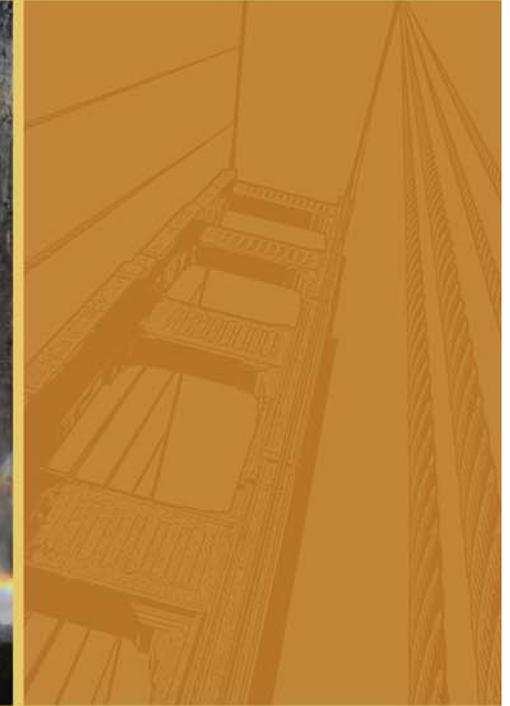


**KP**

**PUBLIC AFFAIRS**



## California Legislative Update

May 17, 2019

Brian White

# Forest Landowners of California

# California Legislature



**Senate**



**Assembly**

# 2019 Legislative Calendar

May 17<sup>th</sup> – Last day to pass fiscal bills to the Senate/Assembly Floors in house of origin

**May 31<sup>st</sup> - Last day to pass bills from house of origin**

June 15<sup>th</sup> – Legislature must pass budget bill

July 1<sup>st</sup> – Governor must sign budget bill

**July 12<sup>th</sup> - August 9<sup>th</sup> – Legislative Summer Recess**

August 30<sup>th</sup> – Last day to pass all fiscal bills to the Senate/Assembly Floors in second house

**September 13<sup>th</sup> - Last day for Senate and Assembly to pass bills for Governor's consideration**

October 13<sup>th</sup> – Last day for Governor to sign or veto bills sent to his desk by September 13<sup>th</sup>



# 2019-20 California Legislature

➤ **Democrats have 2/3 supermajority in both houses**

➤ **Senate**

- Democrats -28 seats, Republicans - 10 seats - **(Dems-28 / Reps-10); 2 vacant seats**
- Majority vote bills require 21 votes for passage
- Takes about 10 to 11 Democrat votes (no or abstain) to stop a majority vote bill
- Urgency measures and tax-related bills require 27 votes for passage
- **Senate has become a bit more moderate**

➤ **Assembly**

- Democrats - 61 seats, Republicans - 19 seats - **(Dems-61 / Reps-19)**
- Majority vote bills require 41 votes for passage
- Takes about 22 to 23 Democrat votes (no or abstain) to stop a majority vote bill
- Urgency measures and tax-related bills require 54 votes for passage
- **Assembly has become more progressive**



## 2019 Legislative Overview

- ❑ 2019 essentially a repeat of several 2018 unresolved issues, but with new governor and new staff in power
- ❑ During first year of 2019-2020 legislative session, forest management is a priority but has become a subset of other priority issues for Gov Newsom and the Legislature
- ❑ These include utility wildfires, liability, fire victim compensation, ratepayer impacts, insurance markets, energy procurement, energy reliability and land use decisions
- ❑ Significant state budget surplus (\$24 billion) also providing opportunities for legislators to push new unfunded mandates - **How will Gov Newsom act on these?**



# 2019 Forest Management & Wildfire Legislation

- ❑ FLC engagement - letter writing and expert testimony on key bills of interest
- ❑ After enactment of SB 901 in 2018, several wildfire and forest management-related bills continue to be introduced in the following areas:
  - Transportation grants for biomass projects
  - Expanding eligibility for biomass feed-in tariff projects
  - Requiring inventory of wildfire carbon emissions
  - Providing CEQA relief for vegetation management
  - Expanding timeline for sustained yield plans
  - Improving and enforcing defensible space
  - Establishing urban and rural forestry workforce programs
  - Imposing additional water quality/sediment rules for THP approval
  - Preventing backsliding on federal rules with litigation tool
  - Preventing take of non-game migratory birds
  - Mandatory de-energization of utility lines
  - Wildfire insurance mechanism

## 2019 Priority Legislation

Bill Number/Author	Subject	Position	Status
AB 343 (Patterson)	Fuels transportation program grant program	Support	DEAD due to state costs
AB 454 (Kalra)	Migratory Bird Treaty Act enforcement	Oppose	Assembly Floor
AB 616 (Patterson)	Forest carbon plan reports	Support	DEAD due to state costs
AB 1160 (Dahle)	Sustained yield plans extension	Watch	2-year bill
AB 1516 (Friedman)	Defensible space	Watch	Assembly Floor
SB 1 (Atkins)	CA Environmental Defense Act of 2019	Oppose	Senate Floor
SB 69 (Weiner)	Ocean Resiliency Act of 2019	Oppose	Senate Floor
SB 462 (Stern)	Urban and rural workforce forestry program	Support	Senate Floor
SB 515 (Caballero)	RPS – bioenergy feed-in tariff expansion	Support	In Assembly
SB 535 (Moorlach)	Wildfires – air emissions report	Support	Senate Floor
SB 632 (Galgiani)	CEQA relief - vegetation management	Support	Senate Floor

## 2019 Priority Legislation

- **AB 343 (Patterson-R) Fuels Transportation Grant Program** – would require the Natural Resources Agency to develop a fuels transportation grant program to offset costs of transporting fuels to an eligible biomass facility. Author also seeking a companion \$25 million budget request to help pay for program. **FLC Supports - DEAD**
- **AB 616 (Patterson – R) CA Forest Carbon Plan Report** - would require CalFire and Cal-EPA to prepare and submit a report by January 1, 2021, each year thereafter, on the progress made to implement the forest carbon plan. **FLC Supports - DEAD**
- **SB 515 (Caballero – D)** - would expand the fuels and feedstocks that are eligible to meet wildfire risk reduction fuel and feedstock requirements to include biomass diverted from specified higher fire-risk zones. **FLC Supports – Assembly Floor**
- **SB 535 (Moorlach -R) GHG Study of Wildfire Emissions** – would require CARB and CalFire to provide an annual report to the Legislature by May 1, 2020, on the greenhouse gas emissions and climate change impacts associated with wildfires. **FLC Supports – Senate Floor**
- **SB 632 (Galgiani – D) CEQA Relief for Vegetation Management** – would require the BOF to complete its CEQA review by June 30, 2020, for a vegetation treatment program. **FLC Support-Senate Floor**

## 2019 Priority Legislation

- **SB 1 (Atkins-D) No Backsliding on Federal Rules** - would require state agencies to adopt standards that are “at least as stringent as” the baseline federal standards (i.e., federal Endangered Species Act and other federal laws). Would also provide a private right of action allowing citizen lawsuits against state and local agencies and businesses who are alleged to have not complied with the bill’s baseline standard. **FLC Opposes – Senate Floor**
- **SB 69 (Weiner – D) Ocean Resiliency Act of 2019** - would prohibit the approval of a THP and usurps CalFire’s authority unless the appropriate regional water board finds that the timber operations will not result in a discharge into a watercourse that has been classified as impaired due to sediment under the federal Clean Water Act. Also imposes overstory canopy requirements on a person who discharges sediment into a Class I, II, or III watercourse pursuant to a THP. *The bill will be amended to remove various water board provisions that would have denied THPs for sediment discharges.* **FLC Opposes – Senate Floor**
- **AB 454 (Kalra – D) Migratory Bird Treaty Act** - would make it illegal to take or possess any migratory nongame bird designated in the federal act as of January 1, 2017 and any additional migratory nongame bird that may be designated in the federal act after that date. New amendments to address agriculture and forestry group’s concerns will be included, including reverting back to existing law as it existed before January 1, 2017, and imposing a January 1, 2026 sunset date. **FLC Opposes - pending review of new amends for Neutral position –**

## 2019 Priority Legislation

- **SB 378 (Weiner) Estate Tax** - would authorize a ballot measure to reinstate the state estate tax on Californians at a rate of 40%, in addition to adding a tax to generation skipping trusts and gifts starting at an estate value of \$3.5 million. **FLC Opposes – 2-year bill**
- **SB 462 (Stern – D) Urban and Rural Forest Workforce Program** - would require the Chancellor of California’s Community Colleges to establish a model curriculum for a forest and woodlands restoration and fire resiliency workforce program that could be offered at community college campuses starting January 1, 2021. **FLC Supports – Senate Floor**
- **AB 1160 (Dahle – R) Sustained Yield Plans** - would require the sustained yield plan to be effective for a period of no more than 20 years instead of 10 years. **FLC Watch – 2-year bill**
- **AB 1516 (Friedman – D) Defensible Space** – would require a person that owns, leases or controls a dwelling or structure in a very high fire hazard severity zone to utilize more intense fuel reductions between 5 and 30 feet around the structure, and to create a noncombustible zone within 5 feet of the structure. **FLC Watch – Assembly Floor**
- **AB 38 (Wood - D) Fire Hardened Homes Revolving Loan** - would create the State Wildfire Preparedness Board; create 18 regional wildfire prevention districts; and provide \$1 billion revolving loan and rebate fund for fire hardening of buildings. **FLC Watch – 2-year bill**

## CA Governor Gavin Newsom

### ➤ Governor Newsom's priority issues:

- **Housing** – increasing supply and affordability
- **Homelessness**
- **Health Care** – increase access to affordable health coverage
- **State Budget** – continuing to pay down debt; using one-time dollars for some new programs
- **Climate Change** - continuing CA's climate change goals and push for carbon neutrality by 2050 (i.e. fossil fuel reductions)
- **Energy Stabilization** - PG&E's bankruptcy, protecting ratepayers, liability insurance fund, stabilizing CA's energy market
- **Wildfires** – utility mitigation and prevention – significant new funding and resources



## Governor Newsom's Proposed Wildfire Budget

- Of the total proposed \$209 billion state budget, Gov Newsom proposes **\$235 million** and **292 new positions** to implement the 2018 wildfire prevention and recovery legislative package.
- This will be in addition to **another \$200 million** from cap and trade program to implement the following 2018 bills:
  - **SB 901** - Improving forest management and decreasing fire risk with permit streamlining, THP exemptions, prescribed burns and working forest management program - **271 PYs (Cal-Fire, DFW, CPUC)**
  - **SB 1260** - Prescribed fire program, monitoring and burn boss certification – **13 PYs (Cal-Fire, CARB)**
  - **AB 2518** – Solutions for expanding the mass timber and other wood products - **0**
  - **AB 2911** - Increasing fire and life safety for local government surveys of subdivisions – **6 PYs (Cal-Fire)**
  - **AB 2162** - Support forestry corps crews to undertake forest health and hazardous fuel reduction projects – **2 PYs (CCC)**

# Gov Newsom's Strike Force Report

## *Wildfires and Climate Change: California's Energy Future*

A Report from Governor Newsom's Strike Force - April 12, 2019

The strike force identified three concepts for the Legislature to consider to address responsibility for wildfire costs:

- ❑ Creating a **liquidity-only fund** that would provide liquidity for utilities to pay wildfire damage claims pending CPUC determination of cost recovery.
- ❑ Adopting a **fault-based liability standard** that would modify California's strict liability standard (inverse condemnation)
- ❑ Creating **catastrophic wildfire fund** to spread the cost of catastrophic wildfires more broadly among stakeholders (unclear if it will be paid by utility shareholders, ratepayers or both).
- ❑ **SB 901 Wildfire Commission will also release a separate report with recommendations for socializing wildfire costs by end of May**
- **Governor wants Legislature to pass a plan by July 12<sup>th</sup> – before Summer Recess**

