

Wildfire Response Proposals

Summary

In this brief, we provide our initial assessment and recommendations in response to the major wildfire response-related proposals in the Governor's budget, based on the information available at the time the brief was prepared. We may provide additional analyses as additional information becomes available from the administration.

Governor's Budget Includes Several Major Wildfire Response-Related Proposals.

The Governor's budget provides a total of more than \$920 million (mostly from the General Fund) for various wildfire response-related proposals across multiple departments. We note that, in addition to these proposals, the Governor is proposing a wildfire and forest resilience package, along with several other smaller wildfire-related proposals.

Overarching Issues for Legislative Consideration. Overall, we find that supporting additional wildfire response capacity is merited given the worsening pattern of large and severe wildfires in recent years. However, we find that the proposals would result in a very large increase in the California Department of Forestry and Fire Protection's base support budget, most of which would be ongoing. Additionally, it is unclear to what extent some of the proposals will enhance response capacity and over what time frame. Finally, we find that the state would continue to benefit from the development of a statewide strategic wildfire plan to guide related funding allocations.

Assessment of Specific Proposals. Despite the absence of a strategic wildfire plan, the Legislature must still make funding decisions. Accordingly, we review the Governor's major 2022-23 wildfire response-related budget proposals. Based on our initial assessment, we classify the budget proposals into four categories. Specifically, we find 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 (4) some proposals appear not to be the most cost-effective approach to improving response capacity.

Recommendations. Based on our assessment, we provide recommendations to inform the Legislature's budget deliberations. As an overarching recommendation, we suggest the Legislature consider the proposals in the context of its overall priorities, keeping in mind the overarching issues for legislative consideration we identified. In terms of the individual wildfire-response proposals, we recommend the Legislature (1) approve the proposals that appear reasonable, (2) withhold action on proposals that lack important details or justification, (3) withhold action on proposals that assume funding will be provided in another proposal, and (4) require specific information to be reported for proposals that do not appear to be the most cost-effective approaches to increasing wildfire response capacity.

INTRODUCTION

This Brief Provides Our Initial Comments.

This brief is designed to provide the Legislature with our initial assessment and recommendations on the major wildfire response-related proposals in the Governor’s budget to help guide legislative deliberations. We may provide additional analysis, comments, and recommendations, as relevant, in the coming weeks as additional information becomes available from the administration. We also note that, in addition to these proposals, the Governor is proposing a wildfire and forest resilience package, along with several other smaller wildfire-related proposals. We summarize the wildfire and forest resilience package in our brief, *The 2022-23 Budget: Wildfire and Forest Resilience Package*.

Brief Includes Five Main Sections.

This brief consists of five main sections. First, we provide background on wildfires in California, as well as recent state funding for wildfire response. Second, we summarize the Governor’s major wildfire response-related proposals. Third, we provide some overarching issues for legislative consideration. Fourth, based on the information available at the time this brief was prepared, we provide an initial assessment of the Governor’s major wildfire response-related proposals. Finally, we provide recommendations for the Legislature as it considers these proposals.

BACKGROUND

Recent Years Have Seen Some of Largest and Most Destructive Wildfires.

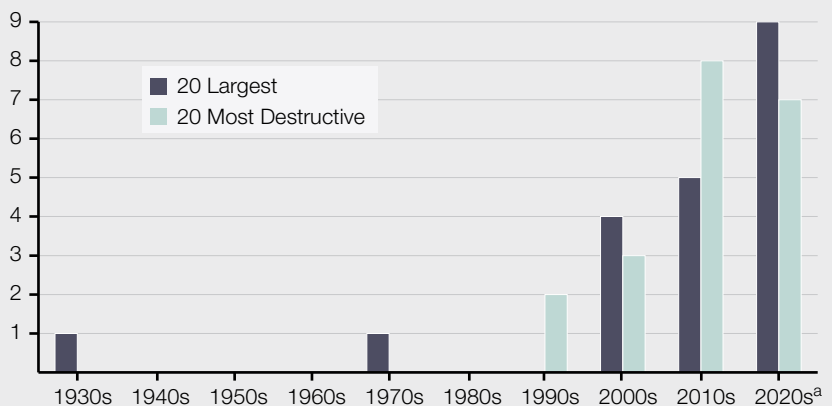
In recent years, California has experienced a growing number of destructive wildfires. As **Figure 1** shows, most of California’s largest and most destructive wildfires have occurred in recent decades. This trend has been particularly notable in the last few years, which have seen some of the worst 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

Figure 1

Most of the Largest and Most Destructive Wildfires Have Occurred in Recent Decades



^a Includes wildfires that occurred in 2020 and 2021.



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, we estimate an average of close to 90 percent of the base support budget for the California Department of Forestry and Fire Protection (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. (We discuss hand crews in further detail in the nearby box.)

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

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 on page 4 of this brief.

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

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.

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).

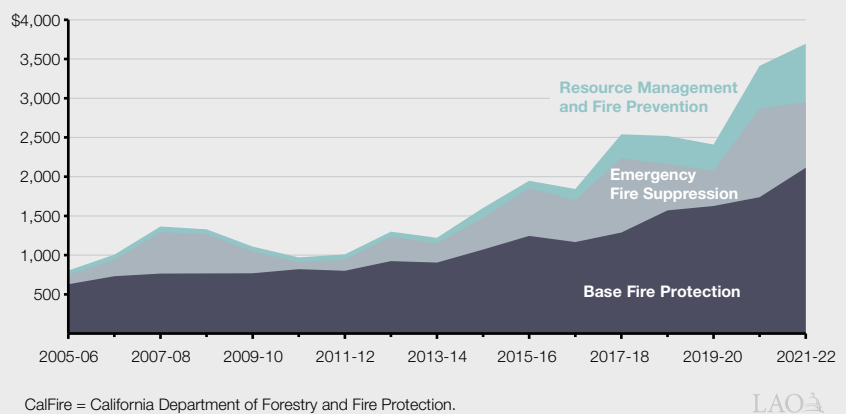
Extreme Wildfire Events Can Still Strain Response Capacity.

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.

Figure 3

State Spending on CalFire Has Grown
(In Millions)



GOVERNOR’S PROPOSALS

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 Autoshow 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.

OVERARCHING ISSUES FOR LEGISLATIVE CONSIDERATION

In this section, we identify some overarching issues for the Legislature to consider as it evaluates the Governor's various wildfire response-related proposals.

Additional Wildfire Response Capacity, Particularly During Extreme Events, Is Merited.

As mentioned previously, 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** on the next page, 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.)

Unclear to What Extent Some Proposals Would Enhance Capacity and Over What Time Frame. As noted above, 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. As we discuss further later in this brief, 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.

We also note 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. (In our report, [The State Appropriations Limit](#), we cover SAL issues in more detail.)

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%

^a Other 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.

Absence of a Strategic Wildfire Plan Makes It Difficult to Assess if Proposals Are Optimal Approach. We continue to believe that the state would benefit from the development of a statewide strategic wildfire plan, as we discussed in our February 2020 report, *The 2020-21 Budget: Governor’s Wildfire-Related Proposals*. 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. (We refer to this as the “required assessment” in this brief.) 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.

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, we assess 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 brief. As we discuss further below, we find 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

We find 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.** We find 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.) We find 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. We also note 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, we find 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. We do 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

We find 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

We find 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 we discuss 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, we find 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. We expect that such an expansion would provide important value to the state. However, we note 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

We have 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 brief was prepared. Specifically, we have 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. We note 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. We do 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, we 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.)

RECOMMENDATIONS

In this section of the brief, we provide our initial recommendations on the Governor’s major wildfire response-related proposals to inform the Legislature’s budget deliberations based on the information we had received at the time this brief was prepared. First, we provide an overarching recommendation that the Legislature consider proposals in the context of its overall priorities. Next, we provide a series of recommendations on the individual wildfire-response proposals we assessed. Specifically, we recommend that the Legislature (1) approve those proposals that appear reasonable, (2) withhold action on two proposals pending the receipt of certain information from the administration, (3) withhold action on proposals that rely on funding provided through another proposal, and (4) require relevant departments to report on certain information for proposals that do not appear to be the most cost-effective approaches to increasing wildfire response capacity.

Consider Proposals in Context of Overall Priorities

Given the size of the proposed wildfire response-related augmentations, we recommend 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.** As we discuss in greater detail in a separate brief, 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. As discussed earlier, 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 Expeditiously.** 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 us to adequately assess them, and are likely to be reasonable even in the absence of a strategic wildfire plan. Accordingly, we think 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

As we discuss previously, 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, we recommend 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, we recommend that the Legislature reject the proposals in whole or in part. These proposals are:

- **CalFire—Staffing and Operational Enhancements.** As previously discussed, 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 our discussion with the administration, we understand that additional details on this proposal may be available in May. Until such information is available, we recommend the Legislature withhold action on this proposal.
- **OES—Enhancing Fire and Rescue Mutual Aid Fire Fleet.** We recommend 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

We recommend 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.** We recommend 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.** We also recommend withholding action on the CCC and CMD fire crew proposals. Our 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

As discussed previously, 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, we recommend that the Legislature require the administering departments to report specific information to address these concerns. To the extent that the responses are not compelling, we would recommend the Legislature modify or reject these proposals. These proposals are:

- **CalFire—CAD/AVL Program Hardware and Service Refresh.** We recommend 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.** We recommend 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. (We do not raise concerns with the other equipment proposed to be funded.)
- **OES and CalFire—FIRIS.** We recommend 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.

LAO PUBLICATIONS

This report was prepared by Helen Kerstein with assistance from Jessica Peters, and reviewed by Anthony Simbol. The Legislative Analyst's Office (LAO) is a nonpartisan office that provides fiscal and policy information and advice to the Legislature.

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