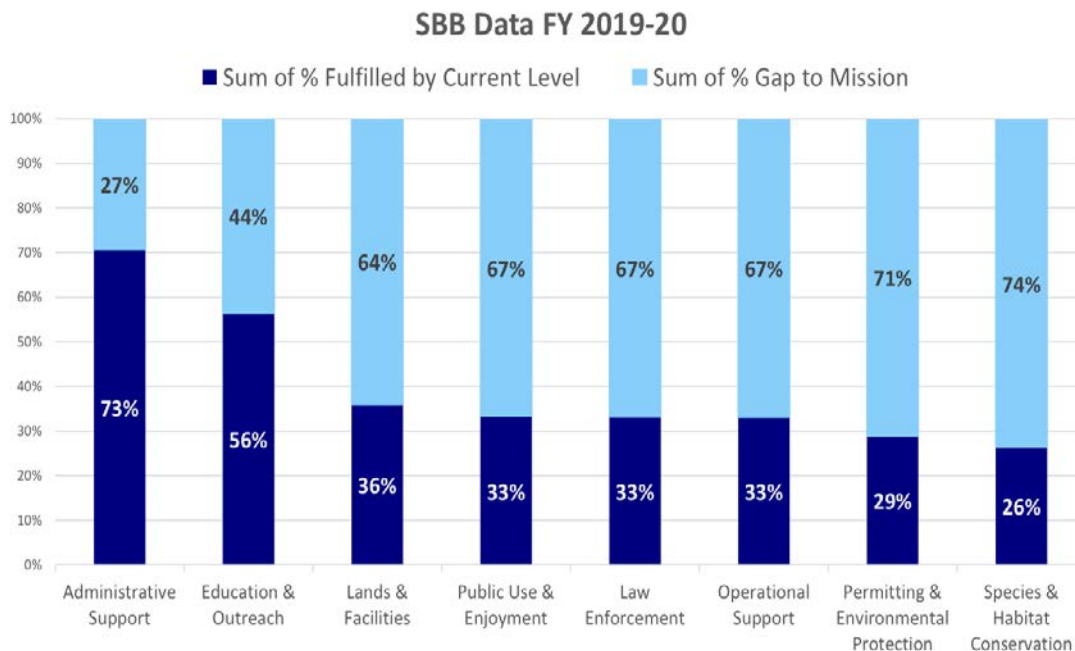
Service Based Budgeting (SBB). SBB is a task-based budgeting approach that describes the services the department provides and informs budgeting and operational approaches by identifying current staffing at the task level, projected staffing needs to meet its mission, operational improvement actions that may reduce costs, and revenue sources supporting specific activities.

SBB is a budgeting approach that identifies the tasks needed to accomplish the department’s mission. This review helps inform future budgets based on staff time needed to complete these tasks. The SBB approach is task-based, labor-focused, and organized by CDFW’s services to the public. The SBB organizes CDFW into eight service areas, reflecting its core programs:

- Public use and enjoyment
- Species and habitat conservation
- Permitting and environmental protection
- Lands and facilities
- Law enforcement
- Education and outreach
- Operational support
- Administrative support

CDFW’s comprehensive SBB data compared what the department currently (at the time) does to meet its mission.

Services displayed by least gap to mission to greatest gap to mission as percentage of a whole



Source: CDFW

The SBB data from 2019-20 demonstrated that the department was under-resourced to meet its mission. On the whole, the data suggested that the department required three times its current level (at the time) of staffing to meet its mission. According to CDFW, since the SBB findings, the department has

increased its staffing levels by approximately 13 percent. (From 2019-20 2,861.9 to 2025-26 3,232 positions.)

CDFW Programs. CDFW administers the following programs:

Biodiversity Conservation Program. This program encourages the preservation, conservation, maintenance, and restoration of wildlife resources, including the Ecosystem Restoration Program, under the jurisdiction and influence of the state. Activities involve the conservation, protection, and management of fish, wildlife, native plants, and habitat to ensure maintenance of biologically sustainable populations of those species.

Hunting, Fishing, and Public Use Program. This program facilitates diverse and sustainable hunting, fishing (recreational and commercial), trapping, and other public uses, and associated economic benefits to the state by conserving and managing game species. Activities include collection and assessment of information on the distribution and abundance of game fish and wildlife to determine appropriate regulations (bag limits, gear restrictions, etc.) and to monitor the effects of those regulations.

Management of Department Lands and Facilities Program. The program manages department-owned or leased lands and facilities, including hatcheries, wildlife areas, ecological reserves, fish and wildlife laboratories, and public access areas, to contribute to the conservation, protection, and management of fish and wildlife.

Enforcement. This program serves the public through law enforcement, public safety, and hunter education. Law enforcement promotes compliance with laws and regulations protecting fish and wildlife resources; and investigates habitat destruction, pollution incidents and illegal commercialization of wildlife. Wardens also serve the public through general law enforcement, mutual aid and homeland security.

Communications, Education, and Outreach Program. This program minimizes damage and environmental impacts to, restore, and rehabilitates California's fish and wildlife populations and ehir habitats from the harmful effects of oil and other deleterious material spills in marine waters and inland habitats.

Fish and Game Commission. The California Fish and Game Commission ensures the long term sustainability of California's fish and wildlife resources by guiding the ongoing scientific evaluation and assessment of the state's fish and wildlife resources; setting the state's fish and wildlife resource management policies and ensuring these are implemented by the department; establishing appropriate fish and wildlife resource management rules and regulations; and building active fish and wildlife resource management agencies.

(Continue onto next page)

Proposition 4: Climate Bond. The Governor’s budget includes the following Proposition 4 proposals that would be administered by CDFW in 2025-26:

- Coastal Resilience
 - \$24 million for island ecosystems; fisheries; kelp ecosystems (Bond total: \$75 million; PRC Section 92050).
 - \$5 million for hatchery upgrades, Central Valley Chinook salmon (Bond total: \$25 million; PRC Section 92070).
- Park Creation and Outdoor Access
 - \$11 million to CNRA and CDFW for projects reducing climate impacts on disadvantaged communities and expanding outdoor recreation (Bond total: \$200 million; PRC Section 94020)

Proposition 4 includes a total of \$1.2 billion for Coastal Resilience and \$700 million for Park Creation and Outdoor Access.

3340 CALIFORNIA CONSERVATION CORPS (CCC)

Issue 13: CCC Overview

The CCC provides young individuals the opportunity to work hard responding to fires, floods, and other disasters, restoring the state’s environment, and installing clean energy and energy conservation measures at public facilities. Through their service, the Corpsmembers gain life, work, and academic skills to become strong workers and citizens.

In addition to the CCC, there are also 14 local conservation corps located in metropolitan communities throughout the state that are annually certified by the CCC, and engage young people in conservation, recycling, education, and training activities. Because the CCC’s programs drive a need for infrastructure investment, the CCC has a capital outlay program to support this need. The figure below shows the Governor’s 3-year plan for expenditures and positions at CCC:

3-YEAR EXPENDITURES AND POSITIONS †

	Positions			Expenditures		
	2023-24	2024-25	2025-26	2023-24*	2024-25*	2025-26*
2360 Training and Work Program	445.1	500.2	503.2	\$184,097	\$207,102	\$167,056
TOTALS, POSITIONS AND EXPENDITURES (All Programs)	445.1	500.2	503.2	\$184,097	\$207,102	\$167,056

Source: Department of Finance. *Dollars in thousands.

CCC Program: Training and Work Program. CCC’s training and work program include the following:

Natural Resource Work. Corpsmembers protect and enhance the state’s natural resources through park development, trail construction, tree planting, fire hazard reduction, watershed improvement, wildlife habitat enhancement, removal of non-native vegetation, meadow restoration, energy and water auditing and retrofitting, irrigation system installation, and drought-tolerant and other landscaping.

Disaster Response. Corpsmembers are dispatched to fires, assisting with initial attack, mop-up and logistical support; floods, filling sandbags, reinforcing levees and stabilizing hillsides; earthquakes, removing hazards and staffing disaster assistance centers; oil spill clean-up; snow-removal; search and rescue operations; pest infestation eradication; and homeland security assistance.

Corpsmember Education. Corpsmembers are provided opportunities to advance their academic skills while in the CCC through local adult and charter schools and community colleges.

Corpsmember Development and Training. The CCC stresses the development of both a work and service ethic, which includes teamwork, self-discipline, leadership, and giving back to the state. Corpsmembers learn conservation principles and career planning. The CCC also offers training in trail building, first aid, Hazardous Waste Operations and Emergency Response, and firefighting certification, which can lead to internship opportunities with various employers in the state.

Corpsmember Career Pathways. The CCC dedicates resources to help Corpsmembers transition out of the program to meaningful career pathways, such as higher education, trade schools, apprenticeships, careers with local/state/federal agencies, and to apply their skill sets and build financial independence.

Proposition 4: Climate Bond. The Governor's budget includes the following Proposition 4 proposals that would be administered by CCC in 2025-26:

- Wildfire and Forest Resilience
 - \$10 million for demonstrated jobs projects (Bond total: \$50 million; PRC Section 91545(a)).

Proposition 4 includes a total of \$1.5 billion for Wildfire and Forest Resilience.

3540 DEPARTMENT OF FORESTRY AND FIRE PROTECTION (CALFIRE)

Issue 14: CalFire Overview

CalFire provides hazard — fire, medical, rescue, and disaster — emergency response to the public and provides leadership in the protection of life, property, and natural resources in the state. The department safeguards the public through: engineering, research, development, and adoption of regulations, fire and life safety programs, fire prevention, law enforcement, public information and education, resources protection, and emergency response.

CalFire limits the damage caused by fires, disasters, environmental degradation, and related emergencies by employing efforts such as training for the state’s fire service professionals, public education and prevention awareness, responsible stewardship of natural resources, and natural resource and emergency management. Because CalFire’s programs drive a need for infrastructure investments, the department has a capital outlay program to support this need.

The figure below shows the Governor’s 3-year plan for expenditures and positions at the department.

3-YEAR EXPENDITURES AND POSITIONS †

		Positions			Expenditures		
		2023-24	2024-25	2025-26	2023-24*	2024-25*	2025-26*
2461	Office of the State Fire Marshal	228.6	224.6	225.6	\$70,191	\$59,223	\$61,887
2465	Fire Protection	10,275.1	10,752.6	11,436.1	3,476,658	3,863,925	3,797,291
2470	Resource Management	567.8	569.7	570.7	937,759	314,633	466,558
2475	Board of Forestry and Fire Protection	10.9	10.9	10.9	4,240	3,974	3,990
2480	Department of Justice Legal Services	-	-	-	6,828	6,828	6,828
9900100	Administration	917.7	964.7	1,045.7	202,422	200,571	215,314
9900200	Administration - Distributed	-	-	-	-202,060	-200,210	-214,944
TOTALS, POSITIONS AND EXPENDITURES (All Programs)		12,000.1	12,522.5	13,289.0	\$4,496,038	\$4,248,944	\$4,336,924

Source: Department of Finance. *Dollars in thousands.

CalFire’s budget and staffing have increased substantially in recent years. In March 2024, the LAO estimated that CalFire’s total base wildfire protection budget had nearly tripled over the past ten years (from \$1.1 billion in 2014-15 to \$3 billion in 2023-24).

CalFire’s overall budget also had increased, with its combined budget for fire protection, emergency fire suppression, and resource management and fire prevention more than doubling over the past ten years (from \$1.7 billion in 2014-15 to \$3.7 billion in 2023-24). Correspondingly, CalFire’s staffing levels also have increased significantly over the past decade. Specifically, between 2014-15 and 2023-24, the number of positions that CalFire categorizes as related to fire protection increased from 5,756 to 10,275, and the total number of positions at the department grew from 6,632 to 12,000 (representing roughly an 80 percent increase in both cases).

The 2024 Budget Act included a budget change proposal to begin implementation of a shift to a 66-hour workweek for its firefighters. The costs of this action increases in the current year and in coming years as CalFire phases in the changes, rising to \$770 million (\$756 million from General Fund) on an ongoing annual basis and 2,457 permanent positions by 2028-29.

CalFire is not subject to the Governor's efficiencies cuts.

CalFire Programs.

Office of the State Fire Marshal (OSFM). OSFM is comprised of six divisions:

- *Code Development and Analysis.* This division is responsible for the development and adoption of codes relating to fire and life safety used statewide by architects, engineers, design professionals, and the local fire and building authorities.
- *Fire and Life Safety.* This division is responsible for applying laws and regulations related to fire prevention and life safety in state-owned and state-occupied facilities.
- *Fire Engineering and Investigations.* This division's primary functions include licensing, product approval, fire/explosion investigations, and illegal fireworks enforcement and disposal.
- *Pipeline Safety.* This division ensures the safe construction, operation, and maintenance of approximately 5,400 miles of intrastate hazardous liquid pipelines that transport crude oil, refined products (e.g. gasoline, diesel, and jet fuel), and Highly Volatile Liquids through populated urban areas, ecologically sensitive areas, and other high consequence areas.
- *State Fire Training.* This division administers the California Fire Service Training and Education System and the Fire Service Training and Education Program for federal, state, and local firefighters.
- *Wildfire Planning and Engineering.* This division will be transitioning into the new Community Wildfire Preparedness and Mitigation Division established by AB 9 (), Chapter 225, Statutes of 2021.

Fire Protection. CalFire provides fire protection to keep damages to life, property, and natural resources within social, political, and economic constraints. The objective is to attack fires quickly and aggressively in areas where CalFire has assumed primary direct protection responsibility by virtue of law, contract, or agreement until the fire is under control.

- *Fire Prevention.* This program is responsible for implementation of the Strategic Fire Plan, fire engineering, law enforcement, fire suppression cost recovery, and fire prevention education. This program focuses on the most effective methods, materials, and procedures to mitigate hazard to enforce pertinent laws that deter and mitigate fires. More specifically, efforts focus on what needs to be done before a wildland fire starts to reduce the costs of firefighting, property loss, injury to the public and firefighters, and damage to the environment.
- *Fire Control.* The objective of this program is to detect, respond to, and suppress wildland fires in or threatening the State Responsibility Area. The heart of the effort is an aggressive initial attack strategy. CalFire's goal is to contain 95 percent of all wildfires to ten acres or less. This is achieved through detection, ground attack, air attack, and mutual aid using fire engines, fire crews, bulldozers, helicopters, and fixed wing aircraft.

- *Cooperative Fire Protection.* CalFire provides a full range of fire protection services to local, county, state, and federal agencies throughout the state through the administration of over 100 cooperative fire protection service agreements. Additionally, there are six long-standing agreements wherein countries provide wildland fire protection on behalf of the department.
- *Conservation Camps.* CalFire, in cooperation with the Department of Corrections and Rehabilitation, operates 30 conservation camps throughout the state with capacity to house 152 fire crews. CalFire operates seven permanent Fire Centers, six seasonal Fire Centers, and one Parole Training Center with the California Conservation corps throughout the state that house 28 fire crews. CalFire also operates in conjunction with the California National Guard to staff seven Fire Centers with a total of 10 fire crews. Additionally, CalFire is currently authorized to operate 16 CalFire Firefighter Crews located at seven different Fire Centers. These crews are available to respond to all types of emergencies, including wildfires, floods, search and rescue, and earthquakes. When not responding to emergencies, the crews engage in hazardous fuels reduction, conservation related work projects, and prescribed fire project work to protect the community and resources of the state.
- *Emergency Fire Suppression.* CalFire incurs additional fire suppression expenditures when budgeted initial attack forces are unable to cope with a wildland fire within the initial attack period. Portions of these costs may be reimbursed in the fiscal year the expense was incurred or in a future fiscal year via Fire Management Assistance Grants provided by the Federal Emergency Management Agency or through cost shares provided by other government entities. In addition, CalFire may recover portions of this cost through civil cost recovery actions.

Resource Management. California's state and private forest range, watershed lands, and urban forests provide multiple human, climate, and environmental benefits. The objective of this program is to maintain and enhance those benefits and to minimize damage to these resources from natural catastrophes and human development. Objectives are met by regulation of timber harvesting, coordination with climate and forest restoration related activities for the forest sector, technical assistance to non-industrial landowners, operation of state demonstration forests, operation of forest nurseries, vegetation management projects, and administration of federal forestry assistance programs.

- *Resources Protection and Improvement.* The objective of this program is to improve forest lands and urban forests through activities, such as: forest restoration through fuels reduction and fire reintroduction; the detection, evaluation, and control of forest pests; growing and selling tree seedlings for restoration, carbon sequestration; and, soil erosion control.
- *Forest Practice Regulations.* The objective of this program is to maximize sustained production of high-quality timber products while protecting soil, water, wildlife, recreation, and other values associated with forest land. Forest Practice activities include the review and permitting of commercial timber harvesting operations on nonfederal timber's lands, enforcing state forest practice laws and regulations, and monitoring compliance and the effects of timber operations on forest productivity, water quality, watersheds, soils, botanical resources, wildlife, fisheries, greenhouse gases, and other environmentally sensitive resources.
- *Forest Resource Inventory and Assessment.* The objective of this program is to perform a periodic assessment of the state's forest and rangeland resources. Activities include maintaining and distributing mission-critical datasets for fire planning, providing emergency incident support, and meeting certain regulatory requirements.

- *Professional Foresters Registration Program.* The Office of Professional Foresters Registration is a program within the Board of Forestry and Fire Protection. The program is responsible for the licensing and regulation of all persons who practice forestry on non-federal, state, and private lands. The program also licenses “certified specialties” of forestry, with the single certified specialty currently being Certified Rangeland Managers.

Board of Forestry and Fire Protection. The Board of Forestry and Fire Protection is a Governor-appointed body within CalFire. The Board is responsible for developing the general forest policy of the state, determining the guidance policies of the department, and representing the state’s interest in federal forests in California. The Board’s statutory responsibilities include:

- Establishing and administering forest and rangeland policy of the state;
- Protecting and representing the state’s interest in all forestry and rangeland matters;
- Providing direction and guidance to the Director of CalFire on fire protection and resource management;
- Delivering a comprehensive regulatory programs for forestry and fire protection; and,
- Conducting its duties to inform and respond to the people of California.

Department of Justice Legal Services. The objective of this program is to account for the cost of legal services provided by the Department of Justice to CalFire.

Administration. Departmental administration provides executive leadership, policy direction, and a variety of program support services necessary for the successful performance of the department’s mission. CalFire headquarters provides leadership through the executive office and through central services in accounting, budgeting, business services, legal, Human Resources, information technology, program accountability, and program and systems analysis. CalFire field units provide localized general support services throughout the state.

Recent Actions. 66-Hour Workweek. The 2024 Budget Act included \$199 million (\$197 million General Fund) and 338 positions in 2024-25 to begin implementing a shift to a 66-hour workweek as contemplated in the 2022 Memorandum of Understanding with Unit 8. The costs will increase in the coming years as CalFire phases in the changes, rising to \$770 million (\$756 million from the General Fund) on an ongoing annual basis and 2,457 permanent positions by 2028-29. Expenses include:

- Salaries and benefits for adding new firefighter and other wildfire response-related positions;
- Salaries and benefits for adding new support staff, including administrative personnel and maintenance staff;
- Additional overtime (including both scheduled and unplanned) for firefighters and other wildfire response-related classifications;
- 235 new vehicles, as well as costs for vehicle leases, maintenance, radios, and equipment;
- Various augmented aerial support-related contracts, such as for contracted pilots and mechanics at airbases;
- One-time special repair funding to address maintenance needs at CalFire facilities;
- Training center costs; and,
- Proportional funding for contract counties.

The 2024 Budget Act included provisional language to Item 3540-001-0001 providing contracting efficiencies to support implementation of the 66-Hour Workweek and trailer bill language requiring CalFire to report on or before March 1 of each year to certain committees of the Legislature and the

Legislative Analyst’s Office regarding CalFire’s wildfire prevention and resilience work of the previous fiscal year, as specified.

Five Firefighter Hand Crews. The 2024 Budget Act included: \$46.8 million (\$46.4 million General Fund and \$373,000 other funds) and 226 positions in 2024-25; and \$44.5 million (\$43.8 million General Fund and \$731,000 other funds) and 234 positions in 2028-29 and ongoing, phased in over five years with varying amounts in the intermediate years to provide vegetation management, hazardous fuel reduction projects, and wildland fire suppression. This action provided funding to make permanent five existing temporary CalFire firefighter hand crews. The five crews include a mix of year-round and seasonal staff. The budget also included provisional language in Item 3540-001-0001 for \$2.6 million General Fund to support deferred maintenance and special repair projects at existing CalFire facilities to accommodate additional hand crews.

Additional CalFire Training Center: New Facility. The 2024 Budget Act included a total of \$31.6 million General Fund one-time for the acquisition of property on which to construct a new training center for CalFire on approximately 115 acres. The administration stated that a future project will be proposed to fully develop the remainder of the property after the initial project is complete.

Fire Hazard Severity Zones Map Update. In February 2025, the Office of the State Fire Marshal began releasing updated Fire Hazard Severity Zones for Local Responsibility Area maps for local jurisdictions. The previous maps were released from 2007 through 2011. In these jurisdictions, city or county fire departments are first responders and enforce fire safety rules.

The release of updated Fire Hazard Severity Zones for Local Responsibility Area maps identify new areas where new development is required to adhere to the strictest standards of wildfire-resilient building codes and land use planning. These new zones and maps add approximately 1.4 million new acres of land into the two higher tiers of fire hazard severity — “High” or “very high” designated areas, which are subject to the strictest standards for wildfire-resilient buildings. The new maps designate 1.16 million acres as “high” and an additional 247,000 acres as “very high.”

The release of these updated zones and maps, which are expected to be released one region at a time, began in Northern California. The release begins a 120-day clock for local governments to adopt local ordinances incorporating the State Fire Marshal’s recommendations.

(Continue onto next page)

Proposition 4: Climate Bond. The Governor’s budget includes the following Proposition 4 proposals that would be administered by CNRA in 2025-26:

- Wildfire and Forest Resilience
 - \$60 million for regional projects (Bond total: \$128 million; PRC Section 91520(b)).
 - \$82 million for the Forest Health Program (Bond total: \$175 million; PRC Section 91520(c)).
 - \$59 million for local fire prevention grants (Bond total: \$185 million; PRC Section 91520(d)).
 - \$3 million for a fire training center (Bond total: \$25 million; PRC Section 91520(e))
 - \$10 million for fuel reduction, structure hardening, defensible space, reforestation, and acquisitions (Bond total: \$50 million; PRC Section 91520(g)).
 - \$0 for fire ignition detection technology (Bond total: \$25 million; PRC Section 91535).

- Extreme Heat
 - \$500,000 for urban forests (Bond total: \$50 million; PRC Section 92540).

Proposition 4 includes a total of \$1.5 billion for Wildfire and Forest Resilience and \$450 million of Extreme Heat.

Issue 15: Forester Registration Program Fee Increase (Trailer Bill Language (TBL)) (GB)

Governor's Proposal. The Governor's budget requests the inclusion of TBL to increase the statutory limits of the Office of Professional Foresters Registration's (Office) fee schedule, as follows:

- From \$200 to \$600 for application fees for registration
- From \$250 to \$750 for certificate of specialization fees and registration renewal fees
- From \$25 to \$75 for duplicate displays of registration and certificates of specialization
- From \$25 to \$75 for penalty of failing to renew registration
- From \$50 to \$150 for reinstatement of registration or certification

These fees have not been revised for over 30 years. CalFire intends for the proposed TBL to provide a long-term solution for the Professional Forester Registration Fund while the Board of Forestry and Fire Protection and the Administration continue to address, through license outreach and fee increases, the decline in revenue, which has led to the structural imbalance of the Professional Forester Registration Fund.

The request to increase the fee range in statute comes in preparation for a wave of retirements among current registered professional foresters. According to self-reported data to the Office, 40 percent of all Registered Professional Foresters in the state have been licensed for 30 years or more; 27 percent of all Registered Professional Foresters identify themselves as being retired, yet continue to pay dues to support the program.

Background. Professional Foresters. California's Professional Foresters Law became effective on January 1, 1973. The Professional Foresters Law outlines the guiding principles and responsibilities of Registered Professional Foresters, including licensing. This law authorizes the Board of Forestry and Fire Protection, via the Office of Professional Foresters Registration, to collect fees for certain responsibilities, including examination and licensing, and establishes the maximum amount of fees that may be collected for these responsibilities.

Professional Foresters are trained experts in forest management, and are responsible for the sustainable use, conservation, and health of forests. Historically, foresters in California focused on timber harvesting. Their role has evolved over time and their expertise plays a role in wildfire prevention, forest resilience, and watershed management efforts. Foresters are a key player in fuels reduction projects, such as forest thinning and prescribed fire. They also assist in soil health and erosion control projects, along with habitat restoration projects.

Currently, expenses related to grading, development, and administration of Registered Professional Foresters examinations exceed the application fee revenue paid by exam applicants by over \$200 per application.

In 2023-24, this led to an approximately \$17,000 cost to the Professional Forester Registration Fund on a \$35,000 operating expense in the budget, thereby placing a fiscal drag on this fund for every examination that the Office performs. Increasing the range of fees will allow regulatory fee changes so the fund can be increased as necessary. Specifically, the exam application fee increase will allow the Board to recoup a current loss of over \$200 per application.

Staff Recommendation. Hold open.

Issue 16: Exclusive Use Aircraft Contract Increase (GB)

Governor’s Proposal. The Governor’s budget requests to amend the amount included within existing provisional language in Item 3540-006-0001, which waives specified state contracting requirements to enable CalFire to contract for Exclusive Use aircraft to quickly address emergency fire conditions and support fire suppression operations. CalFire requests that the current threshold of \$27.5 million, which was originally approved in the 2021 Budget Act, be increased to \$65 million based on a historical average methodology.

Requested Budget Bill Language:

Item 3540-006-0001

X. The Department of Forestry and Fire Protection is exempted from any applicable law requiring competitive bidding or the supervision or approval of another department or agency of state government for the procurement of or contracting with vendors for exclusive use aviation aircraft, up to an aggregate annual contractual amount of \$65,000,000, to meet emergency fire suppression operational needs as described in Provision 1 of this item. Notwithstanding the foregoing, the Department shall include information regarding contracts executed under this authority within the quarterly reports specified in Provision 2 of this item.

The increase is intended to allow CalFire flexibility to contract with EU aircraft quickly to support its fire suppression operations. CalFire has a goal of keeping response times within 20 minutes and 95 percent of fires at ten acres or less.

Background. CalFire, along with other wildland firefighting agencies nationwide, utilize the same limited pool of contract aerial firefighting resources during major fires and periods of dangerous wildfire conditions. At times when the western United States is facing dangerous fire conditions, competition for these limited resources is high.

CalFire secures private assets to ensure adequate resources are available under the state’s control when the need arises. This is done through two separate processes: (1) the Exclusive Use (EU) full contracting process, and (2) Call When Needed (CWN) done through emergency authority. The department contracts with vendors that support firefighting aircraft that provide fire suppression in the crucial beginning stages of a wildfire. An EU ties a specific vendor exclusively to the department for a designated period.

CWN provides an increase in support aircraft as they are utilized on individual wildland fires via emergency authorities and are not intended to be reserved for any duration of time. As such, these CWN contractors do not specifically tie these aircraft to CalFire, and they can be called away or receive an EU contract with another entity or firefighting agency thereby rendering them “unavailable” for use and control by CalFire.

The challenge CalFire faces through the state contracting process of competitive bidding for EU contracts is the specific requirements for advertising and bidding. These standard processes can take in excess of 120 days to execute the full contract. CalFire has historically entered into these agreements once a State of Emergency has been declared, relieving CalFire of the standard contracting requirements of advertising and bidding.

The 2021 Budget Act added EU aircraft provisional language to Item 3540-006-0001 waiving specified state contracting requirements. The language enabled CalFire to contract for EU aircraft quickly, up to

certain thresholds, to address emergency fire conditions and support fire suppression operations. Additionally, this language exempted CalFire from applicable provision of law requiring competitive bidding or the supervision or approval of another department or agency of state government for the procurement of or contracting with vendors for EU aviation aircraft, up to an aggregate annual contractual amount of \$27.5 million, to meet emergency fire suppression operational needs.

The 2022 Budget Act included \$45 million each year for three years, starting in fiscal year 2022-23, to supplement the department's air operations until the C130s are received. CalFire is requesting to amend the threshold amount in the provisional language based on a two-year average of EU actual expenditures from those appropriations and a three-year average of the EU Emergency Fund actual expenditures.

CalFire spent an average of \$26.7 million from 2021-22 to 2023-24 against the original \$27.5 million provisional language approved amount from the 2021 Budget Act, while spending an average of \$38.2 million from 2022-23 to 2023-24 against the \$45 million approved amount from the 2022 Budget Act for contracting EU firefighting aircraft. The \$65 million figure in this request is calculated using the total actual averages from both sources of funding.

Staff Recommendation. Hold open.