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VOTE-ONLY

0540 CALIFORNIA NATURAL RESOURCES AGENCY (CNRA)
3125 CALIFORNIA TAHOE CONSERVANCY
3340 CALIFORNIA CONSERVATION CORPS
3480 DEPARTMENT OF CONSERVATION
3540 DEPARTMENT OF FORESTRY AND FIRE PROTECTION
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3855 SIERRA NEVADA CONSERVANCY
3860 DEPARTMENT OF WATER RESOURCES
3875 SACRAMENTO-SAN JOAQUIN DELTA CONSERVANCY

Issue 1: CNRA Bond and Technical Proposals

Governor's Proposal. The Governor's budget requests for appropriations and reappropriations from various bonds, reversions, reversions with associated new appropriations, and other non-bond technical adjustments to continue implementation of existing authorized program.

Staff Recommendation. Approve as budgeted.

0540 CALIFORNIA NATURAL RESOURCES AGENCY (CNRA)**Issue 2: Wildfire and Forest Resilience Task Force (SB 456)**

Governor's Proposal. The Governor's budget requests \$2.483 million in General Fund for 2022-23 and \$1.477 million ongoing, and four positions (two at CNRA and two at CalFire) to support the operations of the Task Force and to fulfill the goals of SB 456 (Laird), Chapter 387, Statutes of 2021, which codifies the Governor's Wildfire and Forest Resilience Action Plan in statute.

These positions will 1) manage and facilitate the work of more than a dozen work groups and related committees, quarterly regional forums, an interagency team, a Science Advisory Panel; 2) track the 99 deliverables in the Action Plan; 3) coordinate the work of more than 50 federal, state, local, and tribal agencies involved in the Task Force; and 4) develop and implement a comprehensive communications strategy, including development of the annual reports required by SB 456.

Staff Recommendation. Approve as budgeted.

3125 CALIFORNIA TAHOE CONSERVANCY

Issue 3: Americans with Disabilities Act (ADA) Site Improvements

Governor's Proposal. The Governor's budget requests a one-time General Fund appropriation of \$1.025 million for small projects needed to meet current ADA and California Building Code standards. The minor improvements, at three separate Conservancy developed recreational facilities, are necessary upgrades to create safe and equitable public access to the facilities. The three separate recreational facilities are in one project area on the north shore of Lake Tahoe all with similar needed minor improvements.

Staff Recommendation. Approve as budgeted.

Issue 4: Minor Capital Outlay

Governor's Proposal. The Governor's budget requests \$980,000 (\$480,000 from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 (Proposition 84) and \$500,000 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Proposition 50)) for various minor capital outlay projects. These projects involve stabilizing and improving previously acquired property, including reducing forest fuels, ensuring public safety, and completing upgrades on developed facilities. The current project schedule estimates these projects will begin July 1, 2022 and will be completed in June 2023.

Staff Recommendation. Approve as budgeted.

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

Governor's Proposal. The Governor's budget requests \$500,000 in habitat conservation fund authority to study restoration and recreation opportunities and complete environmental review for the Upper Truckee River Sunset Stables Reach 6 Restoration Project.

As part of the Project Study phase, the Conservancy will study restoration and recreation opportunities and complete environmental review for restoring a degraded section of the Upper Truckee River (River) and adjacent floodplain. The project will 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 will 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 conservancy estimates total project costs at \$2.7 million, including Project Study (\$500,000), Preliminary Plans (\$200,000), Working Drawings (\$200,000), and Construction (\$1.8 million). The Construction amount includes \$1.3 million for the construction contract, \$130,000 for contingency, \$100,000 for architectural and engineering services, \$90,000 for agency retained items, and \$180,000 for other project costs. The conservancy will complete the Project Study phase in late 2023 and will begin work on Preliminary Plans in July 2024. The conservancy will initiate Working Drawings in July 2025 and Construction in 2026.

Issue 6: Conceptual Feasibility Planning

Governor's Proposal. The Governor's budget requests \$600,000 Safe Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 (Proposition 84) for conceptual and feasibility planning for future watershed improvements and forest health and fuels reduction capital outlay projects. The conservancy will use this funding to hire both outside contractors and for existing conservancy staff to carry out the planning work. Investigations will focus on conservancy ownerships in key watersheds, several potential lakefront access points, and other sites requiring restoration and improvements, as well as forest health and fuels reduction which mitigates wildfire risk to communities.

Staff Recommendation. Approve as budgeted.

3340 CALIFORNIA CONSERVATION CORPS (CCC)

Issue 7: Equipment Replacement

Governor's Proposal. The Governor's budget requests \$7.305 million one-time General Fund in 2022-23 to replace 114 vehicles. This would enable the CCC to meet its operational needs, minimize health and safety concerns related to crew transportation, and replace its aging fleet with newer, more fuel-efficient vehicles. The CCC's vehicle replacement plan is consistent with Executive Order (EO) B-16-12, and State Administrative Manual (SAM) Section 4100. Funds will be available for expenditure or encumbrance until June 30, 2024.

Background. In 2011, the Department of General Services (DGS) contracted with Mercury Consulting Services to audit all state department fleets and develop a plan to operationally balance the state's fleet. As a result, the CCC began to replace, standardize, and right size its fleet after a 2010-11 Budget Change Proposal (BCP) approved expenditure authority of \$2.91 million to purchase 34 crew carrying vehicles (CCVs) and 20 passenger vans, and \$1.43 million to purchase an additional 22 CCVs in FY 2011-12. The vehicle replacement plan timeframe proposed in the 2010-11 BCP was delayed due to Executive Order B-2-11 requiring departments to reduce its fleet size. In addition, unanticipated cost increases for the CCVs per specifications as finalized with assistance from the DGS Procurement Division increased the price of the CCVs from \$65,000 to \$100,700 per vehicle. Of the total 76 vehicles approved, CCC was only able to purchase 40. CCC received \$2 million in expenditure authority for 2012-13, plus expenditure authority from a re-appropriation from the two prior proposals to purchase the remaining 36 vehicles. CCC continued to move forward to eliminate aged, worn-out vehicles in 2013-14, spending \$1.15 million for the replacement of two pick-up trucks and the additional 18 pick-up trucks, three 15-passenger vans, and seven minivans for expansion crews funded through Propositions 39 and 40 and in 2014-15, spending \$1.06 million for 23 pick-up trucks, five 15-passenger vans, two stake-side trucks, one hybrid sedan, and five mid-size SUVs. The last augmentation approved for vehicle replacement was through 2016-17 BCP, which provided \$812,000 annually for three years to replace 90 vehicles in its fleet.

Staff Recommendation. Approve as budgeted.

Issue 8: Greenwood: New Residential Center

Governor's Proposal. The Governor's budget requests \$66.607 million General Fund for the construction phase to replace the existing Greenwood Residential Center (located in El Dorado County), which was constructed in the 1980s, to address structural and functional deficiencies.

Background. *Residential Center, Greenwood: New Residential Center – \$66,607,000 General Fund for the Construction Phase.* This 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. Facility will be designed based on the CCC's residential center needs and will accommodate about 100 permanent residential corpsmembers. Construction is scheduled to begin in November 2022 and will be completed May 2025.

Staff Recommendation. Approve as budgeted.

Issue 9: Mission Critical Resources

Governor's Proposal. The Governor's budget requests position authority for one Administrator Officer I (AOI), one Associate Governmental Program Analyst, two Conservationist I (CI), and one Fish Habitat Assistant for 2022-23 and ongoing to address critical staffing needs in the CCC to better serve and develop Corpsmembers. This proposal has a net zero fiscal impact.

Energy Corps Program. CCC is requesting position authority for two relief CI positions and one AOI position to meet the needs of the Energy Corps Program. Funding for the three positions will be absorbed through existing Energy GGRF expenditure authority. The proposed CI positions will provide Sacramento and Norwalk Energy Districts with relief crew supervision to cover staff illnesses and vacations, and to ensure continued crew operations, including conducting energy projects for sponsors and offering mentorship to Corpsmembers, while other staff are responding to emergencies.

The CCC is also requesting one AOI position to be located at the Sacramento Energy District. AOs are responsible for, among other things, ordering Corpsmember uniforms, PPE, and other necessary goods and materials; providing administrative support to Corpsmembers; and maintaining responsibility for the safety and supervision of special Corpsmembers working at the centers. AOs assist with ordering food and finding housing when Corpsmembers work on spike projects (an estimated 85 percent of projects). The CIs utilize Procurement Cards to purchase meals, hotel rooms, tools, and materials for the Corpsmembers while Corpsmembers are engaged on spike projects. The one AOI that the Energy Corps Program has must enter and reconcile these transactions for four Energy locations across the state, which translates to a significant amount of workload for one position and additional coordination to work across the northern and southern regions of the state. Currently, there is a backlog of purchase orders and Procurement Card reconciliations, resulting in overtime and redirection of other Energy Corps staff. Late Procurement Card payments have resulted in challenges for completing critical project and emergency response purchasing, which negatively impacts the CCC's daily operations and ability to fulfill its mission. Funding for these three positions will be redirected from the existing Energy GGRF expenditure authority, for a net zero fiscal impact.

Staff Recommendation. Approve as budgeted.

Issue 10: Resource Realignment for Communication, Outreach, Recruitment, and Enrollment (CORE)

Governor's Proposal. The Governor's budget requests to convert 20.5 Full-Time Equivalent (FTE) Special Corpsmember positions to 11 permanent civil service staff positions to align resources with workload needs. CCC requests position authority for seven Staff Services Analysts, one Associate Governmental Program Analyst, one Graphic Designer I, one Information Officer I, and one Staff Services Manager I for 2022-23 and ongoing for CCC's Communications, Outreach, Recruitment, and Enrollment (CORE). This proposal has a net zero fiscal impact.

Background. CORE is experiencing several operational challenges, including frequent turnover and inefficiencies, because the Special Corpsmember (SPCM) positions have become unreliable, an issue that has been developing for the past four years. CCC will struggle to meet its recruitment goals unless the program has stability, and the skill sets of permanent staff positions. If approved, this request will

enhance the current service level with no fiscal impact.

CCC operates multiple targeted conservation programs. The CCC now has a total of 17 Wildland Firefighting crews and six Forestry Corps crews. Historically, some of these Corpsmember positions have been difficult to fill because of the location, physical fitness requirements, and the operational necessity of Corpsmembers working 24-hour shifts during weeks away from the center when fighting fires. These specialized crews were established to improve forest health, engage in fire prevention activities, and wildland firefighting. These activities help comprise the state's climate resilience strategy, and its emergency preparedness and response. Maintaining enrollment for existing crews, such as the Energy Corps, and amplifying outreach for the specialized crews have created an increased demand on the CORE program area. It has also intensified the short and long-term need for workload efficiency to reach program enrollment goals of close to 100 percent. These goals are not being met because of inefficiencies, turnover, and lack of skillsets that are necessary to maintain successful operations and high program enrollment.

Staff Recommendation. Approve as budgeted.

3540 DEPARTMENT OF FORESTRY AND FIRE PROTECTION**Issue 11: Office of the State Fire Marshal, Fire and Life Safety**

Governor's Proposal. The Governor's budget requests \$2.6 million reimbursement authority increase in 2022-23, \$2.2 million ongoing, and eight permanent positions to support the Office of the State Fire Marshal's (OSFM) Fire and Life Safety (FLS) Division's increased workload related to current and planned construction by the state, and infrastructure improvements outlined in the Budget Act of 2021.

Staff Recommendation. Approve as budgeted.

Issue 12: State Fire Training Enhancement Program

Governor's Proposal. The Governor's budget requests \$914,000 California Fire and Arson Training Fund in 2022-23, \$839,000 ongoing, and four positions for the OSFM's State Fire Training Division. This request will allow for adequate staffing and funding to support the operation needs to the program to administer the California Fire Service Training and Education Program.

Staff Recommendation. Approve as budgeted.

Issue 13: Capital Outlay Proposals

Governor’s Proposal. The Governor’s budget requests funding for the several capital outlay projects as noted on the chart below:

CalFire Capital Outlay Projects Proposed for 2022-23

(In Thousands)

Project	2022-23			Total Project Cost
	Amount	Fund Source	New or Continuing	
Statewide: Replace Communications Facilities, Phase V	\$37,266	GF	Continuing	\$41,618
Hemet-Ryan AAB: Replace Facility	33,661	LRB	Continuing	37,523
Prado HB: Replace Facility	21,831	LRB	Continuing	24,600
Lake/Napa Unit Autoshop and Warehouse: Replace Facility	19,713	GF	Continuing	22,917
Potrero Forest FS: Replace Facility	14,675	GF	Continuing	17,370
Chico AAB: Infrastructure Improvements	10,605	GF	Continuing	12,491
Shasta Trinity UH/Northern Operations: Relocate Facilities	6,288	GF	Continuing	109,759
Lake Napa UH and St Helena FS: Relocate Facility	5,000	GF	New	42,714
Intermountain Conservation Camp: Replace Facility	3,831	GF	Continuing	73,895
Humboldt-Del Norte UH: Relocate Facility	3,558	GF	Continuing	57,317
Paso Robles AAB: Infrastructure Improvements	3,277	GF	Continuing	3,859
South Tahoe FS: New Facility	3,000	GF	New	16,680
Hollister AAB/Bear Valley HB: Relocate Facility	2,131	GF	Continuing	53,550
Minor Projects	2,068	GF	New	2,068
North Tahoe FS: New Facility	2,000	GF	New	15,680
Tehama Glenn UH: Relocate Facility	1,500	GF	New	63,720
Columbia HB: Replace Facility	1,228	GF	New	17,435
Howard Forest HB: Replace Facility	1,228	GF	Continuing	17,885
Higgins Corner FS: Replace Facility	789	GF	Continuing	12,029
Bear Valley FS: Relocate Facility	750	GF	New	9,594
Macdoel FS: Relocate Facility	586	GF	Continuing	11,879
Wilbur Springs FS: Relocate Facility	150	GF	New	12,214
L.A. Moran Reforestation Center Improvements	50	GF	New	5,826

Self-Generating Power in Tehama-Glenn and Fresno-Kings Units	50	GF	New	30,100
Totals	\$175,235			\$712,723

CalFire = California Department of Forestry and Fire Protection; GF = General Fund; AAB = Air Attack Base; LRB = lease-revenue bonds; HB = Helitack Base; FS = Fire Station; and UH = Unit Headquarters.

Source: Legislative Analyst's Office (LAO)

Staff Recommendation. Approve as budgeted.

Issue 14: Enhanced Industrial Disability Leave (SB 334 and SB 1144)

Governor's Proposal. The Governor's budget requests \$13.8 million General Fund starting in 2022-23 and use of a four-year average methodology to annually adjust baseline funding consistent with the utilization of this benefit to support the overtime costs resulting from the implementation of SB 334 (Dodd), Chapter 857, Statutes of 2017, and SB 1144 (Dodd), Chapter 897, Statutes of 2018.

Background. SB 334 (Dodd). SB 334 extends enhanced industrial disability leave to state employees who are members of Bargaining Unit 8 (i.e. CalFire firefighters). SB 334 amends Government Code Section 19871 and adds Section 19871.3, which entitles a member of BU 8 who is temporarily disabled in the course of state employment for more than 22 days the enhanced industrial disability leave benefit based on his or her net salary for up to 52 weeks, or up to 156 weeks in the event that the injury is burn-related. Therefore, the requirements that the injury or illness be serious in nature, specifically related to an incident as opposed to a cumulative trauma or presumptive injury, and meet specific criteria for the activity the employee was engaged in during the injury have been eliminated. SB 334 entitles these same BU 8 employees to the enhanced benefit irrespective of any specific injury criteria.

SB 1144 (Dodd). SB 1144 provides a Bargaining Unit 8 state firefighter who is on Enhanced Industrial Disability Leave (with any pay raises received by active state firefighters).

Staff Recommendation. Approve as budgeted.

Issue 15: Firefighters Procedural Bill of Rights Act (SB 206)

Governor's Proposal. The Governor's budget requests \$1.1 million General Fund and four positions starting in 2022-23, to satisfactorily address the increased workload and fiscal impacts resulting from the implementation of SB 206 (McGuire) Chapter 722, Statutes of 2021.

Background. SB 206 (McGuire). SB 206 applies the Firefighters Procedural Bill of Rights (FBOR) to seasonal temporary appointment firefighters. FBOR was enacted in 2007, prescribing enhanced employment rights to tenured firefighters regarding political activities, interrogations, punitive actions, and administrative hearings following discipline. The FBOR was enacted to mirror the Peace Officer Bill of Rights, which provided enhanced employment rights to peace officers. While CalFire extends certain rights related to interrogation and investigations to all CalFire employees, the right to a full evidentiary hearing was not extended to temporary, seasonal employees prior to the enactment of SB 206.

Staff Recommendation. Approve as budgeted.

Issue 16: Office of Wildfire Technology Research and Development (SB 109)
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Governor’s Proposal. The Governor’s budget requests \$1.8 million General Fund in 2022-23, \$1.7 million ongoing, and seven positions to establish the Office of Wildfire Technology Research and Development, as specified by SB 109 (Dodd), Chapter 239, Statutes of 2021.

Background. SB 109 (Dodd). SB 109 establishes the Office of Wildfire Technology Research and Development within CalFire, as well as the Wildfire Technology Research and Development Review Advisory Board to conduct research and testing on emerging technologies to prevent, predict, and fight wildfires.

Staff Recommendation. Approve as budgeted.

3810 SANTA MONICA MOUNTAINS CONSERVANCY (SMMC)**Issue 17: Liberty Canyon Wildlife Crossing**

Governor's Proposal. The Governor's budget requests \$10 million General Fund to advance completion of the Wallis Annenberg Wildlife Bridge construction project across the 101 Freeway and Agoura Road at Liberty Canyon in the city of Agoura Hills.

The California Department of Transportation (Caltrans) and the Mountains Recreation and Conservation Authority have entered into a Memorandum of Understanding for the design and construction of the structure, with funding already secured from numerous private donations (notably \$25 million from the Wallis Annenberg Foundation) to the National Wildlife Federation, and from Wildlife Conservation Board grants.

The \$10 million will be applied to complete the Phase 2 segment of the project crossing over the Agoura Road freeway frontage road. The wildlife bridge project is a longstanding collaborative project between the Santa Monica Mountains Conservancy, Caltrans, the Mountains Recreation and Conservation Authority, the National Park Service, and the National Wildlife Federation.

The project also supports both the State of California's and the federal government's 30 by 30 conservation initiatives. This project will preserve biodiversity across the region by re-connecting an integral wildlife habitat linkage, and most critically, help save a threatened local population of mountain lions from extinction. When complete, the vegetated crossing will be the largest in the world, the first of its size and conformation in California.

Staff Recommendation. Approve as budgeted.

3855 SIERRA NEVADA CONSERVANCY (SNC)

Issue 18: Sierra Nevada Conservancy Boundary Expansion (SB 208)

Governor’s Proposal. The Governor’s budget requests \$540,000 Environmental License Plate Fund in 2022-23, \$415,000 ongoing, and three positions to implement the new workload pursuant to SB 208 (B. Dahle), Chapter 182, Statutes of 2021, which modifies the regional boundary and service area of the Conservancy.

Background. *SB 208 (B. Dahle).* SB 208 adds 490,094 acres of Shasta County, 117,248 acres of Trinity County, and 733,266 acres of Siskiyou County to SNC’s defined Region, bringing the total acres to 26,937,668 acres. The addition of Siskiyou and Trinity counties increases the number of counties in the Region from all or part of twenty-two counties to all or part of twenty-four counties. Adding these areas to SNC’s Region allows SNC to expand funding and technical assistance through the Watershed Improvement Program to more of the state’s primary watershed and increase the pace and scale of science-based, ecological restoration of forests and watersheds, making them healthy and resilient in a changing climate.

SB 208 adds more of the Pit River watershed, along with watershed areas of the Upper Sacramento and McCloud rivers, to the Region. These three watersheds flow into Shasta Lake, the largest reservoir in California, which is also added to the Region. This bill also adds the upper watershed of the Trinity River and Trinity Lake to the Region. Trinity and Shasta Lake capture, store, and distribute water for the federal Central Valley Project, which provides California with water for drinking and irrigation and produces hydroelectric power. Shasta Lake delivers about 20 percent of California’s developed water supply. These lakes, their watersheds, and surrounding forests in Siskiyou, Shasta, and Trinity counties provide many ecosystem benefits and support an abundance of year-round tourism and recreational opportunities.

Staff Recommendation. Approve as budgeted.

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Issue 19: Wildfire and Forest Resilience Package and Related Community Wildfire Preparedness and Mitigation Package BCP

Governor’s Proposal. The Governor’s budget requests \$1.2 billion investment in forest health and fire prevention across two years, to build the state’s resilience to wildfires, while restoring critical watersheds and bolstering local economies.

This investment builds on the \$1.5 billion investment appropriated last session. This request includes \$800 million General Fund and \$400 million Greenhouse Gas Reduction Fund (GGRF) across two fiscal years, 2022-23 and 2023-24, with \$400 million General Fund and \$200 million GGRF annually.

The chart on the next page provides an overview of the Governor’s Wildfire and Forest Resilience Package with a description following.

Wildfire & Forest Resilience Expenditure Plan
(Dollars in Millions)

Investment Category	Department	Program	Early Action 2020-21	2021-22	2022 Governor's Budget Multi-Year Package		Total
					2022-23	2023-24	
					Resilient Forests and Landscapes	CAL FIRE	
Forest Improvement Program for Small Landowners	\$10	\$40	\$11	\$14			\$75
Forest Legacy	\$6	\$10	\$14	\$19			\$49
Nursery	\$2	\$9	\$2	\$2			\$15
Urban Forestry	\$10	\$20	\$20	\$10			\$60
Tribal Engagement	\$1	\$19	\$10	\$10			\$40
Post-Fire Reforestation and Regeneration	-	-	\$50	\$50			\$100
Various	Stewardship of State-Owned Land	\$30	\$145	\$65		\$65	\$305
Wildfire Fuel Breaks	CAL FIRE	CAL FIRE Unit Fire Prevention Projects	\$10	\$40	\$20	\$20	\$90
		Fire Prevention Grants	\$123	\$120	\$115	\$117	\$475
		Prescribed Fire and Hand Crews & Contract Counties	\$15	\$49	\$35	\$35	\$134
	California Conservation Corps	Fuel Reduction Crews	-	\$20	\$20	\$20	\$60
		Residential Centers	-	\$7	-	-	\$7
Community Hardening	Cal OES & CAL FIRE	Home Hardening	\$25	-	\$13	\$12	\$50
	CAL FIRE	Defensible Space Inspectors	\$2	\$13	\$5	\$5	\$25
	CAL FIRE & University of California	Land Use Planning and Public Education Outreach	-	\$7	\$4	\$5	\$16
Regional Capacity	Department of Conservation	Regional Forest Capacity	\$50	\$60	\$20	\$20	\$150
	Conservancies	Project Implementation in High-Risk Regions	\$69	\$139	\$35	\$35	\$278
Science-Based Management	CAL FIRE	State Demonstration Forests	-	-	\$5	\$5	\$10
		Monitoring and Research	\$3	\$20	\$7	\$8	\$38
		Prescribed Fire Liability Pilot	-	\$20	-	-	\$20
		Interagency Forest Data Hub	-	\$10	-	-	\$10
	Natural Resources Agency	LiDAR Remote Sensing	-	\$25	\$3	\$2	\$30
Air Resources Board and Water Board	Prescribed Fire and Water Permitting	-	\$4	\$4	\$4	\$12	
Economic Development of the Forest Sector	iBank	Climate Catalyst Fund	\$16	\$33	-	-	\$49
		Workforce Training	\$6	\$18	\$15	\$15	\$54
	CAL FIRE	Transportation Grants for Woody Material	-	-	\$5	\$5	\$10
	Office of Planning and Research	Market Development	\$3	-	\$2	\$2	\$7
Total			\$536	\$988	\$600	\$600	\$2,724

Source: Department of Finance

Resilient Forests and Landscapes. The Governor’s budget proposes to:

- Invest in coordinated forest health and fire prevention projects that help restore the right fire regime to the right ecosystem.
- Provide state land managers resources to better manage state-owned lands in particularly Fire probed areas.
- Expand programs that provide assistance to small non-industrial landowners.
- Provide resources to Tribes for fire resilience efforts.

These programs will be executed by several departments:

Parks. Parks oversees 300,000 acres of forestlands as well as other fire prone habitats across the state. The proposed funding would go towards fuel reduction, forest restoration, and prescribed fires, with a goal of sustaining up the delivery of up to 25,000 acres treated annually.

DFW. DFW has increased the pace and scale of activities to promote wildfire resiliency with the approval of last year’s budget — these funds have allowed procurement of heavy equipment, staff hiring, and contracting that contributed to approximately 18,000 acres treated and over 30 high-fire risk structures removed in 2021. DFW will continue to accelerate fire resiliency work in this proposed package.

CalFire. This package proposes to increase funding to existing programs as well as introduce new initiatives to address known gaps with high potential for effective fire behavior modification and community preparedness.

- Forest Health Grants. To date, Forest Health awards funding to organizations working to significantly increase fuels management, fire reintroduction, and reforestation of forestlands. The program began in 2016 and has awarded \$362 million since 2016-17.
- Private Forestland Owner Assistance/California Forest Improvement Program (CFIP). Private Forestland Owner Assistance is an umbrella for CFIP and the newly created Wildfire Resilience Block Grant (WRBG) program. WRBG allows applicants to apply for larger pulses of funding that allow them to provide technical and financial assistance to private forestland owners in their specific area of influence in ways that are the most relevant to that region and the landscape.

CFIP. CFIP enters into cost-share agreements with small landowners to encourage private and public investment in, and improved management of, state forest lands and resources. CFIP was created in 1978 and has been funded through various sources. Recently, GGRF and proposition funds have been available through the program. According to CalFire Fire and Resource Assessment Program’s Forest and Rangeland Assessment, small landowner forest parcels have accumulated the most biomass over recent decades and have received the least amount of treatment.

- California Forest Legacy. The Forest Legacy program provides funding for working forest conservation easements that protect forest land from conversion to non-forest uses. This program has been funded through GGRF since 2017. Forest Legacy also administers federal funds according to Federal Forest Legacy requirements.
- Nursery: Lewis A. Moran Reforestation Center. This center helps ensure that high quality tree seed and seedlings are made available for reforestation and recovery efforts of private,

nonindustrial landowners. The center includes the State Seed Bank and a container seedling nursery where trees are grown in greenhouses. Conifer cones are collected and processed annually.

- Urban Forestry. CalFire’s Urban & Community Forestry Program helps develop urban forests in the state by providing technical assistance to expand and improve the management of urban forests in communities with a strong emphasis on disadvantaged and low-income communities. The program was funded \$30 million General Fund in 2021 and has had proposition and GGRF funding made available in the past five years.
- Forest Health Tribal Lands Grants. CalFire Climate and Energy Program will work closely with CNRA to administer a block grant program serving tribal governments and members of tribes to address land management needs.

Protective Fuel Breaks. Emergency fuel breaks protect communities and sensitive areas against the impacts of wildfires. They enable firefighters to approach a fire, take a stand, establish containment lines, and create evacuation routes.

- CalFire: Unit Fire Prevention Projects. The CalFire Unit fire Plans contain priority fuel reduction projects unique to each CalFire unit. The plans are updated annually with the input of local Unit staff and partners. These strategic fuel breaks and reduction in hazardous fuels reduce the severity of wildfires while reducing the fire risk to vulnerable communities.
- CalFire: Fire Prevention Grants. CalFire’s Fire Prevention Grant Program provides funding for local projects in and near fire-threatened communities that focus on increasing the protection of people, structures, and communities. Qualified activities include hazardous fuels reduction, wildfire prevention planning and wildfire prevention education. These grants are made available to local agencies, resource conservation districts, fire safe councils, Native American tribes, and qualified nonprofit organizations.
- CalFire: Contract Counties. Counties can directly provide fire protection for State Responsibility Areas (SRA) within their boundaries, in lieu of CalFire. Six counties have assumed this responsibility and are referred to as “Contract Counties.” They include the Counties of Kern, Marin, Orange, Los Angeles, Santa Barbara, and Ventura. These counties assume responsibility for fire prevention and initial attack suppression on SRA land within their local jurisdiction. CalFire has essentially no physical presence in these counties and relies on state-funded county fire departments to assume the state’s mission relative to the protection of SRA. CalFire provides proportional funding for the Contract Counties to assume this mission.
- CCC: Forestry Corps. The Forestry Corps provides forestry work and post-wildfire recovery while training California youth for climate careers. Funding from the 2021 Budget is expanding this program and will provide an efficient and reliable workforce to implement fuel breaks and removal of dead and dying trees caused by drought and past wildfires in partnership with CalFire and other state, local, and federal agencies. In addition, funds will be committed to the certified local conservation corps to carry out the same focus on the local level.

Community Hardening. Investments within communities are essential to protect residents from all types of wildfires, including wind driven fires that spread embers ahead of the fire front. These include hardening home against embers, creating survivable spaces, establishing defensible space around homes,

and supporting local and regional efforts to create fire-adapted communities through improvements in local ordinances, emergency access routes, communications, smoke management, and other tools.

- **CalFire: Home Hardening.** Simple retrofits like fine-mesh attic vents or double-pane windows dramatically improve a home's survival in a wildfire. Education and outreach can help homeowners make the right improvements. Proposed funding will continue to implement wildfire mitigation assistance pilot program to provide financial assistance for home hardening to low-income and vulnerable populations. The state will continue to work with FEMA to pursue potential federal funding to match the state's investment.
- **Defensible Space and Community Preparedness.** Defensible space, as outlined in Public Resources Code Section 4291, requires all homes and buildings in the wildland to maintain clearance from dead and dying vegetation. Outreach, education, training, assistance, and research to help homeowners about these new standards will help homeowners implement the new standards.

Regional Capacity. With forest health and fire prevention grants widely distributed throughout the state, grantees often only complete one phase of a project at a time, needing to wait three to five years to begin the next phase, resulting in a patchwork of wildfire-resilient areas next to heavy fuel load areas that can have a catastrophic impact. Developing focused regional strategies and then funding a pipeline of ready-to-go projects from those strategies is intended to deliver more cohesive wildfire resilience. Funding for regionally-driven projects is also intended to establish a foundation for forest-sector businesses to start up in that watershed/region.

- **DOC: Regional Forest and Fire Capacity (RFFC) Program.** The RFFC Program supports local and regional efforts to coordinate and plan wildfire prevention projects. This program provides regional block grants to the highest wildfire-prone regions to develop regional plans and prepare projects that meet their highest priorities. This model enables regions and their Collaboratives to leverage federal and local resources and align their plans with project implementation dollars via multiple fund sources. The proposed funding will allow existing grantees under RFFC Program to refine project planning and expand implementation ready project pipelines as well as serve additional wildfire-prone communities beyond the 10 current RFFC regions.
- **San Diego River Conservancy.** San Diego River Conservancy established the Wildfire and Forest Resilience Program in May 2021. Projects limit the risk of large wildfires by reducing flammable fuel loads, providing equipment and training, and restoring ecological health in the local rivers' watershed. This includes vegetation management to reduce fuel loads around communities threatened by wildfire and to reduce the risk to people and property. In addition, the projects provide education through the Fire Safe Council of San Diego. The overall program provides grants to manage both public and private lands.
- **Santa Monica Mountains Conservancy (SMMC).** In the 2021 Early Action package, SMMC received \$12 million to provide immediately implementable projects to improve wildfire resilience in the Santa Monica Mountains and local communities. SMMC awarded 18 grants totaling \$12 million between May 10 and June 19, 2021. Grantees have made progress in implementing projects, but demand for assistance exceeded the funding available.
- **Sierra Nevada Conservancy (SNC).** SNC stewards the highest fire-risk region in the state and is also where the majority of state's water originates. SNC's boundary is expanding by two million acres, covering all or part of 24 counties at nearly 27 million acres. The boundary change brings

all of the source watersheds that feed the state's developed water supply into SNC's service area. According to the California Public Utilities Commission fire risk map, 44 percent of the state's overall elevated or extreme fire risk falls within SNC's region. SNC's Watershed Improvement Program (WIP) will continue to fund projects read to start, while supporting the planning and development of future projects to improve forest health and watershed resilience.

- State Coastal Conservancy (SCC). SCC's Wildfire Resilience Program, established in May 2021, supports local partners to develop and implement projects that improve forest health and reduce the risk of catastrophic fire in areas where people are living near wildlands. Under this program, SCC approved awards totaling \$11.4 million for 35 projects. This program supports high priority projects to limit the risk of wildfire by reducing flammable fuel loads through prescribed grazing, establishment of shaded fuel breaks, and other vegetation management activities. Targeted regional funding to SCC will reduce fire risk to communities and critical infrastructure through grants to local partners ready to implement vegetation management projects.
- California Tahoe Conservancy. The Tahoe Conservancy manages state-owned lands for wildfire and forest resilience. The Tahoe Conservancy is also implementing the Lake Tahoe Basin Forest Action Plan, which includes completing wildland-urban interface treatments across ownerships, landscape-scale forest restoration initiatives, and capacity building.

Science Based Management. The Governor's budget proposes funding to improve the predictive models and science-based approaches to support the state's forest health and fire prevention goals, including the expanded use of LiDAR and other remote sensing technology, research, and data analysis and collection methods (\$3 million in 2020-21, \$36 million in 2021-22, and \$5 million in 2022-23). Funding includes the execution of the CAL VTP application. The Air Resources Board will also have resources to facilitate the issuance of burn permits to keep pace with the increase in prescribed fires.

- CalFire: Demonstration State Forests. The Demonstration State Forest Program was established in 1946 to demonstrate reforestation of cut-over forestlands and sustainable management of second growth timber crops. Contemporary management is focused on meeting the three primary objectives: sustainable forest management; research and demonstration; and recreation. Through applied research, the State Forests contribute to scientific understanding to inform policy discussions on issues such as climate change, carbon sequestration, fire hazard reduction, watershed functioning, and fish and wildlife habitat.
- CalFire: Monitoring and Research. Forest Resource and Assessment Program (FRAP) assess the amount and extent of state forests and rangelands, analyzes conditions of those lands, and identifies alternative management and policy guidelines to achieve state goals. The program relies heavily on publicly available Forest Inventory Analysis, a long-term data set compiled by the US Forest Service, and other various data layers such as fuel density data for maps and assessments. FRAP initiated the Forest Health Research Program in 2018 to support increasing pace and scale of fuels reduction and prescribed fire reintroduction in a scientifically informed way. Forest Health Research program will invest in research needed to address substantial knowledge gaps in forest management, forest health, and wildfire science. Forest Health Research program awarded less than one third of applicants in its first two years. In addition, FRAP has responsibilities for maintaining and enhancing reporting of fuels reduction and other types of vegetation management projects in CalMapper.

- CNRA: Remote Sensing. This package proposes to build on a \$25 million investment from 2020-21 budget for remote sensing which is acquiring LiDAR and remote sensing products in coordination with federal partners such as the US Geological Survey, NASA, and the US Forest Service Pacific Southwest Research Station. Developing reliable remote sensing data sources to inform predictive and planning models helps improve wildfire resiliency.
- CARB and SWRCB: CAL VTP. The proposed funding is intended to build on previous investments that enable SWRCB to continue to fund staff implementation of a statewide water permit integrated into the CAL VTP to help prevent additional costs or paperwork for grantees and project proponents when using CAL VTP. SWRCB will also fund adaptive management strategies and research to continually improve efficiency and efficacy of the statewide water quality order so that it remains a low-cost, low administrative-burden permit for water quality. CARB is also receiving additional funds to ensure efficient oversight for prescribed fire burn permits.

Forestry Sector Economic Stimulus. Fire prevention investments can be a driver for economic growth in rural communities. However, shortages in crews and specialized equipment operators can slow the pace of projects and drive up the cost-per-acre. Low-interest lending programs and training may be able to expand the workforce to improve the pace.

- CalFire: Workforce and Business Development. Wood Products and Bioenergy Program works with the Forest Health Program to maximize climate and economic co-benefits associated with Forest Health projects. The program manages five existing workforce development and training grant awards and tracks employee not created through Forest Health and Workforce projects. Wood Products and Bioenergy is developing a statewide workforce gap assessment. To date, the five training programs working with the program have enrolled over 300 participants in workforce training curriculum. Demand for space in the program and for graduates continues to grow.
- CalFire: Biomass Transportation Subsidy. The fires of 2020 and 2021 have created a need to salvage dead trees for timber, reduce future fuel loads, and clean up lands so they can be safely replanted. This has caused a situation where there is too much dead wood and too little means to utilize it. Dead tree removal along transportation corridors is being stacked up along roadsides with no destination identified. New and expanding wood processing businesses operate on thin profit margins. A pilot transportation subsidy targeted at post-fire cleanup and a new processing capacity could reduce future costs to the state.
- OPR: Expanding Wood Markets. This package proposes to expand wood markets through pilot projects and market strategies to develop long-term contracts and mechanisms fully utilizing the material being thinned from forests. Examples of uses of the wood may include building materials, energy, fuel, or other products that will create incentives for private forest-land management and meet the state's carbon goals.

In addition to the Wildfire and Forest Resilience Package, the Governor's budget includes the following BCP related to community wildfire preparedness:

BCP: CalFire: Community Wildfire Preparedness and Mitigation Package (AB 9, AB 642, and SB 63). The Governor's budget requests \$10.096 million General Fund in 2022-23, \$8.398 million ongoing, and 29.0 positions to address the statutory requirements set forth by AB 9 (Wood), Chapter 225, Statutes

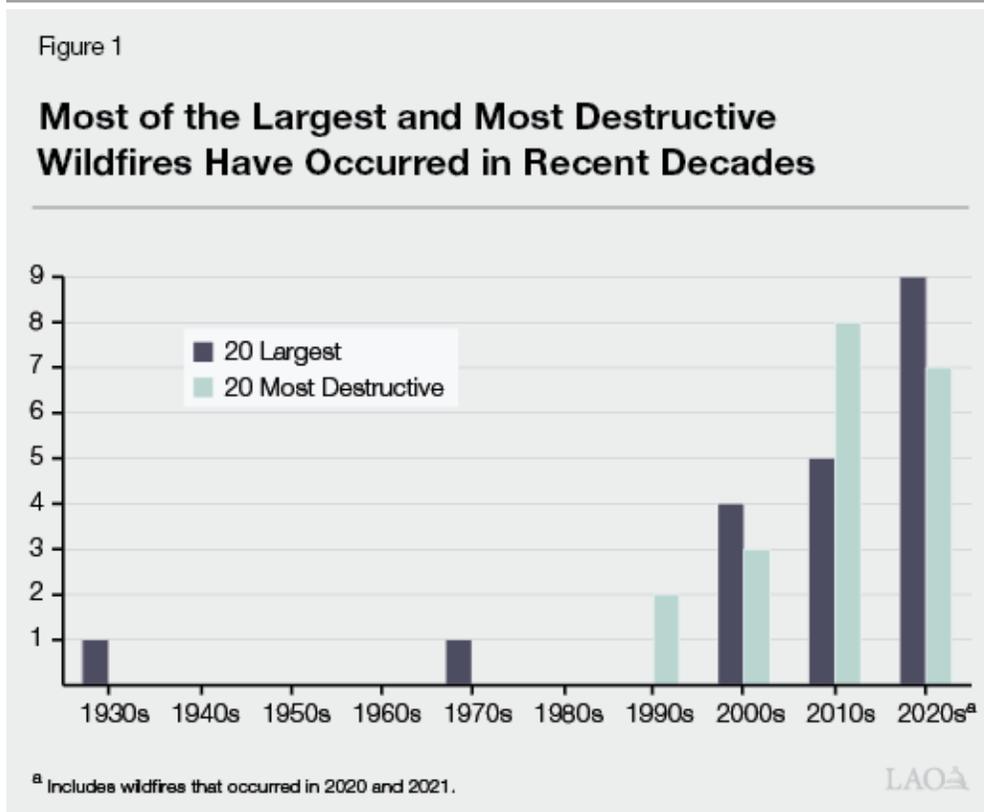
of 2021, AB 642 (Friedman), Chapter 375, Statutes of 2021, and SB 63 (Stern), Chapter 382, Statutes of 2021.

- **AB 9 (Wood).** AB 9 codifies the Regional Forest and Fire Capacity Program in the Department of Conservation, creates a deputy director of Community Wildfire Preparedness and Mitigation within the Office of the State Fire Marshal (OSFM), and transfers and delegates certain duties related to fire safety and wildfire prevention from CalFire and the Director of CalFire to the OSFM and the State Fire Marshal.
- **AB 642 (Friedman).** AB 642 makes multiple changes to state law to enhance wildland fire prevention efforts, including, among other things, incorporating and facilitating cultural burning practices, and requiring the identification of moderate and high fire hazard severity zones in local responsibility areas.
- **SB 63 (Stern).** SB 63 makes multiple changes to state law to enhance fire prevention efforts by CalFire, including, among other things, improved vegetation management, and expanding the areas where enhanced fire safety building standards apply.

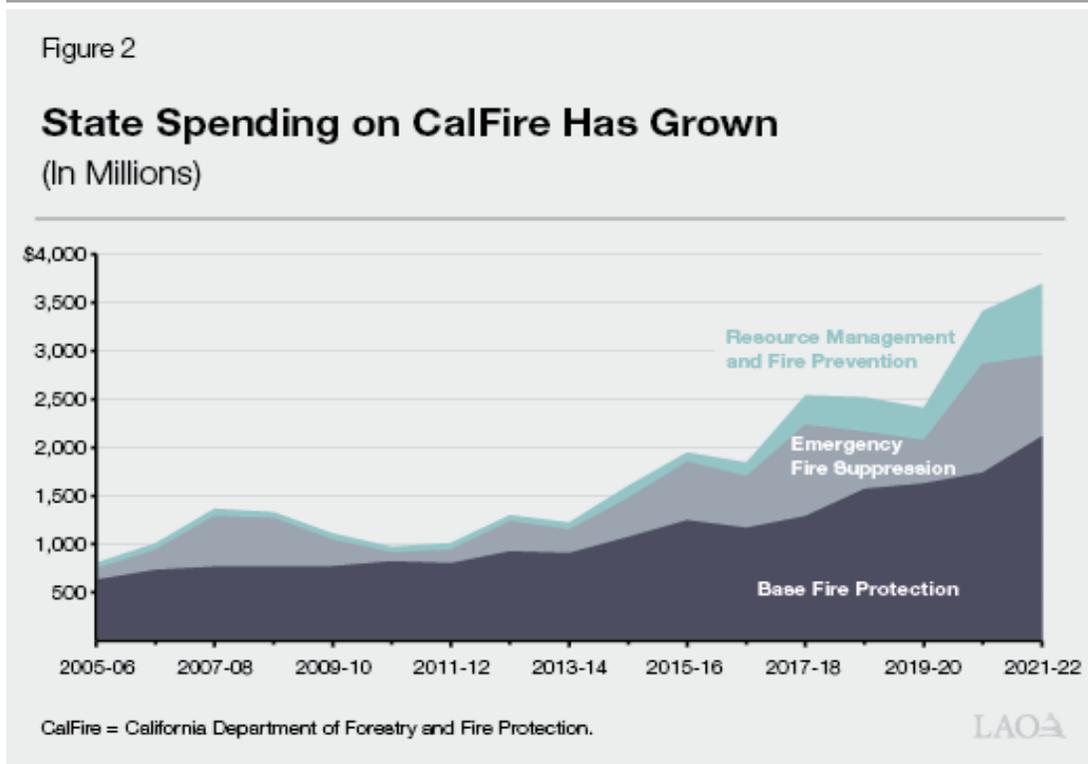
Background. According to LAO:

Wildfires in California: *Wildfires Are a Natural Part of California's Ecosystems.* Historically, significant parts of the state would burn annually, especially during the warm, dry months of the year. Many species native to California adapted to these regular, low- and moderate-intensity wildfires. These regular fires played an important role in keeping the state's forests and landscapes healthy by periodically clearing underbrush and contributing to regrowth of native plant species.

Severe Wildfires Are a Large and Growing Problem. While wildfires have potential benefits, they can also be highly problematic when they are much more severe than they would be naturally and threaten lives and property. In recent years, California has experienced a growing number of these problematic wildfires. As Figure 1 shows, most of California's largest and most destructive wildfires have occurred in recent decades. This trend has been particularly notable in the last few years, which have seen some of the worst wildfires in the state's recorded history. For example, the 2018 wildfire season included the Camp Fire in Butte County, which became the single most destructive wildfire in state history with nearly 19,000 structures destroyed and 85 fatalities, including the near-total destruction of the town of Paradise. A few key factors have contributed to the recent increase in destructive wildfires, including climate change, poor forest and land management practices, and increased development in fire-prone areas.



Recent State Funding for Wildfires. *State Spending on Wildfires Has Grown Substantially in Recent Years.* In response to recent severe wildfire seasons and growing wildfire risks, the state has augmented funding for various wildfire-related activities, including those related to wildfire response and resilience. Specifically, as shown in Figure 2, CalFire’s total funding for fire protection, resource management, and fire prevention has grown from \$800 million in 2005-06 to an estimated \$3.7 billion in 2021-22. (The resource management and fire prevention funding is generally intended to improve the state’s resilience to wildfires through reducing the likelihood that wildfires will occur and lessening the damage that wildfires cause when they do occur.) Notably, funding for resource management and fire prevention makes up a relatively small—but generally increasing—share of the department’s funding. Recent increases in this funding have been driven by two main factors. First, SB 901 (Dodd), Chapter 626, Statutes of 2018, required that \$200 million from the Greenhouse Gas Reduction Fund (GGRF) be spent on forest health and fire prevention activities annually through 2023-24. Second, the passage of two major wildfire and forest resilience packages in 2021 provided a significant amount of one-time funding for wildfire resilience, as discussed further below.



Early Action Package Provided Funding for Wildfire Resilience. On April 13, 2021, the Governor signed SB 85 (Committee on Budget and Fiscal Review), Chapter 14, Statutes of 2021, which amended the *2020-21 Budget Act* to provide additional funding for a package of various wildfire and forest resilience proposals. (LAO refers to this package as the “early action” package.) As shown in Figure 3, the package included \$536 million on a one-time basis in 2020-21 for roughly two dozen different programs managed by 14 departments. (For additional information on these programs, see our February 2021 publication, *The 2021-22 Budget: Wildfire Resilience Package—Analysis of Individual Programs*.) Of the total funding for the package, \$411 million was from the General Fund and \$125 million was from GGRF. The amounts from GGRF were intended to bring total GGRF spending on forest health and prescribed fire activities to \$200 million annually, consistent with the requirements in SB 901. (The *2020-21 Budget Act* provided less than the statutory direction because of uncertainty about the amount of GGRF revenues at the time the budget act was adopted in June 2020.) Most of the funding in the early action package was provided to expand existing programs rather than to create new programs. The adoption of the package through early action was intended to enable departments to start work immediately on projects rather than waiting until the passage of the 2021-22 budget. By starting work immediately, the Administration anticipated that projects would be in place roughly one fire season sooner than they would have been otherwise.

Figure 3

Previous Wildfire and Forest Resilience Package Appropriations and Commitments

Commitments as of December 2, 2021 (Dollars in Millions)

Program	Department	Early Action for 2020-21	2021-22 Budget
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		Appropriated	Percent Committed	Appropriated	Percent Committed
Resilient Forests and Landscapes		\$214	93%	\$402	4%
Forest Health Program	CalFire	\$155	100%	\$159	—
Stewardship of state-owned land	Parks	15	100	105	—
Stewardship of state-owned land	CDFW	15	100	40	39%
Forest Improvement Program	CalFire	10	80	40	—
Urban forestry	CalFire	10	—	20	—
Tribal engagement	CalFire	1	—	19	—
Forest Legacy Program	CalFire	6	100	10	—
Reforestation nursery	CalFire	2	—	9	—
Wildfire Fuel Breaks		\$148	100%	\$236	11%
Fire prevention grants	CalFire	\$123	100%	\$120	—
Prescribed fire and hand crews	CalFire	15	100	35	—
CalFire unit fire prevention projects	CalFire	10	100	40	—
Forestry Corps and residential centers	CCC	—	—	27	99%
Contract counties	CalFire	—	—	14	—
Regional Capacity		\$119	93%	\$199	4%
Regional Forest and Fire Capacity Program	DOC	\$50	90%	\$60	—
Project implementation	SNC	20	100	50	—
Project implementation	TC	1	100	36	—
Project implementation	SMMC	12	98	15	55%
Project implementation	RMC	12	71	15	—
Project implementation	SDRC	12	100	13	5
Project implementation	SCC	12	100	10	—
Science-Based Management		\$3	100%	\$79	21%
Remote sensing	CNRA	—	—	\$25	—
Monitoring, research, and management	CalFire	\$3	100%	20	82%
Prescribed Fire Liability Pilot	CalFire	—	—	20	—
Interagency data hub	CalFire	—	—	10	—

Permit efficiencies	CARB	—	—	2	—
Permit efficiencies	SWRCB	—	—	2	—
Forest Sector Economic Stimulus		\$25	12%	\$51	—
Climate Catalyst Fund and market strategy	Ibank, Go-Biz	\$16	—	\$33	—
Workforce development	CalFire, CWDB	6	—	18	—
Market development	OPR	3	100%	—	—
Community Hardening		\$27	19%	\$20	—
Home hardening	OES, CalFire	\$25	12%	—	—
Defensible space inspectors	CalFire	2	100	\$13	—
Land use planning and public education	UC ANR, CalFire	—	—	7	—
Totals		\$536	87%	\$988	7%

CalFire = California Department of Forestry and Fire Protection; Parks = Department of Parks and Recreation; CDFW = California Department of Fish and Wildlife; CCC = California Conservation Corps; DOC = Department of Conservation; SNC = Sierra Nevada Conservancy; TC = Tahoe Conservancy; SMMC = Santa Monica Mountains Conservancy; RMC = San Gabriel & Lower LA Rivers & Mountains Conservancy; SDRC = San Diego River Conservancy; SCC = State Coastal Conservancy; CNRA = California Natural Resources Agency; CARB = California Air Resources Board; SWRCB = State Water Resources Control Board; IBank = California Infrastructure and Economic Development Bank; Go-Biz = Governor's Office of Business and Economic Development; CWDB = California Workforce Development Board; OPR = Office of Planning and Research; OES = Office of Emergency Services; and UC ANR = University of California Agriculture and Natural Resources.

2021-22 Budget Provided Additional Funding for Wildfire Resilience. The 2021-22 budget—as amended in September 2021—provided a total of \$988 million on a one-time basis for various departments to implement a package of proposals focused on wildfire prevention and improving landscape health. The package included \$758 million from the General Fund and \$230 million from GGRF for roughly 30 different programs managed by 18 departments. In general, this package funded a similar mix of programs that were funded in the early action package. The 2021-22 budget also included language continuously appropriating \$200 million annually for forest health and wildfire prevention from 2022-23 through 2028-29. Additionally, the budget included language requiring the Administration to report certain information—such as a summary of projects that received funding and the average cost per project—annually on all the wildfire and forest resilience programs that were funded in the early action and 2021-22 budget packages. The first of these required reports is due to the Legislature on April 1, 2022, and reports are due annually thereafter until April 1, 2026.

Most Early Action Funding and Some 2021-22 Funding Has Been Committed. As shown in Figure 3, as of December 2021, the Administration reported that 87 percent of the funding provided in the early action package had been committed. Additionally, 7 percent of the 2021-22 funding had been committed. (Funding is considered committed when it has been allocated to specific projects or activities. However, in some cases, it can take a few years to complete the funded projects or activities.) Notably, some programs have committed a greater share of their funding to projects to date than others. Some of the programs that have been relatively slow to commit funds have been newer programs that have taken time to launch, such as the pilot program that supports home hardening retrofits and the Climate Catalyst Fund. (The home hardening retrofit program was established consistent with AB 38 (Wood), Chapter 391, Statutes of 2019.)

LAO Summary of Governor’s Budget. Proposes \$1.2 Billion Over Two Years, Including \$800 Million in New Funding. The Governor proposes \$800 million from the General Fund over two years—\$400 million annually in 2022-23 and 2023-24—to implement various efforts to improve forest health and make communities more resilient to future wildfires. This is in addition to \$200 million that is continuously appropriated from GGRF in each of these years, consistent with the 2021-22 budget package.

Largest Share of Funds for Forest Resilience and Fuel Breaks. As shown in Figure 4, roughly half of the funds over the two years—\$582 million—would support programs designed to promote healthy forests and landscapes, generally by removing hazardous fuels. Another roughly one-third of the funds—\$382 million—would support installation and maintenance of wildfire fuel breaks. The remaining funds—totaling \$236 million—are proposed for projects to provide regional capacity for forest health projects, as well as to encourage forest sector economic stimulus, science-based forest management, and community hardening. This proposed allocation of funds across program categories is similar to the approach taken in the early action and 2021-22 packages.

Figure 4

Governor’s Proposed Wildfire and Forest Resilience Package

(In Millions)

Program	Department	2022-23	2023-24	Total
Resilient Forests and Landscapes		\$292	\$290	\$582
Forest Health Program	CalFire	\$120	\$120	\$240
Post-fire reforestation	CalFire	50	50	100
Stewardship of state-owned land	CDFW	30	30	60
Stewardship of state-owned land	Parks	20	20	40
Forest Legacy Program	CalFire	14	19	33
Urban forestry	CalFire	20	10	30
Stewardship of state-owned land	CNRA	15	15	30
Forest Improvement Program	CalFire	11	14	25
Tribal engagement	CalFire	10	10	20
Reforestation nursery	CalFire	2	2	4
Wildfire Fuel Breaks		\$190	\$192	\$382
Fire prevention grants	CalFire	\$115	\$117	\$232
Prescribed fire and hand crews	CalFire	35	35	70
CalFire unit fire prevention projects	CalFire	20	20	40
Forestry Corps and residential centers	CCC	20	20	40
Regional Capacity		\$55	\$55	\$110
Regional Forest and Fire Capacity Program	DOC	\$20	\$20	\$40

Project implementation	SNC	13	12	25
Project implementation	SCC	10	10	20
Project implementation	SMMC	5	5	10
Project implementation	TC	5	5	10
Project implementation	SDRC	2	3	5
Community Hardening		\$22	\$22	\$44
Home hardening	OES, CalFire	\$13	\$12	\$25
Defensible space inspectors	CalFire	5	5	10
Land use planning and public education	UC ANR, CalFire	4	5	9
Forest Sector Economic Stimulus		\$22	\$22	\$44
Workforce development	CalFire, CWDB	\$15	\$15	\$30
Woody biomass transportation	CalFire	5	5	10
Market development	OPR	2	2	4
Science-Based Management		\$19	\$19	\$38
Monitoring, research, and management	CalFire	\$7	\$8	\$15
State demonstration forests	CalFire	5	5	10
Remote sensing	CNRA	3	2	5
Permit efficiencies	CARB	2	2	4
Permit efficiencies	SWRCB	2	2	4
Totals		\$600	\$600	\$1,200
By Fund Source				
General Fund		\$400	\$400	\$800
Greenhouse Gas Reduction Fund		200	200	400

CalFire = California Department of Forestry and Fire Protection; CDFW = California Department of Fish and Wildlife; Parks = Department of Parks and Recreation; CNRA = California Natural Resources Agency; CCC = California Conservation Corps; DOC = Department of Conservation; SNC = Sierra Nevada Conservancy; SCC = State Coastal Conservancy; SMMC = Santa Monica Mountains Conservancy; TC = Tahoe Conservancy; SDRC = San Diego River Conservancy; OES = Office of Emergency Services; UC ANR = University of California Agriculture and Natural Resources; CWDB = California Workforce Development Board; OPR = Office of Planning and Research; CARB = California Air Resources Board; and SWRCB = State Water Resources Control Board.

Most Funding Targeted to Programs Funded in Prior Packages. Most of the proposed funding would go towards programs that already received funding as part of the early action or 2021-22 budget package. However, the Governor proposes to fund a few programs that did not previously receive funding. These programs include:

- **Post-Fire Reforestation—CalFire (\$50 Million in 2022-23 and \$50 Million in 2023-24).** This funding would support the reforestation of areas affected by wildfires with the goal of reducing the likelihood of type conversion. (Type conversion is when forests do not return to their previous

condition after severe wildfires, but instead transition to other vegetation types, such as scrubs or grasses.)

- **Stewardship of State-Owned Land—California Natural Resources Agency (CNRA) (\$15 Million in 2022-23 and \$15 Million in 2023-24).** This funding would support wildfire resilience on state-owned land.
- **Woody Biomass Transportation Subsidy—CalFire (\$5 Million in 2022-23 and \$5 Million in 2023-24).** This funding would implement, on a pilot basis, a subsidy program for transporting woody biomass to encourage the transportation of dead trees to wood processing businesses.
- **State Demonstration Forests—CalFire (\$5 Million in 2022-23 and \$5 Million in 2023-24).** This funding would support state demonstration forests, which provide applied research on forest-related issues.

Funding for Most Programs Allocated Equally Between the Two Years. For most programs, the funding is proposed to be allocated roughly evenly between 2022-23 and 2023-24. Based on our discussions with the administration, it is our general understanding that all of the proposed funding for 2022-23 is expected to be committed to projects that year, and all the 2023-24 funding is expected to be committed to projects that year. Although, as previously mentioned, it could take a few years for funded projects to be completed.

LAO Comments. LAO offers its initial comments on the Governor’s wildfire and forest resilience package to inform the Legislature’s budget deliberations. LAO may have further comments as additional information from the Administration becomes available in the coming weeks.

Continued Focus on Wildfire Prevention and Mitigation Has Merit. LAO finds that increased budget support for programs that attempt to reduce the risks associated with wildfires is merited given the increasing pattern of severe wildfires in recent decades and the major consequences of these fires on local communities and the broader state. Notably, the Legislature took important steps toward addressing these risks with the passage of the early action and 2021-22 packages, as well as the continuous appropriation of GGRF for forest health and wildfire prevention through 2028-29. However, the scale of the effort that will likely be required to make the state resilient to wildfires is so large— involving treating millions of acres and better protecting millions of homes in high fire-risk areas over the coming years—that it will take additional funding to accomplish. Additional funding for these types of activities, such as proposed by the Governor, will help continue this worthwhile work.

Myriad of Risks Warrants Consideration of Multiple Strategies. The proposed package includes a mix of programs designed to reduce future wildfire risks and damages. Many of these programs could be useful in addressing the varied contributors to wildfire risk. For example, forest health and fuel break programs could reduce the risk of rapid wildfire spread, community hardening could reduce the number of properties severely damaged when wildfires do occur, and research could help the state better target future funding to the most cost-effective strategies and/or where risks are determined to be greatest.

Departments Still Implementing Funding From Prior Packages. Most of the funding proposed by the Governor would support programs that received funding in the early action and 2021-22 wildfire and forest resilience packages. In most cases, implementing departments have made significant progress in committing early action funds to projects. Specifically, as of December 2021, only \$68 million of the \$536 million provided (13 percent) was uncommitted. However, most of the 2021-22 wildfire and forest resilience package funding remains uncommitted. Notably, as of December 2021, \$920 million of the \$988 million provided in 2021-22 (93 percent) was not committed. The slower pace of committing 2021-22 funding is not unexpected given that the funding was approved less than six months ago and was envisioned to be used over a period of multiple years. However, given the significant amount of funding left uncommitted to date, a key consideration for the Legislature will be the extent to which

implementing agencies, and their partners, have capacity to administer the proposed funding and undertake the proposed program expansions in a timely manner.

Information on Outcomes Is Limited. Many of the activities proposed for funding are widely considered good practices to reduce wildfire risks, particularly reduction of hazardous fuels, defensible space, and home hardening. However, the available information on the cost-effectiveness of many programs is somewhat limited—making it difficult for the Legislature to know whether the Governor’s proposed package represents the most effective way to allocate funds for wildfire prevention and mitigation. Also, while the Administration has identified the projects to which they had committed funding as of December 2021, information on the specific outcomes achieved and the associated costs is not yet available. LAO notes that a summary of the funded projects and program costs is required to be included in the Administration’s annual report to the Legislature, the first of which is due in April 2022. Additionally, AB 38 required a report assessing the cost-effectiveness of defensible space and home hardening compared to other activities to be completed by 2024. These required reports should help inform future legislative decisions on how much to spend on various potential approaches to reducing wildfire risks.

Legislative Guidance Could Improve Implementation of Some Programs. In some cases, the programs proposed for funding could benefit from additional guidance from the Legislature to ensure that they are implemented in the most effective manner. For example, in LAO’s December 2021 report, *An Initial Review of the Regional Forest and Fire Capacity Program*, LAO found that the lack of state requirements for regional priority plans has led to a disjointed approach to the Regional Forest and Fire Capacity program and that the lack of data collection and reporting makes it difficult to evaluate the program. Accordingly, LAO recommended that the Legislature create requirements for regional priority plans and adopt evaluation and reporting requirements. Additionally, in LAO’s September 2021 report, *Reducing the Destructiveness of Wildfires: Promoting Defensible Space in California*, LAO found that defensible space inspection rates varied widely by CalFire unit (from 6 percent to 96 percent in 2019-20). Accordingly, while LAO found that providing additional ongoing staff for CalFire to conduct defensible space inspections is merited to enable the department to meet its goal of inspecting every parcel at least once every three years, LAO also found that ensuring that a staffing plan is developed would be important to make sure that the funding is allocated in a way that achieves this goal in all units.

New Programs Aimed at Addressing Important Issues, but Key Details Lacking. The proposed new programs address worthwhile areas of focus, but at the time of this analysis there was insufficient detail provided on these programs to fully evaluate their merits.

- ***Post-Fire Reforestation.*** Providing funding for reforestation would help reduce the likelihood of type conversion and promote long-term landscape health. However, the Administration has not provided at this time key details on the proposed program, such as what specific activities the funding would support, the rationale for the proposed funding amount, and the anticipated outcomes of the funding. This information is necessary for the Legislature to fully evaluate whether the proposed approach and funding amount are appropriate.
- ***CNRA State-Owned Land.*** Making state-owned land more resilient to wildfires is an important goal. However, it currently is not clear what specific types of activities and projects the proposed funding would support and how this funding would complement or duplicate efforts to steward state-owned land through other agencies, such as the Department of Parks and Recreation, Department of Fish and Wildlife, and the Tahoe Conservancy.
- ***Woody Biomass Transportation Subsidy.*** The accumulation of woody biomass, such as due to recent wildfires, is a significant issue that merits attention. This is because, in some cases, it is not economically viable to transport this woody biomass to processing facilities. However,

leaving biomass in place or burning it has significant negative impacts that extend beyond the individual property owner, including potentially elevating wildfire risks and generating additional emissions. Accordingly, it appears generally reasonable for the state to help address this issue by providing some level of financial support to incentivize the transfer of biomass to processing businesses. However, key details about how a subsidy would be implemented were lacking at the time of this analysis. For example, it is unclear who would be eligible for subsidies, how the amount of the subsidy would be determined, and how the outcomes of the pilot would be tracked and reported to the Legislature. These and other details are essential for the Legislature to effectively assess whether the specific approach and funding amounts proposed by the administration are justified.

- ***State Demonstration Forests.*** State demonstration forests are a valuable resource that helps provide research on forest-related issues. However, at the time of this analysis, it was unclear what the proposed funding would be used for, what specific outcomes would be expected, and why the proposed amount was selected.

LAO also notes that the LAO has some outstanding questions on many of the proposals in the package that received prior funding, including about (1) the outcomes that were achieved with the previous funding, (2) when the implementing department anticipates fully committing the funding, (3) the extent to which the department has capacity to utilize additional funds, and (4) the rationale for the specific amount of proposed funding.

Trade-Offs Associated With Two-Year Funding Approach. The \$800 million of new funding in the Governor’s package is proposed over a two-year period. According to the Administration, it is proposing this two-year funding approach in order to provide the certainty of multiyear funding, but also to limit ongoing General Fund commitments. It is understandable that the Administration is cautious regarding providing ongoing General Fund augmentations. Nonetheless, this funding approach also presents a couple key challenges.

First, allocating funding for 2023-24 at this time, rather than waiting until the 2023-24 budget, means that the allocation decisions would not benefit from additional information that may be gathered in the coming year. This includes additional information on the Administration’s continued progress towards committing early action and 2021-22 funding and on the outcomes achieved with those funds. Such information would be particularly important for programs that have been slow thus far to commit funding, since another year of information could provide the Legislature with a clearer sense of the program’s capacity to utilize additional funds and the results that might be expected from additional funds.

Second, some programs will require ongoing support to be effective. For example, even where effective forest treatment occurs, it is often necessary to do additional maintenance and retreatments in subsequent years to prevent too much vegetation regrowth, particularly of invasive species. Other programs areas—such as defensible space inspections—should also be considered ongoing efforts, since vegetation grows back and regular inspections are needed to ensure continued compliance with state defensible space requirements. For these types of programs, the benefit to providing the certainty of multiyear funding could merit the allocation of ongoing General Fund resources, particularly in cases where there is sufficient information on outcomes and spending rates thus far to enable the Legislature to be reasonably confident about the appropriate amount of funding to provide on an ongoing basis.

Legislative Oversight Remains Important. In recent years, the Legislature has prioritized conducting oversight activities—such as conducting legislative hearings and requiring periodic reports—on wildfire issues, including the expenditure of wildfire and forest resilience funding. LAO finds that it will be important for the Legislature to continue to conduct oversight given the (1) importance of improving wildfire resilience, (2) amount of funding that has been provided to date, and (3) value in gaining

lessons-learned to inform future funding and policy decisions. To facilitate continued oversight, it will be important for the Legislature to obtain key information from the administration going forward, including information on funded projects and the outcomes that have been achieved. The Governor is not currently proposing that the reporting requirements that were codified for those previous packages be extended to this proposed package. However, in LAO's conversation with the Administration, they expressed a commitment to report the information of the early action and 2021-22 packages for this proposed package as well.

LAO Recommendations. LAO provide its initial recommendations on the Governor's wildfire and forest resilience package to inform the Legislature's budget deliberations. LAO may have additional or modified recommendations as further information from the Administration becomes available.

Consider Funding Amounts in Context of Legislative Priorities. Given the lack of clear evidence regarding the relative effectiveness of different mitigation and prevention activities, it is difficult for the Legislature to determine whether the proposed package represents the "best" mix of programs and level of funding to address wildfire risks. For this reason, it will be particularly important for the Legislature to ensure that the total level of funding proposed for wildfire and forest resilience, as well as the mix among programs, is consistent with its priorities. In identifying its funding priorities, some of the factors that LAO recommends the Legislature consider include:

- **Emerging Information on Spending Progress and Outcomes.** The Legislature could consider focusing its allocations on programs that appear to have capacity to use additional funds—as evidenced in part by their ability to get previously appropriated funding out to projects—and are able to provide relatively compelling information on outcomes.
- **Ability to Test and Research Promising Approaches.** The Legislature could consider the extent to which the proposed funding goes to demonstration projects or pilots that could be helpful in improving the state of knowledge about effective approaches to wildfire mitigation.
- **Which Harms Would Be Mitigated.** For example, to the extent protecting homes and reducing economic costs are high priorities, the Legislature could consider dedicating more funding to community hardening. Alternatively, to the extent that mitigating damage to the environment from severe wildfires is a high priority, the Legislature could consider focusing more on improving the health of forests and landscapes.
- **Which Groups of Californians Are Most Impacted.** The Legislature might want to consider how wildfires affect different communities, how past funding has been directed, and the extent to which the proposed strategies could more equitably target new spending. For example, the Governor's plan includes funding dedicated to forest health projects on tribal lands, and the home hardening program is intended to go to lower-income households that might otherwise be less able to implement these safety improvements on their own.
- **Protecting State Assets and Responsibilities.** For example, some funding in the package is targeted to addressing risks on state-owned lands, such as state parks. The Legislature could also consider whether more funding should be spent in ways that better ensure protection of other state assets, such as highways and state buildings, or the watersheds that provide most of the water flows for the State Water Project.

Provide Statutory Guidance to Inform Program Implementation, as Appropriate. LAO recommends that the Legislature provide additional statutory guidance on the programs proposed for funding, as appropriate, through the adoption of budget trailer legislation. Some examples of specific statutory changes that would be merited include (1) adopting state requirements for regional priority plans, as well as requiring evaluation and reporting on the Regional Forest and Fire Capacity program, and (2) requiring CalFire to create a staffing plan aimed at ensuring that the department's defensible space

staff are allocated in a way that enables it to meet its goal of inspecting every parcel at least once every three years in all units.

Defer Action Until Spring to Provide Time to Secure and Assess Additional Information. LAO recommends that the Legislature defer action on the proposed package until the spring. This would provide additional time for the administration to provide information on the specifics of its proposals. Additionally, by the spring, more information may be available on the pace of agencies' spending of funding provided in previous packages, as well as on the outcomes of this spending. In particular, the Legislature should have the administration's first required report on the early action and 2021-22 packages by April. Together, this information would help the Legislature determine whether it is comfortable with the administration's proposed approach and funding levels, or whether it would like to make modifications.

Consider Potential Alternatives to Two-Year Funding Plan. Given the challenges with the administration's plan to allocate two years of funding as part of the 2022-23 budget, we recommend the Legislature consider other alternatives. For example, one alternative would be to allocate funding for only 2022-23 at this time. To the extent that the Legislature wants to provide funding for future years, it could set some amount aside in a designated fund to be allocated at a future date when additional information—such as on progress in spending the funding from prior packages and the outcomes achieved—would be available to inform allocation decisions. Additionally, the Legislature could consider providing ongoing funding for certain programs for which there is a clear ongoing need for at least a certain funding level and relatively robust information on outcomes.

Continue Oversight Activities and Require Continuation of Reporting. Given the importance of the programs involved and the level of spending proposed, LAO recommends that the Legislature continue to conduct oversight activities, such as legislative hearings, on the administration's implementation of the wildfire and forest resilience packages. This oversight will be important for holding the administration accountable for delivering results, learning what is effective to improve future implementation, and informing future spending decisions. To facilitate this continued oversight, we recommend that the Legislature extend the statutory reporting requirement for the early action and 2021-22 budget packages to the proposed package as well.

Staff Recommendation. Hold open.

0690 GOVERNOR'S OFFICE OF EMERGENCY SERVICES (OES)
3340 CALIFORNIA CONSERVATION CORPS (CCC)
3480 DEPARTMENT OF CONSERVATION (DOC)
3540 DEPARTMENT OF FORESTRY AND FIRE PROTECTION (CALFIRE)

Issue 20: Proposals Related to Wildfire Protection, Suppression, and Assessment

Governor's Proposal. The Governor's budget requests the following items related to fire suppression:

BCP: CalFire: CAD/AVL Program Hardware and Service Refresh. \$23.9 million General Fund and \$17.9 million State Emergency Telephone Number Account (SETNA) in 2022-23, \$22.5 million General Fund and \$8 million SETNA ongoing, and 43.0 positions to acquire, install, and support the Computer Aided Dispatching (CAD) program throughout the CalFire Emergency Command Centers (ECCs) and all other emergency response resources, to continue to efficiently locate and dispatch CalFire resources to emergency incidents.

BCP: CalFire: CalFire Training Centers. \$15.7 million General Fund in 2022-23 and \$272,000 General Fund ongoing to meet the increased training demand at CalFire's Training Centers. This request will provide funding for one-time purchase of essential equipment required to meet existing demand and prepare the Training Centers for future impacts, along with ongoing amortization for some of this equipment.

BCP: CalFire: Contract County Crew and Realignment. \$25.4 million General Fund in 2022-23 and \$35.4 million ongoing to fund 12 hand crews, implemented over two years, to be utilized for vegetation management, hazardous fuel reduction projects, wildland fire suppression in the Contract Counties, and a budget adjustment to re-baseline Contract County funding commensurate with CalFire Units.

BCP: CalFire: Emergency Surge Capacity and Response Enhancements. A total of \$179.8 million General Fund in 2022-23 and \$14.6 million General Fund ongoing to increase surge capacity for wildland fire emergency response by 1) acquiring four additional S70i Fire Hawk helicopters to provide aircraft availability to help maintain 24/7 flight operations during critical fire weather conditions when frontline helicopters are due for maintenance, 2) contracting 10 additional heavy helicopters each year for three fiscal years while awaiting the federal delivery of C-130 air tankers beginning in spring 2023, and 3) adding two surge engines in each of the 21 units and each of the six contract counties as well as 10 surge capacity bulldozers to the statewide resource pool that can be staffed during critical fire conditions and resource drawdown.

BCP: OES and CalFire: Fire Integrated Real-Time Intelligence System (FIRIS). \$30 million ongoing General Fund and 31 positions (\$24.4 million and 11 positions for OES and \$5.6 million and 20 positions for CalFire) beginning in 2022-23 to establish and operate a state level mutual aid asset known as FIRIS – An All-Hazards Intelligence Platform, which enhances public safety, the mutual aid response system and situational awareness in real-time for all-hazard prediction and evaluation models, primarily for all-hazard response, to include primarily wildfires, but also mud slides, flooding, earthquakes, avalanches, urban and wilderness search and rescue events, environmental emergencies such as oil spills and hazardous material releases, preliminary and post-disaster damage assessments and fire management assistance grants.

BCP: CCC: Enhancing and Expanding CCC Fire Crews. \$8.087 million in 2022-23, \$8.969 million in 2023-24, \$8.058 million in 2024-25, \$10.292 million in 2025-26, and \$10.248 million ongoing General Fund for 18 positions and 13 full-time equivalent Corpsmembers positions to fund 10 additional hand crews (four new crews and six conversion crews) to provide vegetation management, hazardous fuel reduction projects, and wildland fire suppression, phased over four years, in partnership with CalFire. These funds are offset by a reduction of -\$1,800,000 in 2022-23 and -\$2,700,000 ongoing in Collins-Dugan Reimbursement Account.

CCC requests to transition six existing reimbursement CCC crews into Type 1 fire crews, one crew at each of the following CCC Centers: Pomona, San Diego, Monterey Bay, Fresno, Fortuna, and Redding (in 2023-24). Additionally, this proposal adds two expansion crews at the Los Pinos Center, and two crews at the new Auberry Residential Center (in 2025-26). This request includes an offset of -\$1.8 million in year one and -\$2.7 million starting in year two, and ongoing, from the Collins-Dugan Reimbursement Account to reflect that the six existing reimbursement crews will transition to being fully funded by the General Fund. In addition, this proposal requests positions and funding to support these fire crews.

BCP: DOC: Pre-Wildfire Geologic-Hazard Mitigation Planning & Post-Wildfire Hazard Identification. Eight permanent positions and an appropriation increase of \$2.713 million in 2022-23, and \$1.865 million ongoing General Fund to create a Pre-Wildfire Geologic Hazard Mitigation Planning & Post-Wildfire Hazard Identification Program. Tasks would include:

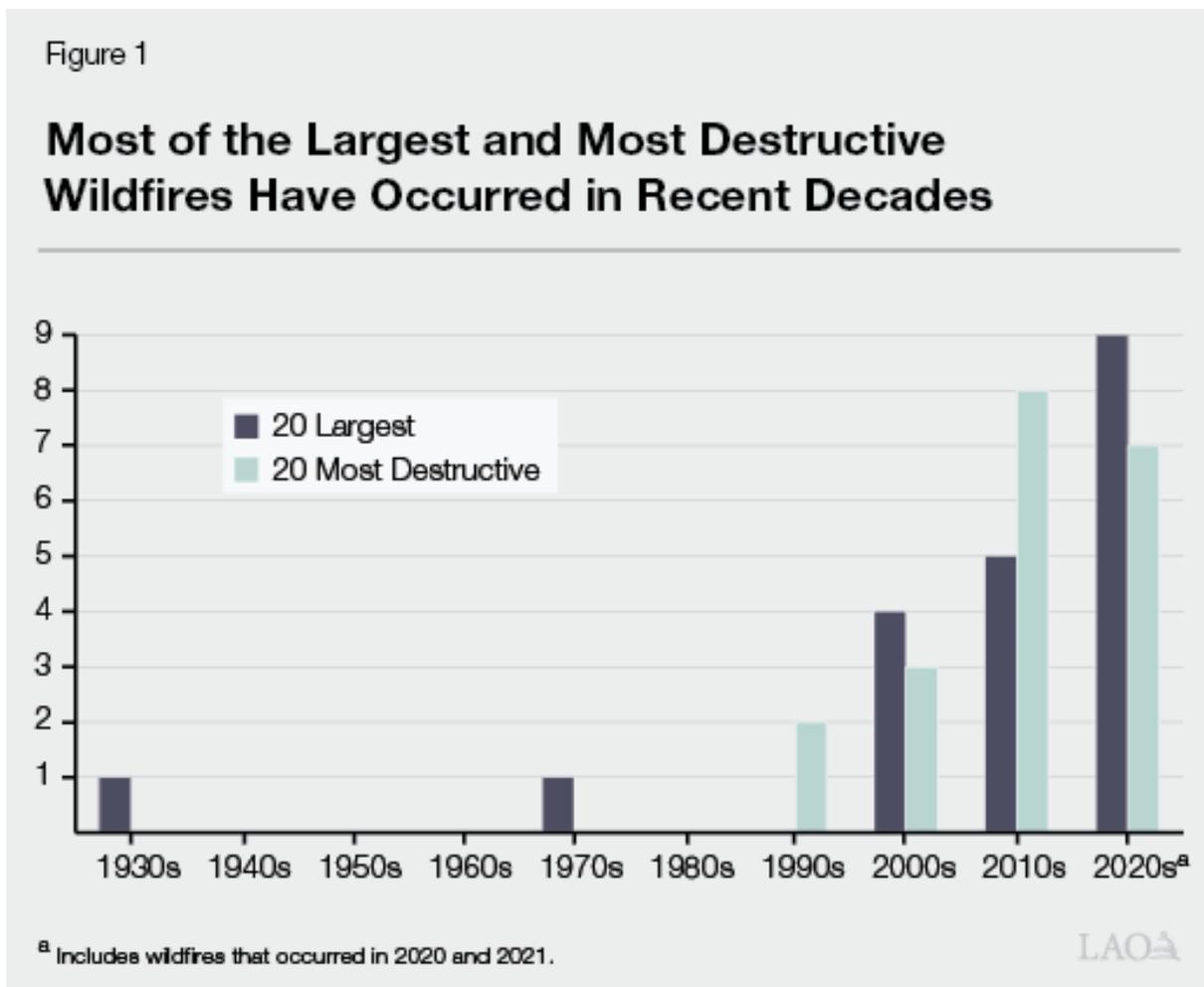
- ***Pre-Fire Mud and Debris Flow and Flooding Hazard Awareness and Planning.*** Development of maps and data that proactively show areas of post-wildfire inundation. This information can then be used by local agencies for identifying long-term mitigation measures as well as for evacuation planning, public communication, and support for prioritizing fuel treatments to help limit fire effects in the wildland urban interface.
- ***Post-Fire Watershed Emergency Assessment (WERT) focused on life/safety hazards from debris flows, flooding, rock fall, etc.*** Evaluation of post-fire conditions for rainy season hazards so that emergency mitigations can be implemented, and appropriate rain-driven evacuation plans can be developed. The burned area watershed emergency assessment provides a means of prioritizing areas of post-wildfire risk within and downstream of the burn area and development of emergency mitigation measures.
- ***Post WERT Mud and Debris Flow and Flood Hazard Emergency Planning.*** Prepare post-wildfire inundation scenario emergency evacuation planning maps. These maps will provide decision support for emergency managers so that appropriate evacuation zones can be developed, and emergency response measures can be planned rapidly following a wildfire.
- ***Burn Area Monitoring and Process Refinement.*** Post-wildfire watershed monitoring and observation data will be acquired as feedback to the development of geographic-based understanding of post-wildfire storm triggering rainfall, flood, mud and debris flow impacts statewide. Current information is only accurate in the southern portion of the state. This task will develop the information for robust statistically valid rainfall triggering mechanisms across the state.
- ***Outreach and Education.*** Community outreach and education about post-wildfire hazards will be performed to ensure that before and after a wildfire, communities understand the post-wildfire flash flood and debris flow risks and believe post-wildfire storm derived evacuation messaging. This messaging is particularly important for disadvantaged communities where there are not existing local government resources available to prepare and provide this information for local emergency responders, and for their constituents.

- Necessary Ongoing Support Materials.** The post-wildfire assessments and data development require detailed an accurate information regarding the properties of the specific burned watersheds. Items such as pre-fire LiDAR, post-fire aerial/satellite imagery and portable rainfall and small stream gauges for collection of post-fire hydrologic data provide detailed and accurate topographic, hydrologic, and post-wildfire vegetative conditions within hazardous burned watersheds.

Also, please note that the Administration has proposed \$400 million in the Governor’s January Budget Summary, but details have yet to be determined.

Background. According to the LAO:

Recent Years Have Seen Some of Largest and Most Destructive Wildfires. In recent years, California has experienced a growing number of destructive wildfires. As Figure 1 shows, most of California’s largest and most destructive wildfires have occurred in recent decades. This trend has been particularly notable in the last few years, which have seen some of the worst wildfires in the state’s recorded history. For example, the 2018 wildfire season included the Camp Fire in Butte County, which became the single most destructive wildfire in state history with nearly 19,000 structures destroyed and 85 fatalities, including the near-total destruction of the town of Paradise. A few key factors have contributed to the recent increase in destructive wildfires, including climate change, poor forest and land management practices, and increased development in fire-prone areas.



State Has Historically Focused Mostly on Reducing Wildfire Risks Through Response. The state addresses the risks of destructive wildfires through a combination of (1) prevention—reducing the likelihood that a wildfire will start, (2) mitigation—lessening the damage that wildfires cause when they do occur, and (3) response—suppressing wildfires after they start. Traditionally, the state has focused mostly on response. For example, from 2005-06 through 2020-21, LAO estimates an average of close to 90 percent of the base support budget for CalFire—the state’s lead agency for fire protection in the State Responsibility Area (SRA)—has been dedicated to fire response (rather than fire prevention or mitigation). (The SRA makes up roughly one-third of the state’s land area and consists mostly of privately owned forestlands, watersheds, and rangelands.)

State Uses Mix of Approaches, Across Multiple Agencies, to Respond to Wildfires. The state uses a variety of resources—such as fire crews, hand crews, fire engines, helicopters, and air tankers—to respond to wildfires. Most of these resources are under CalFire. However, other state departments also have resources dedicated to fire response. For example, the Office of Emergency Services (OES) maintains a fleet of fire engines that are used as part of the state’s mutual aid system. Also, in collaboration with CalFire, multiple state departments provide staff for hand crews, including the California Military Department (CMD), California Conservation Corps (CCC), and the California Department of Corrections and Rehabilitation.

Hand Crews in Wildfire Response

Hand Crews Play Important Role in Wildfire Response. Hand crews support fire response by constructing fire lines, assisting fire engine crews with deployment of fire hoses over long distances, providing logistical and operational support, and extinguishing hotspots to help contain fires. Hand crews also do fire mitigation work, such as hazardous fuels reduction and vegetation management projects, when not responding to wildfires.

Decline in Inmate Population Has Affected Availability of Hand Crews. Historically, the majority of the hand crews utilized by the California Department of Forestry and Fire Protection (CalFire) have been operated through agreements with the California Department of Corrections and Rehabilitation for use of state prison inmates. These inmates are housed at conservation camps located in or near forests throughout the state. In the past decade, the state has enacted various changes to sentencing laws that have significantly reduced the inmate population. This, in turn, has reduced the population housed at conservation camps and available to serve on inmate crews. Specifically, according to the administration, CalFire historically operated 192 inmate crews. However, the number of funded crews declined to 152 as a result of a 2020-21 budget action to consolidate the state’s conservation camps in response to inmate population declines. Furthermore, the administration reports that, as of August 2021, only 63 out of 152 authorized inmate crews were staffed.

Some Steps Taken to Offset Loss of Hand Crews. To address the decline in inmates available to staff hand crews, CalFire has partnered with other agencies, including the California Conservation Corps and the California Military Department, to provide staff for hand crews. Additionally, CalFire has received funding to hire firefighters to help address this decline. We highlight some of these recent augmentations in Figure 2 of this brief.

Some Response Resources Provide Greater Flexibility Than Others. Some of the resources used by CalFire and other agencies—such as year-round fire crews and fire engines—provide baseline capacity to fight wildfires. Other resources provide additional capacity during the peak wildfire season or larger wildfire events. (This additional capacity is sometimes referred to as “surge capacity.”) For example, CalFire regularly operates 356 fire engines, which includes 65 engines that operate on a year-round basis as well as 291 engines that operate on a seasonal basis. In addition to these engines, the department also maintains a fleet of 48 reserve fire engines to provide additional surge capacity. Furthermore, when a

fire (or other disaster) is large enough that it overwhelms a community's capacity to respond, it can request additional resources—such as fire engines or other equipment—from other governmental entities through the state's mutual aid system. The state supports the mutual aid system in a number of ways, such as by providing state-funded fire engines to local communities through the OES program mentioned previously. Currently, there are 260 engines operating as part of this program.

Base Wildfire Response Funding Has Increased Substantially in Recent Years. In response to severe wildfire seasons and growing wildfire risks, the state has augmented funding for various wildfire-related activities in recent years, including those related to wildfire response. As Figure 2 shows, the state has provided augmentations for a variety of response-related purposes, such as to support additional firefighters, hand crews, support staff, fire engines, air tankers, helicopters, and various types of new technology. Most of these augmentations have been made to CalFire's budget, but some other agencies have also received additional resources, such as CCC and CMD. As shown in the figure, the state provided some of these funds on an ongoing basis, while it provided others on a limited-term basis. Driven by augmentations such as these, CalFire's total base wildfire protection budget has grown by nearly two-thirds over the past five years alone (from \$1.3 billion in 2017-18 to \$2.1 billion in 2021-22). As shown in Figure 3, CalFire's overall budget has also increased, with its combined budget for fire protection, emergency fire suppression, and resource management and fire prevention rising by roughly 45 percent over the past five years (from \$2.5 billion in 2017-18 to \$3.7 billion in 2021-22).

Figure 2

Key State Wildfire-Response Funding Augmentations in the Last Few Years

- ***CalFire—Blackhawk Helicopters.*** \$315 million one time (General Fund) over a few years beginning in 2018-19 to replace all 12 of CalFire's helicopters, and \$14 million ongoing to support increased maintenance and staffing associated with the helicopters.
- ***CalFire and CCC—Emergency Response and Preparedness: Fire Crews.*** \$143 million (General Fund) in 2021-22, and \$124 million and 617 positions ongoing to support 16 new CalFire hand crews staffed by seasonal firefighters, eight year-round CCC hand crews, and six seasonal CCC hand crews.
- ***CalFire—Relief Staffing.*** \$85.6 million ongoing starting in 2020-21 (primarily from the General Fund) to support additional firefighting positions and fire response surge capacity. This includes: (1) \$34.2 million to support 172 permanent firefighting positions; (2) \$44 million for 378 seasonal firefighters and other surge capacity; (3) \$7.5 million for the six CalFire contract counties, pursuant to the state's existing budgeting methodology for contract counties, which is tied to CalFire's budget for fire response resources; and (4) \$1.8 million for facilities and equipment, such as purchasing vehicles. These increases are partially offset by a reduction of \$1.9 million to reflect a lower level of unplanned overtime within the department's fire protection program as a result of the higher ongoing staffing levels.
- ***CalFire—13 Year-Round Fire Engines.*** About \$40 million (mostly General Fund) in 2019-20 to purchase and staff 13 additional fire engines on a year-round basis. Includes \$8.3 million (one time) to purchase the fire engines and \$32.6 million ongoing for 131 positions.

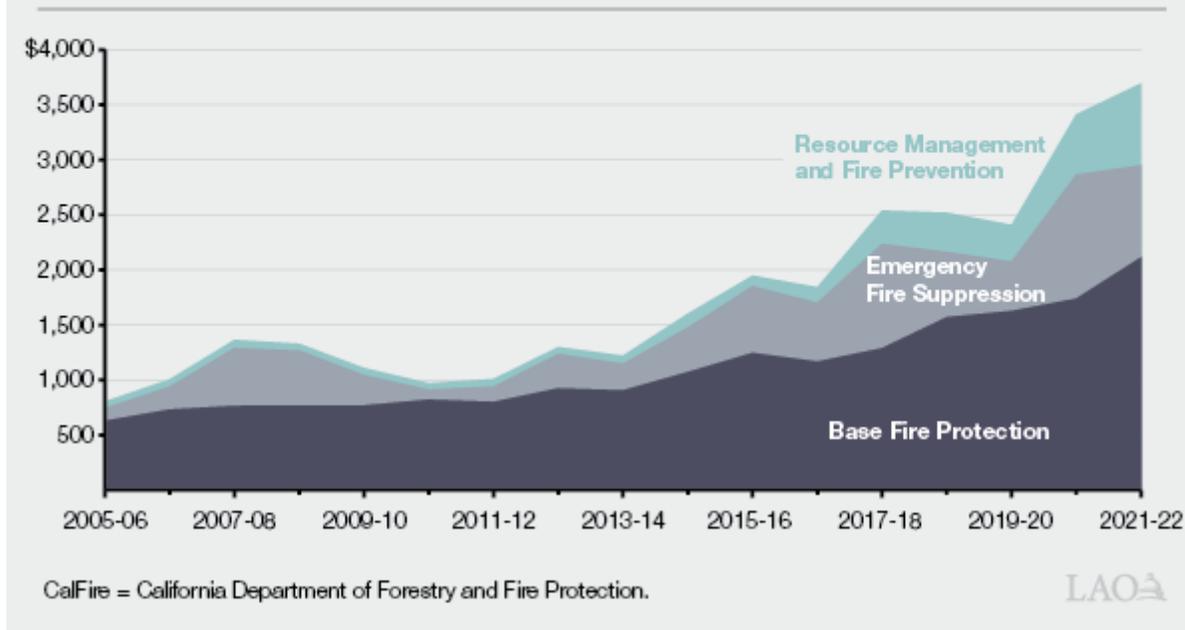
- **OES—Fire Engine Pre-Positioning.** \$25 million annually to pre-position mutual aid fire engines and other related equipment in order to decrease local response times to potentially destructive wildfires and other disasters. This funding was provided on a one-time basis in 2017-18 (GGRF) and in 2018-19 (General Fund). Funding was extended on an ongoing basis in 2019-20 (General Fund).
- **OES—110 Fire Engines.** \$25 million one time (GGRF) in 2018-19 to purchase 110 additional fire engines, and \$1.1 million ongoing to maintain and fuel the additional engines.
- **CalFire—Innovative Procurement.** \$15 million one time (General Fund) in 2019-20 for CalFire to work with vendors to test proofs of concept for various potential firefighting technology solutions.
- **CalFire—Air Tankers.** \$13 million ongoing (General Fund) beginning in 2019-20—increasing to \$50 million upon full implementation in 2023-24—for contract funding for flight crews, maintenance parts and logistics, and 50 additional positions to operate and maintain seven C-130 air tankers that CalFire expects to receive from the federal government.
- **CalFire—Heavy Fire Equipment Operator Staffing.** \$10.6 million ongoing (General Fund) beginning in 2019-20 for 34 additional heavy fire equipment operators to operate bulldozers.
- **CalFire—Wildfire Forecasting.** \$4.4 million (General Fund) in 2020-21, increasing to \$7.6 million ongoing, and 24 positions to implement the FireSIM and FireCAST wildfire forecasting technologies that were identified through the innovation procurement.
- **CalFire, OES, CMD, and CPUC—Wildfire Threat Assessment.** \$2 million (General Fund) in 2020-21, increasing to \$9.5 million in 2021-22 and ongoing (\$9.3 million General Fund and \$191,000 PUCURA) and 22 positions to establish the Wildfire Forecast and Threat Intelligence Integration Center, consistent with the requirements of Chapter 405 of 2019 (SB 209, Dodd).

CalFire = California Department of Forestry and Fire Protection; CCC = California Conservation Corps; OES = Office of Emergency Services; GGRF = Greenhouse Gas Reduction Fund; CMD = California Military Department; CPUC = California Public Utilities Commission; and PUCURA = Public Utilities Commission Utilities Reimbursement Account.

Figure 3

State Spending on CalFire Has Grown

(In Millions)



Extreme Wildfire Events Can Still Strain Response Capacity. Despite recent augmentations, extreme wildfire events can still strain resources. Resource availability can be particularly challenging when multiple large wildfires occur simultaneously, as has happened in recent years. Notably, the state has experienced several severe wildfire seasons in recent years that have challenged the state’s capacity to respond. For example, in 2020, according to data from CalFire, roughly 7,900 requests for fire engines, 900 requests for dozers, and 600 requests for helicopters could not be filled.

Governor’s Budget Includes Several Significant Response-Related Proposals. The proposed budget provides a total of more than \$920 million (mostly from the General Fund) for various wildfire response-related proposals across a few departments. Major proposals include:

- ***CalFire—Staffing and Operational Enhancements.*** The Governor proposes \$400 million ongoing General Fund to improve the health and wellness of CalFire firefighters. According to the administration, details of this proposal will be developed in consultation with the state’s firefighter associations and may be available in May.
- ***CalFire—Emergency Surge Capacity and Resource Enhancement.*** The Governor proposes \$179.8 million General Fund in 2022-23 and \$14.6 million annually thereafter for CalFire to purchase various types of reserve equipment, including four fire hawk helicopters, 54 fire engines, and ten dozers. The Governor also proposes funding for a contract that would provide CalFire with exclusive use of ten helitankers for the next three years until the state anticipates receiving federal C-130 helicopters.
- ***CalFire—Computer Aided Dispatching (CAD)/Automatic Vehicle Locator (AVL) Program Hardware and Service Refresh.*** The Governor proposes \$41.8 million (\$23.9 million General Fund and \$17.9 million State Emergency Telephone Number Account [SETNA]) in 2022-23 and roughly \$30.5 million (\$22.5 million General Fund and roughly \$8 million SETNA) annually

beginning in 2023-24, along with 43 positions, for CalFire to install AVL in the rest of its fleet, implement a five-year replacement cycle for all of its AVL equipment, and provide ongoing support for the AVL and CAD systems. (According to CalFire, 1,200 of its fleet of 3,600 resources currently have AVL installed.) CAD is CalFire’s primary dispatch system, and AVL is a system that integrates with CAD and tracks the real-time location of resources in the field.

- **CMD—Enhancing and Expanding Fire Crews: Task Force Rattlesnake.** The Governor proposes General Fund resources of \$39.9 million in 2022-23 and \$41.3 million annually thereafter and 15 State Active Duty positions to convert 13 seasonal CMD hand crews to 14 year-round hand crews.
- **OES and CalFire—Fire Integrated Real-Time Intelligence System (FIRIS).** The Governor proposes \$30 million ongoing General Fund and 31 positions for the FIRIS system, which provides real-time aerial data and predictive models to inform the state’s response to wildfires and other hazards.
- **CalFire—Contract County Crews.** The Governor proposes \$25.4 million General Fund in 2022-23 and \$35.4 million ongoing to fund 12 hand crews for contract counties (two for each of the six contract counties), as well as a rebaselining of other funding provided to contract counties. (The state funds contract counties to provide fire protection services on behalf of the department in SRA within county boundaries.)
- **CalFire—Training Centers.** The Governor proposes \$15.7 million General Fund in 2022-23 and \$272,000 ongoing for 13 new fire engines and other equipment for the Ventura Training Center and the California Fire Training Center South.
- **OES—Enhancing Fire and Rescue Mutual Aid Fire Fleet.** The Governor proposes \$11.2 million General Fund in 2022-23 and \$10.9 million ongoing, along with 11 positions, to support OES’ mutual aid fire engine program.
- **CCC—Enhancing and Expanding CCC Fire Crews.** The Governor proposes \$8.1 million General Fund in 2022-23 and \$10.2 million ongoing to support ten hand crews (four new crews and conversion of six seasonal crews to year-round), as well as an additional 18 staff positions and 13 corpsmember positions to support these crews.
- **CCC—Rightsizing Fire Crew Resources.** The Governor proposes \$1.8 million General Fund in 2022-23 and \$2 million ongoing for 13 additional corpsmembers and 11 staff to support existing CCC fire crews.
- **CalFire—Various Capital Outlay Projects.** As shown in Figure 4, the Governor proposes \$175.2 million (\$119.7 million General Fund and \$55.5 million in lease revenue bonds) in 2022-23 for various capital outlay projects, mainly focused on replacing and relocating facilities such as unit headquarters, fire stations, and air attack bases. This includes funding for both continuing phases of previously approved projects and new projects. The total estimated cost for the proposed projects is about \$713 million.

Figure 4

CalFire Capital Outlay Projects Proposed for 2022-23

(In Thousands)

Project	2022-23			Total Project Cost
	Amount	Fund Source	New or Continuing	
Statewide: Replace Communications Facilities, Phase V	\$37,266	GF	Continuing	\$41,618

Hemet-Ryan AAB: Replace Facility	33,661	LRB	Continuing	37,523
Prado HB: Replace Facility	21,831	LRB	Continuing	24,600
Lake/Napa Unit Autoshop and Warehouse: Replace Facility	19,713	GF	Continuing	22,917
Potrero Forest FS: Replace Facility	14,675	GF	Continuing	17,370
Chico AAB: Infrastructure Improvements	10,605	GF	Continuing	12,491
Shasta Trinity UH/Northern Operations: Relocate Facilities	6,288	GF	Continuing	109,759
Lake Napa UH and St Helena FS: Relocate Facility	5,000	GF	New	42,714
Intermountain Conservation Camp: Replace Facility	3,831	GF	Continuing	73,895
Humboldt-Del Norte UH: Relocate Facility	3,558	GF	Continuing	57,317
Paso Robles AAB: Infrastructure Improvements	3,277	GF	Continuing	3,859
South Tahoe FS: New Facility	3,000	GF	New	16,680
Hollister AAB/Bear Valley HB: Relocate Facility	2,131	GF	Continuing	53,550
Minor Projects	2,068	GF	New	2,068
North Tahoe FS: New Facility	2,000	GF	New	15,680
Tehama Glenn UH: Relocate Facility	1,500	GF	New	63,720
Columbia HB: Replace Facility	1,228	GF	New	17,435
Howard Forest HB: Replace Facility	1,228	GF	Continuing	17,885
Higgins Corner FS: Replace Facility	789	GF	Continuing	12,029
Bear Valley FS: Relocate Facility	750	GF	New	9,594
Macdoel FS: Relocate Facility	586	GF	Continuing	11,879
Wilbur Springs FS: Relocate Facility	150	GF	New	12,214
L.A. Moran Reforestation Center Improvements	50	GF	New	5,826
Self-Generating Power in Tehama-Glenn and Fresno-Kings Units	50	GF	New	30,100
Totals	\$175,235			\$712,723

CalFire = California Department of Forestry and Fire Protection; GF = General Fund; AAB = Air Attack Base; LRB = lease-revenue bonds; HB = Helitack Base; FS = Fire Station; and UH = Unit Headquarters.

LAO Comments. *Additional Wildfire Response Capacity, Particularly During Extreme Events, Is Merited.* There has been a pattern of increasing numbers of severe wildfires in recent years, which have strained the state’s capacity to respond. Moreover, the effects of climate change are likely to lead to growing risks of severe wildfires in the future. Accordingly, it is reasonable to provide additional resources to improve the state’s capacity to respond to future wildfires. In particular, in principle, it makes sense to enhance the availability of flexible resources that can surge when needed to respond to major wildfires.

Proposals Would Result in Very Large Increase in CalFire Base Support Budget, Mostly Ongoing. As shown in Figure 5, if the Legislature adopts all the Governor’s wildfire response-related proposals, CalFire’s total base support budget for fire protection would increase by 33 percent (from \$2.1 billion in 2021-22 to \$2.8 billion in 2022-23). This represents the largest annual increase since our office started regularly tracking this information in 2005-06. (For reference, the average annual increase has been

8 percent since 2005-06.) Also, in contrast to the Governor’s proposed wildfire and forest resilience package, most of the augmentations for wildfire response-related activities are proposed to be ongoing. (In addition to the proposed augmentations to CalFire’s base support budget, the budget also includes significant new funding for capital outlay projects.)

Figure 5

CalFire Budget Summary

(Dollars in Millions)

	2021-22 (Estimated)	2022-23 (Proposed)	Change	
			Amount	Percent
By Program				
Base Fire Protection	\$2,113	\$2,809	\$695.0	33%
Emergency Fire Suppression	838	413	-424.4	-51
Resource Management	745	414	-330.1	-44
Other ^a	68	72	4.0	6
Totals	\$3,763	\$3,708	-\$55.0	-1%

^aOther includes the Office of the State Fire Marshal, Board of Forestry and Fire Protection, and Department of Justice Legal Services.

CalFire = California Department of Forestry and Fire Protection.

Unclear to What Extent Some Proposals Would Enhance Capacity and Over What Time Frame. The concept of improving wildfire response capacity has merit. However, the extent to which some of the Governor’s proposals would expand this capacity and over what time period is unclear. For example, the largest proposal included in the Governor’s budget is \$400 million in ongoing General Fund to support the health and wellness of CalFire firefighters. While supporting firefighters is a worthy endeavor, it is unclear how this funding would be allocated, including how much would be provided to increase staffing versus increasing pay and/or benefits. If the proposed funding is used to increase compensation, it is unclear to what extent (if at all) it will result in greater response capacity. Similarly, the Governor’s budget includes a proposal to acquire new fire engines for training centers, some of which would replace older engines and some of which would increase the number of training engines available. While trainees may appreciate these new engines, it is unclear how the proposed engines would improve response capacity or provide other measurable benefits to the state.

LAO also notes that the Governor proposes to fund some activities for which it may take a few years to see benefits. Notably, the Governor proposes to acquire helicopters and other equipment, which can take substantial time to procure. For example, CalFire estimates it will take roughly one additional year to receive each additional helicopter ordered. As such, it would take roughly four years for the department to receive all four of the proposed helicopters. The department also estimates it would take up to three years to receive the additional proposed fire engines and dozers. Additionally, the various types of capital outlay projects proposed by the Governor often take at least a few years to complete and be available for use.

Some Proposed Spending Is Excluded Under State Appropriations Limit (SAL). The California Constitution imposes a limit on the amount of revenue the state can appropriate each year. The state can exclude certain capital outlay appropriations from the SAL calculation. Of the roughly \$855 million proposed from the General Fund for major wildfire response-related proposals in 2022-23, the Governor excludes roughly 30 percent (\$252 million) from the SAL. This includes \$132 million for equipment and \$120 million for capital outlay projects. The remaining roughly \$603 million of General Fund—almost all of which is proposed on an ongoing basis—would likely count towards the limit. If the Legislature were to reject any of the wildfire response proposals excluded from the SAL calculation, it would generally need to repurpose the associated funding for other SAL-related purposes, such as tax reductions or an alternative excluded expenditure.

Absence of a Strategic Wildfire Plan Makes It Difficult to Assess if Proposals Are Optimal Approach. LAO continues to believe that the state would benefit from the development of a statewide strategic wildfire plan. The purpose of the plan would be to inform and guide state policymakers regarding the most effective strategies for responding to wildfires and mitigating wildfire risks. In particular, the plan should include guidance on future funding allocations to ensure the highest-priority and most cost-effective programs and activities receive funding and that the state supports an optimal balance of funding for resilience and response.

The Legislature has taken steps to attempt to secure information that would facilitate a more strategic approach to addressing wildfire risks. Specifically, as part of the 2019-20 budget package, the Legislature required CalFire and OES to conduct an assessment of the existing wildfire response capacity through state and mutual aid resources to identify gaps in capacity, cost-effective approaches, and fire response goals (required assessment). The required assessment was due on April 1, 2020, but has not been provided to date due to competing workload demands. According to CalFire, the Administration has no estimated time frame for completing this report. Absent the types of information that would be in a strategic wildfire plan and the required assessment, it is difficult for the Legislature to determine whether the proposals put forward by the Administration represent the most appropriate and cost-effective mix of approaches to meet the state's needs for fire response.

LAO Assessment of Specific Proposals. Despite the absence of a strategic wildfire plan, the Legislature must still make funding decisions and respond to the budget proposals put forward by the Governor. In order to assist the Legislature in this process, LAO assesses the Governor's specific 2022-23 wildfire response-related budget proposals, based on the information available to us at the time of the preparation of this writing. LAO finds that (1) some proposals generally appear reasonable; (2) two proposals could potentially have merit, in whole or in part, but lack important details or justification at this time; (3) some proposals assume funding will be provided in another proposal and thus the proposals should be considered together; and (4) some proposals appear not to be the most cost-effective approach to improving response capacity.

Some Proposals Generally Appear Reasonable. LAO finds that some of the Governor's proposals appear reasonable based on the information provided by the Administration at the time this brief was prepared. These proposals include the following:

- ***CalFire—Contract County Crews.*** LAO finds the proposed expansion of hand crew capacity in the state is likely merited given the recent declines in inmate crews and the importance these crews play in the state's response and resilience strategies. Notably, the proposed added capacity would be provided through the state agreeing to fund crews for contract counties, which the state has not generally done in the past. (The state did provide some one-time funding to contract counties as part of the 2021-22 wildfire and forest resilience package.) LAO finds that it is reasonable for the state to provide support for contract county hand crews because the state will

likely derive significant benefits from them. This is because the crews would conduct activities in the SRA—such as vegetation management projects and wildfire response—that are likely to reduce the likelihood of major wildfires. LAO also notes that the state already provides funding to contract counties for similar types of activities to prevent and suppress wildfires, such as for fire engines and crews. Additionally, the proposed rebaselining of funding for contract counties appears to better reflect the costs the state would likely incur if contract counties were not providing services on behalf of CalFire in the SRA.

- **CalFire—Various Capital Outlay Projects.** While the full costs of the proposed capital outlay projects will be substantial, LAO finds that the new projects would address important infrastructure needs for the department, such as replacing aging facilities that do not meet the department’s operational needs. LAO does not have concerns with the funding included in the budget for the next phases of previously approved CalFire capital outlay projects.

Additional Information or Justification Needed for Some Proposals. LAO finds that two proposals could potentially have merit in whole or in part, but lack some key information or justification at this time. These proposals are:

- **CalFire—Staffing and Operational Enhancements.** The last few years have placed significant strains on firefighters. Accordingly, it is reasonable in principle to dedicate additional funding to support their health and wellness. At this time, however, the Administration has not provided any details on what the proposed \$400 million in ongoing General Fund resources would support. This makes it impossible for the Legislature to assess whether the proposal represents the appropriate funding amount, what specific outcomes would be achieved from this funding, and whether the proposed funding would be the most cost-effective approach to improving the state’s capacity to respond to potentially destructive wildfires. Notably, \$400 million would represent a substantial increase in funding for CalFire personnel. For reference, the budget estimates that spending on CalFire personnel costs will total \$1.5 billion in 2021-22. Of this amount, about \$930 million is anticipated to be provided for salaries and \$580 million for benefits.
- **OES—Enhancing Fire and Rescue Mutual Aid Fire Fleet.** This proposal would support OES’ mutual aid fire engine program, which is an important part of the state’s ability to access surge capacity. However, at this time, it is unclear how specifically the additional funding proposed by the Governor would be used. Specifically, it is unclear to what extent the funding would be used by OES to replace existing fire engines more frequently or provide a more robust maintenance program for its engines. Without this type of basic information, it is impossible for the Legislature to evaluate what specific improvements to fire response capacity would be expected from this proposal and whether they would justify the additional costs.

Some Proposals Assume Funding Will Be Provided in Another Proposal. LAO finds that the some of the Governor’s proposals assume funding will be provided in the staffing and operational enhancements proposal. As such, it will be important for the Legislature to consider these proposals together as discussed below.

- **CalFire—Emergency Surge Capacity and Resource Enhancement.** Given the high number of unfilled requests for response-related equipment—including fire engines, helicopters, and dozers—over the past few years, LAO finds that it is reasonable for the Legislature to consider providing additional resources to increase the availability of such equipment. However, the Governor’s proposal does not account for all the operational costs associated with the proposed equipment. Specifically, according to CalFire, the costs of staffing the proposed helicopters are included as part of the staffing and operational enhancements proposal. Accordingly, it will be important for the Legislature to consider the two proposals together.

Additionally, given the complex and technical nature of decisions about the relative operational value of various types of equipment in specific wildfire conditions, it is particularly difficult to evaluate the merits of this type of proposal absent a strategic wildfire plan.

- **CCC and CMD Fire Crew Proposals.** The proposed CCC and CMD hand crews (and associated support staff, as relevant) would provide a significant increase in the resources available to assist in responding to active wildfires, as well as conducting hazardous fuel removal projects at other times. LAO expects that such an expansion would provide important value to the state. However, LAO notes that additional CalFire staffing is anticipated to be required to oversee the proposed changes to the CCC and CMD crews. According to the Administration, this additional staffing is included in the staffing and operational enhancements proposal. Given this, it will be important for the Legislature to consider the proposals together.

Some Proposals May Not Be Most Cost-Effective Approach to Improving Response Capacity. LAO has some initial concerns with the remaining proposals because they may not represent the most cost-effective approaches to improving response capacity based on the information available at the time this writing. Specifically, LAO has such concerns with the following proposals:

- **CalFire—CAD/AVL Program Hardware and Service Refresh.** While CAD and AVL provide important functionality to the department, it is not clear to us whether (1) the benefits of extending it to every CalFire resource—including every vehicle operated by any CalFire staff—outweighs the substantial cost, (2) a five-year replacement cycle is necessary, and (3) such a replacement cycle is consistent with the practices of governmental entities with this type of technology.
- **CalFire—Training Centers.** At this time, it is unclear what additional response benefits would be provided by acquiring 13 new engines for CalFire’s training facilities and whether those benefits justify the cost of the Governor’s proposal. LAO notes that the need for some or all of the proposed training engines could potentially be met by repurposing older fire engines that the department would otherwise sell. LAO does not raise concerns with the purchase of other training equipment.
- **OES and CalFire—FIRIS.** Since 2019, the state has been piloting the use of FIRIS—a system that provides real-time aerial data and predictive models to inform the state’s response to wildfires and other hazards—through an agreement with Orange County. Under this proposal, OES and CalFire would take over FIRIS from Orange County on a permanent basis and expand the level of service provided to include two planes providing 24-hour coverage each at a total cost of roughly \$30 million annually. (The Orange County pilot included two planes, one that provided 24-hour coverage and one that provided 12-hour coverage.) However, it is unclear whether this additional level of service is necessary. This is because the departments have not provided sufficient justification for why the current level of service is insufficient, particularly given that they have access to similar aerial data and capabilities through a partnership with CMD. Furthermore, while the departments did not evaluate what the cost would be to continue the existing level of service, LAO would expect it to be significantly lower than \$30 million per year given that the proposal notes that it would cost \$17 million for Orange County to continue providing the existing level of service. (According to OES, Orange County is not interested in continuing to manage this program.)

LAO Recommendations. Consider Proposals in Context of Overall Priorities. Given the size of the proposed wildfire response-related augmentations, LAO recommends that the Legislature weigh all the proposals in the context of its priorities and other budget decisions, keeping in mind the following considerations:

- ***Governor’s Wildfire Resilience Package.*** The Governor’s 2022-23 budget plan includes a total of \$800 million from the General Fund over two years (in addition to \$200 million annually from the Greenhouse Gas Reduction Fund) for various wildfire prevention and mitigation efforts. Ultimately, a key question for the Legislature will be how to balance additional resources for wildfire resilience versus response.
- ***Augmentations Provided in Recent Budgets.*** Notably, recent state budgets have provided various augmentations for wildfire response-related resources as mentioned previously, including for fire crews, hand crews, fire engines, helicopters, aircraft, and various types of technology. It will be important for the Legislature to ensure that it is comfortable that the Governor’s proposals build on, rather than duplicate, these existing resources.
- ***Priorities for Ongoing General Fund.*** It will also be important for the Legislature to consider the Governor’s wildfire response proposals in the context of its priorities for the use of ongoing General Fund resources since most of the proposed funding would be provided on an ongoing basis.
- ***SAL Implications.*** It will also be important for the Legislature to consider the implications for the SAL as it reviews these proposals. The Governor excludes roughly 30 percent of the \$855 million proposed for major wildfire response-related proposals in 2022-23 from the SAL. This includes \$132 million for equipment and \$120 million for capital outlay projects. If the Legislature were to reject any of these proposals, it would generally need to repurpose the associated funding for other SAL-related purposes, such as tax reductions or an alternative excluded expenditure.
- ***Ability to Enhance Additional Response Capacity Cost-Effectively and Expediently.*** Finally, given the amount of proposed funding, it will be particularly important to ensure that the mix of proposals represents the best mix of resources to improve the state’s ability to respond cost-effectively. Ideally, the Legislature would have a strategic wildfire plan to help guide these decisions. However, given the pressing nature of this issue, the Legislature could consider providing some or all of the requested resources while continuing to pursue more information from the administration to inform future decisions. To the extent it provides funding for only some resources, it could focus on the resources that have the clearest demonstrated ability to improve response capacity, are likely to provide near-term wildfire response benefits, and are least likely to change substantially based on information that would be provided in a strategic wildfire plan.

Approve Proposals That Generally Appear Reasonable. Some proposals meet clearly identified needs, include sufficient details to enable the LAO to adequately assess them, and are likely to be reasonable even in the absence of a strategic wildfire plan. Accordingly, LAO thinks it makes sense for the Legislature to approve them. These proposals include (1) CalFire’s contract county crews proposal and (2) CalFire’s various capital outlay proposals.

Withhold Action on Proposals Pending Additional Information. There are a couple proposals that may have merit in concept, but are lacking adequate details and/or justification at this time. For these proposals, LAO recommends that the Legislature withhold action pending receipt of additional information from the Administration. If the Administration does not provide sufficient information to justify their approval, LAO recommends that the Legislature reject the proposals in whole or in part. These proposals are:

- ***CalFire—Staffing and Operational Enhancements.*** There is no information available on how the proposed funding would be used and why \$400 million is the appropriate level of funding. Based on LAO’s discussion with the Administration, LAO understands that additional details on

this proposal may be available in May. Until such information is available, LAO recommends the Legislature withhold action on this proposal.

- **OES—Enhancing Fire and Rescue Mutual Aid Fire Fleet.** LAO recommends withholding action pending receipt of information on how the proposed funding would be used to support OES' fleet, as well as substantiating that the specific benefits that would be provided by this proposal justify the cost.

Withhold Action on Proposals That Assume Funding Provided in Another Proposal. LAO recommends that the Legislature withhold action on the proposals that are proposed to be staffed in part with resources included in the staffing and operational enhancements proposal.

- **CalFire—Emergency Surge Capacity and Resource Enhancement.** LAO recommends withholding action on this proposal because it would be staffed in part through resources proposed in the staffing and operational enhancements proposal. Accordingly, the Legislature will want to consider this proposal along with that proposal, the details of which are not anticipated to be available until May. Additionally, this proposal is particularly difficult to evaluate absent a strategic wildfire plan or required assessment because decisions about how to prioritize the use of various types of equipment in fire response is complex and technical. Accordingly, if the Legislature ultimately does want to provide resources in this area, it could consider approving the full requested amount or take a different approach. For example, one alternative could be to approve some of these resources in the budget year and defer action on the remaining resources to a future year. (This could potentially be done without delaying the receipt of equipment, since some equipment such as the helicopters, will take multiple years to arrive regardless.) The Legislature could make its approval of additional resources contingent on the Administration preparing the required assessment to help guide decision-making.
- **CCC and CMD Fire Crew Proposals.** LAO also recommends withholding action on the CCC and CMD fire crew proposals. LAO's understanding is that the CalFire staffing to oversee these crews is assumed to be provided as part of the staffing and operational enhancements proposal. Accordingly, the Legislature will want to consider these proposals along with that one.

Require Specific Information on Proposals That Do Not Appear Cost-Effective. There are a few proposals that do not appear to be the most cost-effective approach to improving response capacity based on the information available at the time of the preparation of this brief. Accordingly, LAO recommends that the Legislature require the administering departments to report specific information to address these concerns. To the extent that the responses are not compelling, LAO would recommend the Legislature modify or reject these proposals. These proposals are:

- **CalFire—CAD/AVL Program Hardware and Service Refresh.** LAO recommends requiring the department to report on (1) how the benefits of extending AVL to every CalFire resource—including every vehicle operated by any CalFire staff even those not directly involved in fire response—outweighs the cost of the proposal, (2) why a five-year replacement cycle is necessary, and (3) whether a five-year replacement cycle is consistent with the practices of governmental entities that use this type of technology. Such information would be important for the Legislature to determine whether to modify the proposal to provide AVL to a subset of the fleet or with a longer replacement cycle.
- **CalFire—Training Centers.** LAO recommends requiring CalFire to report on why these training engines are needed given that the department can use reserve engines or engines that would otherwise be surplus for training purposes. Specifically, the department should be able to articulate the specific consequences of not having these new engines on its capacity to respond to wildfires or identify other measurable benefits to the state. Absent a compelling rationale for

these engines, we recommend modifying the proposal to reject them. (LAO does not raise concerns with the other equipment proposed to be funded.)

- ***OES and CalFire—FIRIS.*** LAO recommends the Legislature direct OES and CalFire to report at budget hearings on an alternative to their proposal that would fund FIRIS at the current level of service, rather than the higher level of service proposed. This would provide the Legislature with important information on its options for continuing this program and allow it to assess whether there is another approach that would meet the state’s needs at a significantly lower cost.

Staff Recommendation. Hold open.

0650 GOVERNOR’S OFFICE OF EMERGENCY SERVICES (CAL OES)
3540 DEPARTMENT OF FORESTRY AND FIRE PROTECTION (CALFIRE)
3600 DEPARTMENT OF FISH AND WILDLIFE (DFW)
3790 DEPARTMENT OF PARKS AND RECREATION (PARKS)

Issue 21: Peace Officer and Law Enforcement Legislative Requirements — SB 2, SB 16, AB 26, AB 48, and AB 481

Governor’s Proposal. The Governor’s budget requests \$13.849 million General Fund in 2022-23, \$8.789 million ongoing, 28 positions, and 14 vehicles to comply with peace officer and law enforcement requirements associated with SB 2 (Bradford), Chapter 409, Statutes of 2021, SB 16 (Skinner), Chapter 402, Statutes of 2021, AB 26 (Holden), Chapter 403, Statutes of 2021, AB 48 (Lorena Gonzalez), Chapter 404, Statutes of 2021, and AB 481 (Chiu), Chapter 406, Statutes of 2021. The breakdown for each department’s request is as follows:

- CalFire requests \$7.547 million in 2022-23, \$3.565 million ongoing, seven positions, and four vehicles to comply with SB 2, AB 481, and AB 48.
- Parks requests \$3.849 million in 2022-23, \$3.215 million ongoing, 13 positions, and seven vehicles to comply with SB 2 ad SB 16.
- DFW requests \$2.035 million in 2022-23, \$1.591 million ongoing, six positions, and three vehicles to comply with SB 2, SB 16, and AB 26
- Cal OES requests \$418,000 ongoing and two positions to comply with AB 481.

Background. This package of bills address the public demand for peace officer reform. Specific components of each bill affect the departments in a variety of ways.

SB 2 (Bradford). SB 2 grants new powers to the Commission on Peace Officer Standards and Training (POST) to investigate and determine peace officer fitness and to decertify officers who engage in “serious misconduct”; and (2) makes changes to the Bane Civil Rights Act to limit immunity.

The departments must confirm all officers are POST certified, review peace officer investigations, and make recommendations for certificate suspension or revocation. This proposal includes resources for CalFire, Parks, and DFW to address the requirements of SB 2.

CalFire employs approximately 296 total peace officers that are responsible for enforcing laws related to CalFire’s forest and fire protection mission. Of the 296, 180 of CalFire’s peace officers are authorized to carry a firearm on a regular basis and are appointed under Penal Code (PC) Section 830.2, which grants law enforcement authority to state peace officers. These officers are required to be certified by POST. The remaining 116 departmental peace officers are appointed under PC Section 830.3 and conduct enforcement duties delegated to the Office of the State Fire Marshal (OSFM). SB 2 requires the peace officers appointed under Penal Code Section 830.3 to be certified by POST, which will require the officers to attend POST Regular Basic Course Academy, Field Training Program, and Continued Professional Training. CAL FIRE currently does not offer these training programs to OSFM’s peace

officers.

Parks' Law Enforcement and Emergency Services Division is comprised of roughly 600 rangers and lifeguards, both of which are peace officers with statewide jurisdiction. They are responsible for providing law enforcement and public safety throughout the state park system. The statutory changes due to SB 2 will increase the workload associated with investigations, detailed reporting, and expanded access to peace officer records. Parks cannot comply with the requirements of SB 2 within existing Parks' resources and existing staff.

DFW employs 480 sworn Wildlife Officers that have law enforcement jurisdiction throughout the state and 200 miles out to sea. They are also federally deputized to enforce certain federal laws. SB 2 requirements create an increase in reporting and requirements for the certification of DFW's peace officers, therefore increasing workload. Additionally, the bill requires DFW to report any complaints, charges, allegations, or investigations into serious misconduct by a peace officer that could render the officer's certification subject to suspension or revocation. The reporting timeline is much shorter than previously required.

SB 16 (Skinner). SB 16 expands the categories of police personnel records that are subject to disclosure under the California Public Records Act; and modifies existing provisions regarding the release of records subject to disclosure. SB 16 revises the record retention procedures to replace the 5-year minimum with a 15-year minimum for sustained findings of misconduct. Access to records, timelines, and volume will have a substantial impact on the departments' limited resources.

This proposal includes resources for Parks and CDFW to address the additional requirements imposed by SB 16. Parks currently exceeds 400 related requests per year and currently averages 15 investigations annually. Each of these investigations takes roughly six months to complete, with a team of only two investigators. SB 16 expands access to peace officer records through Public Records Act requests. The collective result of these changes will increase the number of requests, investigations, retention, reporting, and review. The department cannot comply with the requirements of SB 16 within existing Parks' resources and staff.

AB 26 (Holden). AB 26 specifies that law enforcement agency polices must: (1) mandate the reporting potential excessive force by officers; (2) prohibit retaliation against officers that report violations; (3) require that an officer who fails to intercede be disciplined up to and including the same manner as the officer who used excessive force; (4) prevent an officer who has had a finding of misconduct for use of excessive force from training other officers for three years; and (5) clarify the reporting requirements for uses of force and intervention on another officer who uses excessive force.

AB 26 requires that officers immediately intercede and report when observing perceived excessive force. This bill expands the requirements for a witness officer to go beyond reporting excessive force and would add additional requirements and consequences for an observing officer.

Due to the possible liability involved, this proposal includes resources for DFW. This proposal would support DFW's capacity to work with the Attorney General's Office on litigation arising from AB 26. Every time one of the Wildlife Officers observes another peace officer, from any other agency or department, using force, the DFW and the peace officer are exposed to potential liability. The Wildlife Officers frequently work with other law enforcement agencies. They back up outside agencies in calls for service, they execute search warrants together, and request back up in remote areas of the state.

AB 48 (Lorena Gonzalez). AB 46 places a general ban on the use of kinetic energy projectiles and

specified chemical agents by law enforcement upon public assemblies, subject to specified exemptions. AB 48 includes a component requiring monthly reporting, instead of annual reporting, of any specified use of force incidents to the Department of Justice.

This proposal includes resources for CalFire to comply with the expanded reporting requirement. The change in reporting requirement of specific use of force incidents from an annual report to a monthly report will cause an increase in workload for CalFire. CalFire does not have a centralized reporting system and historically was able to collect, review and create an annual report with existing personnel and resources. Meeting the monthly requirement for this report will require additional resources to support CalFire in collecting and reviewing statewide reports to be submitted to Department of Justice.

AB 481 (Chiu). AB 481 requires law enforcement to follow specified procedures prior to the acquisition or use of surplus federal military equipment, including obtaining approval from a local governing body. AB 481 also requires similar approval for the continued use of military equipment acquired prior to January 1, 2022.

This proposal includes resources for CalFire and Cal OES to comply with these requirements.

CalFire possesses numerous items of law enforcement-related equipment, which is now considered military equipment pursuant to AB 481, specifically UAVs, command and control vehicles, flashbang grenades, breaching apparatuses, projectile launch platforms and their associated munitions such as 40mm projectile launchers, “bean bag,” rubber bullet, and specialty impact munition (SIM) weapons. Command and control vehicles are used daily by CalFire peace officers for patrol and response to incidents. The remaining equipment listed above is issued for incidents such as the execution of arrest and search warrants, crowd control, or training purposes. CalFire does not have sufficient resources to create and implement use policies and procedures for each piece of military equipment. None of this equipment is purchased through the Department of Defense and none of this equipment has previously been considered military equipment. CalFire purchases law enforcement equipment using budgeted funds. All equipment is purchased from retail vendors and/or manufacturers of law enforcement equipment.

Cal OES is appointed by the Governor to oversee the Law Enforcement Support Office Program (1033 Program) for the state, which allows a local agency to acquire surplus property from the federal government without regard to any law requiring posting of notices or advertising, inviting, or receiving bids. Through this process, the Department of Defense may transfer surplus property, including arms and ammunition, to federal or state agencies for use in law enforcement activities, subject to specified conditions, at no cost to the acquiring agency. There are currently 274 law enforcement agencies participating in the 1033 Program.

Staff Recommendation. Hold open.