

APRIL 23, 2025

Overview of State Wildfire Resilience Funding, Actions, and Considerations

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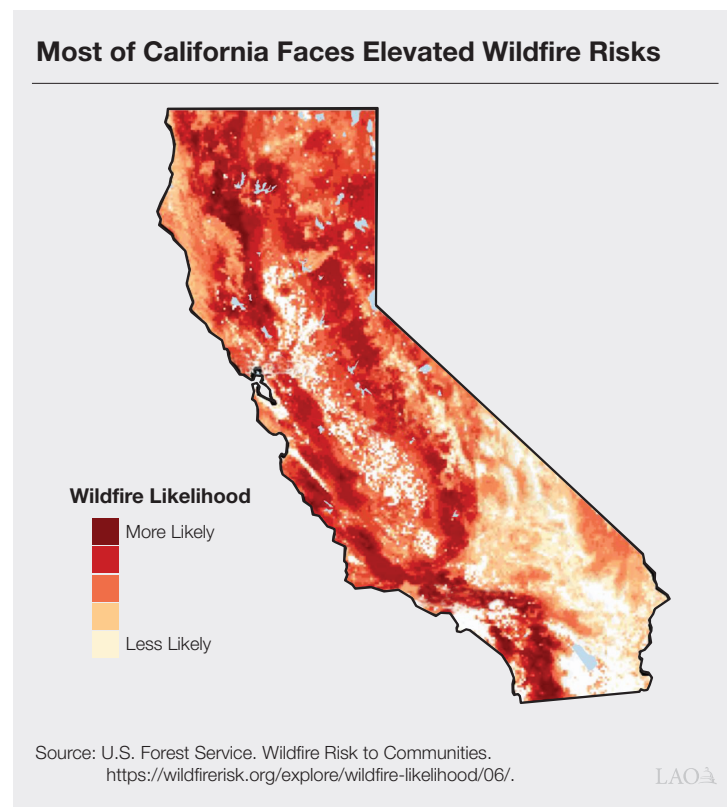
Assembly Budget Subcommittee No. 4 on Climate
Crisis, Resources, Energy and Transportation
Hon. Steve Bennett, Chair



LEGISLATIVE ANALYST'S OFFICE

Most of California Faces Elevated Wildfire Risks

- **California's Climate Makes it Naturally Susceptible to Wildfires.** Highly seasonal rainfall makes the state susceptible to wildfires, particularly during the summer and early fall.
- **Wildfire Risks Vary Across the State.** Some areas of the state are particularly prone to wildfire due to factors such as weather, vegetation, topography, and proximity to ignition sources. Many of the areas with the highest risk are where human development abuts or intermingles with undeveloped wildlands, known as the wildland-urban interface (WUI).
- **Multiple Factors Contribute to Wildfire Risk.** Some significant factors include: (1) increased development in the WUI, (2) climate change contributing to hotter weather and longer dry seasons, (3) utility infrastructure management, and (4) unhealthy forests and landscapes.

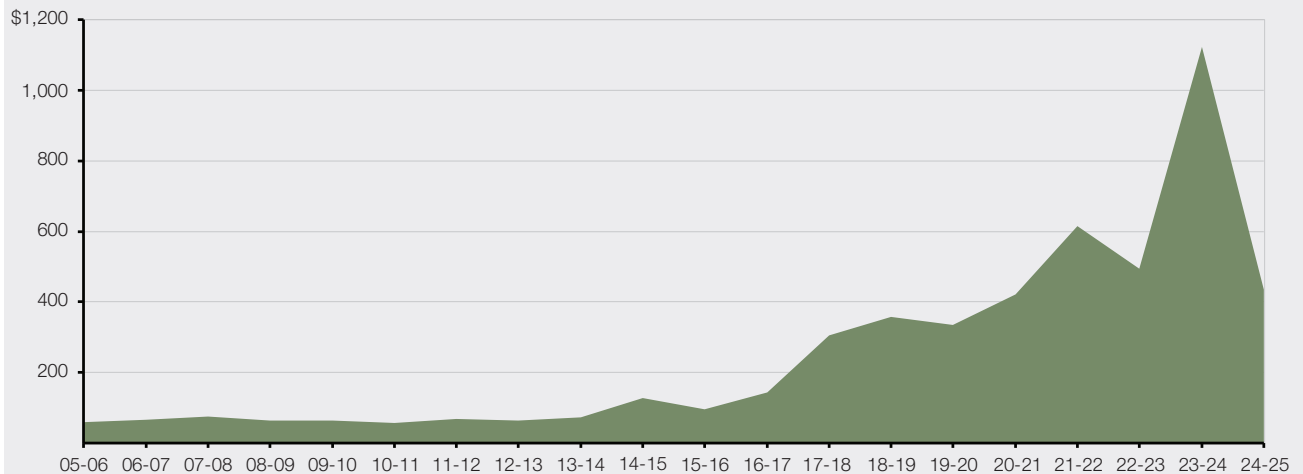


State Has Increased Wildfire Resilience Spending

State Spending on Wildfire Resilience Varies by Year but Generally Has Grown Over Time. For example, the California Department of Forestry and Fire Protection’s (CalFire’s) budget for resource management and fire prevention has increased from about \$140 million in 2016-17 to an estimated \$440 million in 2024-25. Funding for various other departments—for wildfire resilience-related activities also generally has increased in recent years.

CalFire’s Wildfire Resilience and Prevention Spending Generally Has Increased in Recent Years

(In Millions)



CalFire = California Department of Forestry and Fire Protection.

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State Has Funded a Wide Variety of Resilience Activities

Summary of Recent State Wildfire and Forest Resilience Funding^a

2020-21 Through 2028-29 (In Millions)

Program	Department	Multiyear Total ^b
Resilient Forests and Landscapes		\$2,073
TBD forest health and fire prevention activities	TBD	\$1,000 ^c
Forest Health Program	CalFire	552
Stewardship of state-owned land	Various	246
Post-fire reforestation	CalFire	100
Forest Improvement Program	CalFire	75
Forest Legacy Program	CalFire	45
Tribal engagement	CalFire	40
Reforestation nursery	CalFire	15
Wildfire Fuel Breaks		\$761
Fire prevention grants	CalFire	\$475
Prescribed fire and hand crews	CalFire	129
CalFire unit fire prevention projects	CalFire	90
Forestry Corps and residential centers	CCC	67
Regional Capacity		\$500
Conservancy projects	Various Conservancies	\$350
Regional Forest and Fire Capacity Program	DOC	150
Forest Sector Economic Stimulus		\$102
Workforce training grants	CalFire	\$53
Climate Catalyst Fund Program	IBank	27
Transportation grants for woody material	CalFire	10
Market development	OPR	7
Biomass to hydrogen/biofuels pilot	DOC	5
Science-Based Management and Other		\$114
Monitoring and research	CalFire	\$38
Remote sensing	CNRA	30
Prescribed fire liability pilot	CalFire	20
Permit efficiencies	CARB & SWRCB	12
State demonstration forests	CalFire	10
Interagency Forest Data Hub	CalFire	4
Community Hardening		\$74
Home hardening	OES & CalFire	\$38
Defensible space inspectors	CalFire	20
Land use planning and public education	CalFire & UC ANR	16
Total		\$3,623

^a As of the 2024-25 Budget Act.

^b Includes \$2.6 billion approved through discrete wildfire and forest resilience budget packages in 2021 and 2022, as well as \$200 million annually from 2024-25 through 2028-29 authorized by Chapter 155 of 2021 (SB 155, Committee on Budget and Fiscal Review).

^c Specific activities and departments TBD in future years.

TBD = to be determined; CalFire = California Department of Forestry and Fire Protection; CCC = California Conservation Corps; DOC = Department of Conservation; IBank = California Infrastructure and Economic Development Bank; OPR = Governor's Office of Planning and Research; CNRA = California Natural Resources Agency; CARB = California Air Resources Board; SWRCB = State Water Resources Control Board; OES = Governor's Office of Emergency Services; and UC ANR = University of California Agriculture and Natural Resources.



Other Sources of Wildfire Resilience Funding

- ***State Regulators Require Utilities to Spend on Wildfire Resilience.*** Over the past few years, utility spending on wildfire mitigation—funded by ratepayers—has averaged several billion dollars per year, far outpacing state spending on these activities.
- ***Historically, the Federal Government Has Funded Some Mitigation Activities.*** For example, the U.S. Forest Service has supported wildfire mitigation activities with a focus on federal land. Also, the Federal Emergency Management Agency historically has provided grants to states, local governments, and tribes for actions to reduce the impacts of future disasters.
- ***Local Governments Fund and Operate Various Programs to Reduce Wildfire Risk.*** This includes providing financial or in-kind support for defensible space and/or fuel reduction projects.
- ***Proposition 4 (2024) Will Enable Additional State-Level Resilience Spending.*** The bond includes \$1.5 billion for a variety of wildfire-related spending categories.



Other Sources of Wildfire Resilience Funding

(Continued)

Governor's Proposition 4 Proposal: Wildfire and Forest Resilience

(In Millions)

Purpose	Code Section	Implementing Department	2025-26 Proposed		
			Bond Total	Amount	Percent of Bond Total ^a
Wildfire Mitigation Grant Program	91510	OES	\$135	\$9	7%
Regional Forest and Fire Capacity Program	91520(a)	DOC	185	6	3
Regional projects	91520(b)	CalFire	128	60	47
		SNC	43	20	46
Forest health program	91520(c)	CalFire	175	82	47
Local fire prevention grants	91520(d)	CalFire	185	59	32
Fire training center	91520(e)	CalFire	25	3	10
Forest health and watershed projects	91520(f)	Parks	200	33	17
Fuel reduction, structure hardening, defensible space, reforestation, acquisitions	91520(g)	CalFire	50	10	20
	91520(h)	SNC	34	—	—
	91520(i)	TC	26	0.7	3
	91520(j)	SMMC	34	10	31
	91520(k)	SCC	34	5	15
	91520(l)	RMC	34	3	9
	91520(m)	SDRC	26	3	12
Watershed improvement, forest health, biomass utilization, chaparral and forest restoration, and workforce development	91520(n)	WC	15	—	—
	91520(o)	CFF	15	—	—
Infrastructure for vegetative waste	91530	DOC	50	11	21
Fire ignition detection technology	91535	CalFire	25	—	—
Reducing risk from electricity transmission	91540	TBD	35	—	—
Demonstrated jobs projects	91545(a)	CCC	50	10	20
Totals			\$1,500	\$325	22%

^a Percent of total available funding after accounting for estimated statewide bond costs (which the Governor estimates at less than 1 percent).

OES = Governor's Office of Emergency Services; DOC = Department of Conservation; CalFire = Department of Forestry and Fire Protection; SNC = Sierra Nevada Conservancy; Parks = Department of Parks and Recreation; TC = Tahoe Conservancy; SMMC = Santa Monica Mountains Conservancy; SCC = State Coastal Conservancy; RMC = San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy; SDRC = San Diego River Conservancy; WC = Wildfire Conservancy; CFF = California Fire Foundation; TBD = to be determined; and CCC = California Conservation Corps.



Legislature Has Also Taken Important Policy Actions

- ***Increased Defensible Space Requirements (“Zone 0”).*** Chapter 259 of 2020 (AB 3074, Friedman) creates an “ember-resistant zone” within five feet of structures in certain high fire risk areas. The statute requires the Board of Forestry and Fire Protection to promulgate regulations to implement the requirement.
- ***Encouraged Use of Prescribed and Cultural Fire.*** Chapter 600 of 2021 (SB 332, Dodd) exempts certain practitioners of prescribed fire from liability for prescribed burns under specified conditions. Chapter 666 of 2024 (SB 310, Dodd) allows certain state and local agencies to enter into agreements with tribes that serve as replacements for some permitting requirements for cultural burns.
- ***Streamlined Environmental Compliance.*** Chapter 626 of 2018 (SB 901, Dodd) included provisions to streamline environmental and regulatory compliance, including exempting some projects on federal land from the California Environmental Quality Act.
- ***Required Additional Disclosure at Sale.*** Chapter 391 of 2019 (AB 38, Wood) requires property sellers in certain high-risk areas to disclose to buyers whether the home complies with defensible space requirements.
- ***Required Utility Wildfire Mitigation Efforts.*** Chapter 598 of 2016 (SB 1028, Hill) requires investor-owned utilities to prepare annual wildfire mitigation plans that outline the actions they propose to undertake to reduce the risk of wildfires. Chapter 79 of 2019 (AB 1054, Holden) created additional safety oversight and processes for utility infrastructure and established the California Wildfire Fund to help pay for utility-caused wildfire liabilities.



Key Considerations Around the State's Approach to Increasing Wildfire Resilience

- **Wildfire Resilience Versus Response.** Consider how to balance the levels of support for resilience and response activities.
- **Balancing Priorities for Wildfire Resilience.** The state has a number of key resilience priorities to balance, including (1) protecting lives and property; (2) protecting natural habitats and watershed functions; and (3) supporting regional economies, recreation, and workforce development.
- **Regional Distinctions.** Different landscapes and regional characteristics require different actions and priorities.
- **Cost-Effective and Coordinated Actions and Strategies.** Key considerations include determining which actions, projects, and strategies provide the most value and efficacy for the least cost and how to avoid duplicative or inefficient efforts.
- **Measuring Success.** Consider what the best metrics are to measure the efficacy and outcomes of the state's efforts.
- **Appropriate State Role.** Given limited resources, the state will want to prioritize its actions, such as focusing on cases where the state is the clear responsible party, as well as on activities that require statewide coordination, can be done most efficiently at large scale, and where local and/or property owner resources are highly constrained.
- **Land Ownership.** Most forests and wildlands are owned by the federal or local governments or private parties, which adds complications around how the state can effectively target its efforts and what role is most appropriate for it to take.
- **Reasonable Goals and Expectations.** The state must consider what level of fire prevention is realistic and how to prepare for—and mitigate the impacts and severity of—fires that inevitably will still occur.
- **Sustainability.** Thinking about maintaining the effectiveness of actions (such as preventing regrowth of cleared forest material) and how to support efforts on a long-term basis is important.



Home Hardening and Defensible Space

Broad Agreement That Home Hardening and Defensible Space Are Important. Two important strategies for reducing the likelihood that homes ignite when wildfires occur nearby are for property owners to (1) “harden” their homes, such as through adding screens to vents and ensuring their siding is made of fire-resistant materials, and (2) maintain defensible space by clearing areas of excess or dead vegetation. These strategies not only help to protect individual homes but can also reduce the risk that the wildfire will spread to neighboring homes, thereby helping to protect communities.

Various Potential Approaches Exist to Promote Defensible Space and Home Hardening. State and local governments can, and in many cases do, undertake a variety of types of actions, such as:

- ***Adopting Requirements.*** Requiring property owners to perform certain home hardening measures or maintain defensible space within specified zones around their homes.
- ***Providing Inspections, Education, and Enforcement.*** Inspecting properties to determine compliance with requirements and/or best practices. Can include educating homeowners and/or conducting enforcement actions.
- ***Offering Financial Support.*** Providing grants, loans, or in-kind support to offset the costs of home hardening or defensible space activities.
- ***Providing Other Incentives.*** Encouraging property owners to undertake activities, such as by requiring disclosures at property sales or making it easier or cheaper to secure insurance once certain standards have been met.



Home Hardening and Defensible Space

(Continued)

Detailed Information on Cost-Effectiveness of Approaches and Efforts Generally Lacking. The state lacks clear cost-effectiveness data both on how pursuing defensible space and home hardening efforts compares to other risk-reduction activities, as well as on the relative performance of different programs designed to improve defensible space compliance and home hardening adoption. Assembly Bill 38, as subsequently modified, requires CalFire and the Governor's Office of Emergency Services to submit a report evaluating the cost-effectiveness of the California Wildfire Mitigation Program (CWMP) compared to other programs by July 2028, which may help provide insights.

Preliminary Information Suggests CWMP Is Costly. CWMP has been slow to launch. Despite receiving funding starting in 2020-21, recent reports indicate that roughly 20 homes have completed retrofits. The average cost per home has been roughly \$50,000.



Key Considerations Around the State's Approach to Defensible Space and Home Hardening

- **Cost-Effective Actions and Strategies.** The lack of clear information on the cost-effectiveness of approaches makes it difficult to determine which specific steps, if any, state or local agencies should undertake, particularly at a large scale or on an ongoing basis.
- **Appropriate State Role.** Defensible space and home hardening activities can provide both private and community benefits. In considering how to share costs, some key considerations include (1) the ability of homeowners to afford costs, (2) the ability of communities to raise local funds, (3) jurisdictional responsibility, and (4) the type of activity being conducted.
- **Coordination.** Hundreds of state and local agencies are involved in defensible space programs. These agencies can have fragmented and sometimes overlapping responsibilities. Without consistent coordination, this can lead to gaps in the delivery of programs in some places and potential duplication in others.
- **Scalability.** Given limited state resources, an important consideration is how feasible it is to scale the activities and programs to reach the significant number of homes at high risk.
- **Sustainability.** Defensible space in particular must be maintained on a regular basis. Accordingly, considering how programs can encourage these maintenance activities over time is important.

