

EMERGENCY PREPAREDNESS, RESPONSE, AND RECOVERY

California is experiencing unprecedented wildfire activity with increases in the number and severity of wildfires. Fifteen of the twenty most destructive wildfires in the state's history have occurred since 2000; ten of the most destructive fires have occurred since 2015. The fire season is getting longer each year with many parts of the state experiencing nearly year-round fire danger. Climate change has led to historic periods of drought, which has created critically dangerous fuel conditions and resulted in over 147 million dead or dying trees.

Additionally, growth in the wildland urban interface has put more Californians at risk than ever before. More than 25 million acres of the state's wildlands are classified as under very high or extreme fire threat. The catastrophic wildfire activity in 2018, including the Camp, Woolsey, and Hill fires, underscores the serious dangers that current conditions pose to individuals and communities in high-risk areas of the state.

The Administration has taken decisive action to identify and implement recommendations and solutions to reduce wildfire risk; bolster the state's emergency preparedness, response, and recovery capacity; and protect vulnerable communities. The Budget includes \$918 million (\$202 million ongoing) in additional funding to build on these efforts.

COMMUNITY WILDFIRE PREVENTION AND MITIGATION REPORT

In recognition of dangerous fire conditions, the Governor issued Executive Order N-05-19 on January 8, 2019. The Executive Order directed CAL FIRE to collaborate with other state agencies and departments to recommend a series of actions and administrative, policy, and regulatory changes needed to prevent destructive wildfires. The Executive Order further emphasized the need for these actions to be targeted to protect the populations at the greatest risk from wildfires.

On March 5, 2019, CAL FIRE released the Community Wildfire Prevention and Mitigation Report with 19 recommendations for immediate, medium-term, and long-term actions to help the state decrease the risks associated with catastrophic wildfires. The report applies risk-based factors so that implementation of the recommended activities will support the protection of communities in the highest risk areas of the state.

One of the report's central recommendations is to accelerate completion of 35 priority fuel reduction projects identified through CAL FIRE's risk-based assessment. These projects are underway and will reduce fire risk and increase resiliency for over 200 of California's most wildfire-vulnerable communities. Additionally, the state has deployed California National Guard crews and other emergency response resources to complete fire prevention projects.

WILDFIRES AND CLIMATE CHANGE: CALIFORNIA'S ENERGY FUTURE

In early January, the Governor's strike force was created to coordinate the state's efforts to provide for the safety, reliability, and affordability of energy as well as to continue progress toward achieving the state's climate commitments. The Administration directed the strike force to develop a comprehensive strategy to address the impacts of catastrophic wildfires and climate change and their destabilizing effect on the energy sector. Accordingly, the strike force's report, *Wildfires and Climate Change: California's Energy Future*, was released on April 12, 2019 and made a series of recommendations to accomplish the following objectives:

- Reduce the frequency and severity of wildfires, strengthen emergency response, and build community resiliency.
- Mitigate climate change through clean energy policies.
- Provide a fair and equitable allocation of wildfire costs and damages.
- Make necessary changes to stabilize utilities to meet the energy needs of customers and the economy.

The report provides a roadmap for the state to meet the challenges ahead and increase the safety and security of all Californians while providing continued access to safe and affordable energy. The Budget implements many of the recommendations in this report related to reducing the frequency and severity of wildfires.

COMMISSION ON CATASTROPHIC WILDFIRE COST AND RECOVERY

The Commission on Catastrophic Wildfire Cost and Recovery (Commission) is responsible for providing recommendations to the Governor and the Legislature on how to manage the long-term costs and liabilities associated with utility-caused wildfires.

The Commission convened five public meetings at locations across the state, including in cities recently impacted by wildfires, and engaged with victims, stakeholders, and experts to inform its recommendations. The Commission delivered the final report to the Governor and the Legislature on June 18, 2019.

The Commission's report is structured around the principle of equitably socializing the costs associated with catastrophic wildfires. The recommendations in the Commission's report focus on four key areas: (1) addressing utility liability, (2) creating an effective mechanism to assist in the payment of catastrophic wildfire costs, (3) stabilizing the insurance market and maintaining affordable coverage for homeowners in the wildland urban interface, and (4) reducing wildfire risk. The Commission's report builds on the strike force's report and provides another series of actionable options to consider to reduce wildfire risk and build the state's capacity to recover and rebuild in the wake of catastrophic wildfire events.

CURRENT YEAR ACTIONS

The Administration and Legislature have already taken swift action to address urgent needs associated with disaster preparedness and response as well as state and local recovery from recent catastrophic wildfire events. This includes:

- Accelerating implementation of the 35 priority fuel reduction projects identified in the Community Wildfire Prevention and Mitigation Report to protect over 200 of California's most at-risk communities using existing forest health and fire prevention funding.
- Redirecting up to 100 California National Guard personnel to create fuel reduction and fire suppression crews that are available to CAL FIRE to undertake priority projects.

- Launching the California for All Emergency Preparedness Campaign, a joint initiative between Cal Volunteers and Cal OES, to connect vulnerable populations with culturally and linguistically competent support and bolster resiliency. The \$50 million campaign is supporting the dispatch of expert disaster teams to key regions and the development of targeted public awareness and outreach campaigns.
- Providing funding from the California Disaster Assistance Act and Disaster Response-Emergency Operations Account to support critical disaster relief and recovery activities, including debris removal, shelter support, and remediation activities.
- Publishing the Alert and Warning Guidelines, pursuant to Chapter 617, Statutes of 2018 (SB 833), ahead of schedule to help local governments develop robust and effective alert and warning programs.
- Securing delegation of authority from the Secretary of Defense to fly the California National Guard's infrared-equipped Unmanned Aerial Systems in support of CAL FIRE missions throughout 2019.
- Partnering with the federal government to secure the California National Guard's access to satellite-based wildfire detection technology.
- Releasing Requests for Proposals to begin overdue modernization of California's 9-1-1 system.
- Working with California's congressional delegation to secure the state's eligibility for \$12.6 billion in federal funding for disaster relief.

The Budget builds upon these investments and the Administration's accomplishments over the last six months to further strengthen the state's emergency response capacity, reduce the threat of catastrophic wildfires, and protect communities at risk.

DISASTER PREPAREDNESS, RESPONSE, AND RECOVERY

Based on lessons learned and because of the increased magnitude, frequency, and complexity of recent disasters, the Budget includes \$19.2 million (\$20.4 million ongoing) and 153.5 positions for Cal OES and various departments to enhance the state's disaster preparedness, response, and recovery capabilities. These resources support the continuity of state government during disasters, enhance Cal OES' ability to coordinate with all state agency responders, and increase technical proficiency to best

position the state to maximize eligible federal reimbursements, which total billions of dollars.

The Budget also includes \$20 million one-time General Fund for a state mission tasking appropriation within Cal OES' budget. When state entities are mission tasked, some staffing costs associated with these activities are not absorbable within existing budgets, nor are these costs eligible for the California Disaster Assistance Act or Disaster Response-Emergency Operations Account funding. The emergency contingency funding will help meet this need.

PUBLIC SAFETY POWER SHUTDOWN

The Budget includes \$75 million one-time General Fund to work with local governments to protect vulnerable populations and improve resiliency of the state's critical infrastructure in response to utility-led public safety power shutdown (PSPS) actions.

Investor-owned utilities (IOUs) have signaled their intent to significantly increase the use of PSPS on their energized power lines to prevent wildfires during high wind or other severe weather events. As a result, affected areas may be without power for several hours, days, and in some cases, more than a week. Given the configuration of power grids and limited weather-monitoring capacities, utilities at times may be unable to implement PSPS in targeted areas, which could result in larger regional areas being affected.

This investment provides a flexible source of funding to facilitate immediate response to utility initiated power shutdowns. In addition, planning grants to improve local preparedness for PSPS events will be available to the state's Operational Areas' (Counties) Offices of Emergency Management to convene regional stakeholders to discuss PSPS preparedness efforts, update emergency plans for PSPS events, and hold trainings, discussions, and exercises to reinforce planning assumptions.

CALIFORNIA OFFICE OF EMERGENCY SERVICES

The Budget includes an additional \$120.1 million General Fund (\$25 million ongoing) to improve the state's emergency response and preparedness capabilities through the following Cal OES proposals:

- State Emergency Telephone Number Account (SETNA) and 9-1-1 Advancements—\$50 million one-time General Fund will be deposited in SETNA to maintain the current level of services and continue implementing improvements to the state's 9-1-1 system. Specifically, these resources are being used to upgrade the California Public Safety Microwave Network from an analog system to a digital system in the current year to enhance emergency response communications. The Network provides connectivity for public safety radio systems that link responders and dispatchers, provides redundancy and resiliency, and enhances disaster response.

The Budget includes a new fee structure that will be implemented on January 1, 2020, generating approximately \$175 million annually. The fee can be adjusted each year based on the amount of appropriation authority the Legislature authorizes from SETNA and the number of access lines reported to Cal OES by service providers.

Creating a more stable funding structure will allow Cal OES to implement a statewide Next Generation 9-1-1 system that provides faster call delivery, increased routing accuracy and functionality, call overflow and backup functionality, updated geographic information capability and wireless location data, and incoming text capability. Combined, these proposals will improve public safety and significantly advance California's emergency response capabilities.

- Mutual Aid System—\$25 million ongoing General Fund for repositioning of existing Cal OES and local government resources that are part of the statewide mutual aid system with the goal of enhancing disaster response readiness. Repositioning occurs in areas of identified potential fire threat, which is determined through various means such as weather modeling, high wind zones, low humidity, and dense fuel loads.
- California Disaster Assistance Act (CDAA)—\$28.8 million one-time General Fund to increase the amount of funding available through CDAA, which is used to repair, restore, or replace public real property damaged or destroyed by a disaster, and to reimburse local government costs associated with certain emergency activities undertaken in response to a state of emergency. This augmentation increases total CDAA funding included in the Budget to \$91.4 million.
- California Earthquake Early Warning—\$16.3 million one-time General Fund to finish the build-out of the California Earthquake Early Warning System, including finishing

seismic stations installation, adding GPS stations to the network, improving telemetry, and launching a statewide education and outreach campaign. The system is anticipated to be operative statewide by June 2021.

DEPARTMENT OF FORESTRY AND FIRE PROTECTION

The Budget includes \$240.3 million (\$140.9 million ongoing) to enhance CAL FIRE's fire protection capabilities and increase the pace and scale of forest health and fire prevention activities. These additional resources align with key recommendations from the Community Wildfire Prevention and Mitigation Report as well as the strike force's report on California's Energy Future. Significant investments include:

- Expanding Firefighting Surge Capacity—\$67.5 million General Fund (\$56.9 million ongoing) for CAL FIRE and the California Conservation Corps to enhance the state's fire protection capabilities, including resources to (1) add 13 new year-round fire engines that will be located in areas of the state with the highest fire risk, (2) operate 5 additional CAL FIRE/Corps fire crews, (3) expand heavy fire equipment operator staffing to support CAL FIRE's bulldozer operations during emergency wildfire events, and (4) accelerate the replacement of fire engines and other mobile equipment to address increased wear and tear on CAL FIRE's vehicles resulting from the longer fire season.
- Enhancing Aviation Resources—\$127.2 million General Fund (\$63.5 million ongoing) to add aircraft with increased tactical capabilities to CAL FIRE's aviation fleet to meet the challenges associated with more severe wildfire activity. Specifically, the Budget includes \$17.7 million General Fund for the first year of operating the large air tankers that will be transferred from the U.S. Air Force starting in fiscal year 2020-21. The Budget also reflects \$109.5 million General Fund, including \$95.7 million one-time General Fund, to continue the replacement of CAL FIRE's Vietnam War-era helicopters with new state-of-the-art helicopters.
- Supporting Emergency Responders—\$6.6 million from various funds (\$9.3 million ongoing) to expand CAL FIRE's health and wellness program and to provide medical and psychological services as well as peer support to firefighters. Catastrophic wildfires are creating an environment where first responders are working longer hours and days to mitigate these incidents, while also focusing on evacuations in the early hours of fires to get individuals safely out of harm's way. Personnel are CAL FIRE's most valuable asset, and maintaining their long-term health and well-being allows them to be ready for the next emergency.

- Improving Use of Technology and the Innovation Procurement Sprint—\$24.7 million General Fund (\$7.6 million ongoing) to enable CAL FIRE to (1) procure innovative solutions to combat the state's wildfire crisis, consistent with Executive Order N-04-19, by utilizing a modified procurement process referred to as the Innovation Procurement Sprint through which CAL FIRE will work collaboratively with vendors to identify, develop, and deploy new and innovative solutions; (2) hire dedicated staff to review data gathered via remote sensing technology, situational awareness software and satellite imagery to support incident command decision-making; and (3) operate 100 additional fire detection cameras that will be linked into the existing command centers to provide additional data on conditions.
- Increasing Fire Prevention—\$14.3 million (\$3.6 million ongoing) to (1) support the Board of Forestry and Fire Protection in certifying the Programmatic Environmental Impact Report (EIR) for the California Vegetation Treatment Program, which will help CAL FIRE and other partner agencies increase the pace and scale of fire prevention activities, (2) enhance land use planning and wildfire risk reduction efforts in the wildland urban interface, and (3) dispose of illegal and dangerous fireworks. For additional information on the \$200 million Greenhouse Gas Reduction Fund included in the Budget for CAL FIRE forest health and fire prevention projects and programs, see the Wildfire Prevention and Recovery Legislative Package section.

FOREST HEALTH AND WILDFIRE PREVENTION

The Budget includes \$225.8 million (\$14.7 million ongoing) to implement forest health and wildfire prevention efforts that build the state's resiliency to climate change-driven wildfire activity. These investments include:

- Forest Health and Fire Prevention—\$210 million Greenhouse Gas Reduction Fund (\$6.4 million ongoing) for CAL FIRE, including \$200 million for forest health and fire prevention projects and programs consistent with Chapter 626, Statutes of 2018 (SB 901). This funding will enable CAL FIRE to complete more fuel reduction projects through the operation of prescribed fire crews and grants for forest health projects. Additionally, this investment will facilitate increases in the pace and scale of fire prevention activities and enable CAL FIRE and other partner entities to continue striving towards achieving the statewide goal of increasing forest management treatments from 250,000 to 500,000 acres per year on non-federal forest lands, as recommended in the Forest Carbon Plan.

- Forestry Corps—\$4.5 million General Fund (\$4.4 million ongoing) for the California Conservation Corps to develop and implement the Forestry Corps Program and operate four Forestry Corps crews that will undertake forest health and hazardous fuel reduction projects in areas of high fire risk. This program will also provide specialized training and assistance to corpsmembers to create educational and career pathways to forestry and other related fields.
- Prescribed Fire Monitoring and Timber Harvest Plan Exemption Review—\$11.3 million from various funds (\$3.9 million ongoing) for the California Air Resources Board, Department of Fish and Wildlife, and State Water Resources Control Board to implement the requirements of the legislative package and facilitate increases in the number of prescribed fire and other fuel reduction projects while mitigating the potential for negative impacts to the environment.

SUPPORTING LOCAL RECOVERY

PROPERTY TAX BACKFILLS

Earlier this year, \$31.3 million was appropriated to fire-impacted counties for property tax losses resulting from the recent wildfires. The Budget includes an additional \$518,000 one-time General Fund to reimburse cities, counties and special districts for 2018-19 property tax losses.

The additional \$518,000 is for the local agencies in Los Angeles, Mendocino, Napa, Orange, San Diego, Solano, Tuolumne, and Ventura counties that suffered property tax losses due to the 2018 wildfires but had not been able to calculate these totals timely to be included in the Governor's Budget. They are now included in the Budget.

The corresponding property tax loss for K-14 schools is \$530,000. This will be backfilled under the Proposition 98 school funding mechanism.

CAMP FIRE RECOVERY

On November 8, 2018, a state of emergency was declared for Butte County due to the effects of the Camp Fire—the deadliest and most destructive wildfire in California history. The Camp Fire destroyed more than 18,000 structures and 90 percent of the Town of Paradise, which was home to almost 27,000 residents. The Budget includes \$10 million one-time General Fund to support local communities in their recovery from the unprecedented devastation of the Camp Fire, \$800,000 one-time General Fund for the Paradise Sewer Project, and \$2 million one-time General Fund for the Butte County

Fire Department to maintain its current level of service and continue operation of one year-round fire station through its cooperative agreement with CAL FIRE.

OTHER DISASTER RECOVERY INVESTMENTS

The Budget includes \$40 million one-time General Fund to provide relief to local governments and communities and support recovery efforts in the wake of recent disasters. These investments include (1) \$23.5 million to rebuild camps and other infrastructure destroyed by the Woolsey and Tubbs Fires, (2) \$15 million to provide additional relief to local governments most affected by the 2017 and 2018 wildfires, and (3) \$1.5 million to assist the City of Sebastopol in recovery from the February 2019 flood.

OTHER SIGNIFICANT EMERGENCY PREPAREDNESS, RESPONSE, AND RECOVERY INVESTMENTS

The Budget includes additional funding for various proposals that will further enhance the state's capacity to prepare for, respond to, and recover from disasters.

- **Public Safety Radios**—\$130.3 million one-time (\$112.3 million General Fund), including \$59.5 million General Fund for Cal OES over five years, to update and improve public safety radio communication. California currently uses antiquated conventional radio systems. They operate on different radio frequencies and dissimilar infrastructure, and do not interoperate with radio systems. This makes it difficult for a first responder on one system to communicate with a first responder on another system. To address these issues and improve public safety communication capabilities, the Budget includes funding for Cal OES to develop and implement the California Interoperable Public Safety Radio System as well as resources for the Department of Justice, the Department of Fish and Wildlife, the California Highway Patrol, and the Department of Parks and Recreation to replace aging radios and other outdated technology infrastructure.
- **Local Emergency Response**—\$26 million one-time General Fund to increase the capacity of local agencies to respond to emergency incidents by supporting emergency operations centers, local fire departments, and first responder programs.
- **Defensible Space Assistance Program**—\$5 million one-time General Fund to support increased community resiliency through regionally-led defensible space assistance programs.

- Planning Costs for Wildfire Recovery—\$2 million one-time General Fund for the State Water Resources Control Board to support planning costs to help communities recover from wildfires.