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July 12, 2011

Stan Dixon, Chair
Board of Forestry and Fire Protection
P.O. Box 944246
Sacramento, CA 94244-2460

RE: Assembly Bill 29X (Blumenfield) SRA Fee Regulations – CONCERNS

Dear Chair Dixon:

The Regional Council of Rural Counties (RCRC) is grateful for the opportunity to express some of our concerns regarding Assembly Bill 29X. RCRC's thirty member counties have long-opposed the imposition of fees on the owners of structures located in State Responsibility Areas (SRA).

As you know, Assembly Bill 29X (Blumenfield), adopted as part of the budget package requires the State Board of Forestry and Fire Protection (the Board) to establish an emergency scheme to impose fees upon the property owners of human-habitable structures located within the SRA by September 1, 2011. RCRC believes this legislation raises a number of financial, equity, administrative, and logistical issues that will create long-term fiscal concerns that may prove detrimental to California and urges the Board to consider the potential pitfalls outlined below as it takes on this task.

SRAs consist of lands on which Department of Forestry & Fire Protection/CAL FIRE is responsible for wildland fire protection. In addition to residents in the SRA who benefit from fire protection services, the state's general population benefits from the preservation of natural land and the protection of the state's watershed and water supply resulting from CAL FIRE's services.

There are myriad reasons why the SRA fee, as envisioned in AB 29X, will be challenging to implement as a solution for funding even a portion of CAL FIRE activities:

- **SRA Fees Are Grossly Inequitable Upon Rural Residents.** RCRC contends that CAL FIRE's costs to respond to emergencies that occur in highly-urbanized areas are significantly higher than traditional wildfires in the SRA. Simply put, it takes more of CAL FIRE's resources to prevent or contain a fire on the outskirts of the City of San Diego than it does in any portion of Trinity County. In AB 29X, the concept is to set aside the fees into a special fund to perform fire prevention activities in those areas where the fees are being assessed. If CAL FIRE's costliest events are not

actually taking place in those areas, it is questionable whether this scheme is fair, practical, or even safe for California.

- **Landowners Pay Twice in the SRA.** Many landowners in the SRA have already agreed to assess themselves for fire protection and prevention services. Imposing an SRA fee has the effect of double taxation without any additional benefit. Moreover, it makes the likelihood of passage of any additional local assessments for or donations to fire protection services in the SRA vanishingly small.
- **SRA Fees Disrupt Mutual Aid.** Whether a fire originates on wildlands or from a structure, a strong initial response through mutual aid agreements protects California's resources against catastrophic damage. Through these agreements, local, state, and federal agencies are cooperative partners in all emergencies. As local fire entities are pushed to the brink of insolvency by the inability to pass new local assessments, their willingness to turn out to disasters outside their own areas diminishes sharply. Moreover, Californians paying the fee will not look favorably upon CAL FIRE servicing incidents outside the SRA and will certainly place additional pressures upon their local fire fighters to stay in their home districts.
- **Too Much Prevention?** In assessing this measure, we urge you to consider whether CAL FIRE's existing budget allocates this level of funding for prevention—even statewide—let alone strictly in the SRA. In a state so prone to natural disasters and needful of CAL FIRE's response, it seems unwise to set aside such a large portion of CAL FIRE baseline funding for a narrowly-tailored set of possible expenditures.
- **Impossible Implementation/Timetable.** AB 29X calls upon CAL FIRE to not only create the list of names and addresses to be assessed the fee, but also to determine the amount of the SRA fee to impose upon owners within 30 days of implementation of the Chapter. Has there been an estimation of what the additional costs will be to generate such a list? Is there any reason to believe that the list can be created in that timeframe? How can CAL FIRE start generating such a list without first seeing the regulations generated by the Board in its emergency process?
- **SRA Fees May Create New State Liability.** CAL FIRE is a statewide emergency response agency that often fights fires and responds to emergencies in portions of the state that are not part of the SRA. By enacting a fire prevention fee on only a small percentage of California residents, the state could be considered to be legally assuming a higher level of fire prevention for those individuals who are paying the fee, opening the state to liability in the case of devastating wildfire in those areas.
- **Same Old Fee – Same Old Problem.** In 2003, SB 1049 was enacted to impose an annual SRA fire protection benefit fee on each parcel of land in the SRA. Proceeds were designated for fire prevention and suppression efforts by CAL FIRE. There were a number of administrative and legal issues with the fee which lead to the Legislature's repeal prior to any funds being collected.

Other Problems Specific to AB 29X

In addition to the reasons above regarding SRA fees, there are several concerns with the specific approach in AB 29X:

- How will "structure intended for human habitation" be defined? While single family and mobile homes certainly qualify, what about businesses, hospitals, and public buildings?

- AB 29X remains vague as to the dispensation of funds raised by the fee. It requires that the proceeds of the SRA fee be deposited in the newly created State Responsibility Area Fire Prevention Fund (Fund). However, it will be the Legislature who determines the amounts of money being dedicated and to what purpose. Moreover, it appears most of the money collected will easily be consumed by administrative overhead in attempting to implement the new program. Such ambiguity is likely to result in property owners within the SRA paying into the Fund but seeing no actual additional prevention projects completed.

RCRC looks forward to working with the Board as you attempt to generate these emergency regulations while at the same time ensuring that CalFIRE's core mission of protecting the state's resources and watersheds is not jeopardized. Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in black ink that reads "Diane Dillon". The signature is written in a cursive, flowing style.

DIANE DILLON
Chair, Regional Council of Rural Counties
Napa County Supervisor

cc: Members of the California State Legislature
Members of the California Board of Forestry and Fire Protection
Ms. Ana Mantosantos, Director of the Department of Finance
Ms. Diane Cummins, Department of Finance
Chief Ken Pimlott, Acting Director of CAL FIRE