

COMMITTEE MEMBERS  
JIM NIELSEN, VICE CHAIR  
JIM BEALL  
ANNA M. CABALLERO  
BRIAN DAHLE  
MELISSA HURTADO  
BRIAN W. JONES  
CONNIE M. LEYVA  
MIKE MCGUIRE  
WILLIAM W. MONNING  
JOHN M.W. MOORLACH  
DR. RICHARD PAN  
RICHARD D. ROTH  
NANCY SKINNER  
HENRY STERN  
JEFF STONE  
THOMAS J. UMBERG  
BOB WIECKOWSKI

## ***CALIFORNIA STATE SENATE***

### **COMMITTEE ON BUDGET AND FISCAL REVIEW**

STATE CAPITOL – ROOM 5019  
SACRAMENTO, CA 95814



***Holly J. Mitchell, Chair***

STAFF DIRECTOR  
JOE STEPHENSHAW  
  
DEPUTY STAFF DIRECTOR  
ELISA WYNNE

CONSULTANTS  
CHRISTOPHER FRANCIS  
JAMES HACKER  
ANITA LEE  
SCOTT OGUS  
RENITA POLK  
JOANNE ROY  
YONG SALAS

COMMITTEE SECRETARY  
SANDY PEREZ

COMMITTEE ASSISTANT  
SAMUEL LANCHESTER

(916) 651-4103  
FAX (916) 668-7004

## **Agenda**

**July 10, 2019**

**1:00 p.m. – State Capitol Room 4203**

<b><u>BILL</u></b>	<b><u>AUTHOR</u></b>	<b><u>SUBJECT</u></b>
1. A.B. 110	Ting	Budget Act of 2019
2. A.B. 111	Committee on Budget	Wildfire agencies: public utilities: safety and insurance

---

## SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Holly Mitchell, Chair  
2019 - 2020 Regular

---

<b>Bill No:</b>	AB 110	<b>Hearing Date:</b>	July 10, 2019
<b>Author:</b>	Ting		
<b>Version:</b>	July 8, 2019 As amended		
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Joe Stephenshaw		

**Subject:** Budget Act of 2019

**Summary:** This is the second Budget Bill Jr. that makes changes to the 2019 budget.

**Proposed Law:** Specifically, this bill provides up to \$2 million to the Department of Finance for costs associated with the implementation of measures to respond to the threat of catastrophic wildfires and address the impact of victims, ratepayers, utilities, and other stakeholders.

**Fiscal Effect:** Appropriates \$2 million from the General Fund.

**Support:** None on file.

**Opposed:** None on file.

-- END --

---

# SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Holly Mitchell, Chair  
2019 - 2020 Regular

---

**Bill No:** AB 111 **Hearing Date:** July 10, 2019  
**Author:** Committee on Budget  
**Version:** July 8, 2019 As amended  
**Urgency:** No **Fiscal:** Yes  
**Consultant:** Joanne Roy

**Subject:** Wildfire agencies: public utilities: safety and insurance

**Summary:** This bill establishes the California Energy Infrastructure Safety Act and creates new governmental structures to carry out the act.

**Proposed Law:** Specifically, this bill:

- 1) Creates the California Catastrophe Response Council (CCRC) to oversee the California Earthquake Authority (CEA) with regard to the Wildfire Fund and requires the CCRC to consist of nine members, as follows:
  - a) The Governor;
  - b) The Treasurer;
  - c) The Insurance Commissioner;
  - d) The Secretary of the Natural Resources Agency;
  - e) Three members of the public appointed by the Governor;
  - f) A member appointed by the Senate Committee on Rules; and,
  - g) A member appointed by the Speaker of the Assembly.
- 2) Requires the CEA governing board to exercise the powers of the CCRC until a majority of CCRC members are appointed.
- 3) Requires the CCRC to appoint a Wildfire Fund Administrator (Administrator) and oversee the Administrator's operation, management and administration of the Wildfire Fund. Until the Administrator is appointed, the CEA will exercise the powers of the Administrator.
- 4) Establishes the Office of Energy Infrastructure Safety (OEIS) within the Natural Resources Agency.
- 5) Requires the Governor to appoint a director to OEIS, subject to Senate confirmation.
- 6) Requires the OEIS and the California Public Utilities Commission (CPUC) to enter into a memorandum of understanding to develop consistent approaches and share data related to electric infrastructure safety.
- 7) By January 1, 2020, requires the CPUC to establish the Wildfire Safety Division (WSD) within the CPUC and requires all functions of the WSD to be transferred to OEIS, effective July 1, 2021.

- 8) Requires the WSD to do the following:
- a) Oversee and enforce electrical corporations' compliance with wildfire safety;
  - b) In consultation with the California Wildfire Safety Advisory Board (Advisory Board), develop and recommend to the CPUC performance metrics to achieve maximum feasible risk reduction, which will be used to develop a wildfire mitigation plan and evaluate an electrical corporation's compliance with that plan;
  - c) Develop a field audit program for wildfire mitigation plan compliance by each electrical corporation;
  - d) Consult with the Office of Emergency Services, as specified;
  - e) Support efforts to assess and analyze fire weather data and other atmospheric conditions that could lead to catastrophic wildfires and to reduce the likelihood and severity of wildfire incident; and
  - f) Review, in coordination with the Advisory Board and commission staff, safety requirements for electrical transmission and distribution infrastructure and provide recommendations to the CPUC to address and mitigate risks associated with climate change and wildfire.
- 9) Establishes the Advisory Board to advise the Wildfire Safety Division.
- a) Requires the advisory board to consist of seven members, as follows:
    - i) Five members appointed by the Governor.
    - ii) One member appointed by the Senate Committee on Rules.
    - iii) One member appointed by the Assembly.
  - b) Requires the advisory board to meet at least quarterly and alternate meeting locations between northern, central, and southern California, when feasible.
- 10) Appropriates \$47.6 million from the CPUC Utilities Reimbursement Account and \$2.5 million from the CPUC Public Advocate's Office Account to the CPUC to support its fulfillment of duties pursuant to the California Energy Infrastructure Safety Act.
- 11) Specifies that AB 111 becomes operative only if AB 1054 (Holden, et al.) becomes effective before January 1, 2020.

**Support:** None on file.

**Opposed:** None on file.

-- END --