SENATE COMMITTEE ON APPROPRIATIONS
Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2129 (Flora) - State employees: compensation: firefighters

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Urgency: No
Hearing Date: August 3, 2026

Policy Vote: L., P.E. & R. 5 - 0
Mandate: No
Consultant: Robert Ingenito

Bill Summary: AB 2129 would require (1) the State to bargain in good faith with Department of Forestry and Fire Protection (CAL FIRE) Bargaining Unit 8 (BU-8) firefighters to reach a competitive range within 15 percent of the average salary for corresponding ranks in specified local fire departments, and (2) the California Department of Human Resources (CalHR), on or before March 31, 2027, to conduct a survey on the salaries and benefits of specified fire chiefs, among other personnel.

Fiscal Impact: This bill would increase personnel costs for CAL FIRE by requiring compensation for BU 8 firefighters to be comparable to that of firefighters in local fire departments. At a minimum, the resulting costs would likely reach the mid-hundreds of millions of dollars annually (General Fund and special funds). The bill could also create additional cost pressures if comparable salary increases are extended to BU 8 supervisors and other employees performing similar work. The total fiscal impact would depend on the results of the required compensation survey and any resulting salary adjustments. Historically, automatic compensation adjustments of this type have resulted in significant, unpredictable, and unbudgeted increases in state costs.

Background: BU-8 represents state-employed firefighters, nearly all of whom are employed by CAL FIRE. As of March 2025, BU-8 included 9,220 full-time equivalent positions across rank-and-file, supervisory, and managerial classifications. In 2024-25, salary and salary-driven costs for these employees totaled approximately $1.1 billion, of which roughly two-thirds are supported by the General Fund. BU-8's current memorandum of understanding (MOU) took effect on July 1, 2024, and was originally set to expire on June 30, 2026. A subsequent side letter between CalHR and BU-8 extended the agreement through June 30, 2027.

In response to longer and more severe wildfire seasons, the State has taken steps to increase firefighter retention and transition some seasonal firefighter positions to permanent positions. The current BU-8 MOU includes several provisions intended to improve recruitment and retention, including beginning the transition from a 72-hour workweek to a 66-hour workweek, modifying staffing schedules, providing a 2.5 percent general salary increase, and establishing special salary adjustments. The side letter largely maintains these provisions, while also providing an additional 2.5 percent general salary increase, requiring that successor MOU negotiations in 2027 address implementation of the 56-hour industry-standard workweek, and requiring CAL FIRE Local 2881 to meet with CalHR by February 1, 2026, to present a deferred retirement option program (DROP) proposal.

Existing law requires CalHR, when determining compensation for state firefighters, to consider compensation provided by California local governments employing 75 or more full-time firefighters. The most recent compensation survey found that state firefighter compensation trails comparable local government fire departments by approximately 11 percent to 29 percent, depending on classification. The survey also found that state firefighters generally work more days per year than their local government counterparts.

Proposed Law: This bill, among other things, would do the following:

- Require the State to bargain in good faith with rank-and-file BU-8 firefighters to reach a competitive range within 15 percent of the average of the salary for corresponding ranks in 20 specific California fire departments, as agreed to by BU-8 and CalHR in 2024, as specified.

- Require CalHR, by March 31, 2027, to conduct a compensation survey in advance of the July 1, 2027, collective bargaining negotiations and provide the results to CAL FIRE. The survey must compare the prior year's salaries and benefits for CAL FIRE leadership with those of fire chiefs from specified large California local fire departments, comparable city and county fire departments, and the heads of other state departments.

- Require the state to implement any increase in salary for BU 8 firefighters resulting from this bill's provisions through an MOU negotiated pursuant to the Ralph C. Dills Act (Chapter 10.3 (commencing with Section 3512) of Division 4 of Title 1).

- Provide that if this bill's provisions and an MOU conflict, the MOU shall control without further legislative action except that if the MOU's provisions require the expenditure of funds, the provision shall not become effective unless approved by the Legislature and the annual Budget Act.

Related Legislation:

- AB 1383 (McKinnor) would require, among other things, public employers to raise their firefighter and peace officer safety pension formulas effective January 1, 2027, to give at age 55 what their specific PEPRA formula gives at age 57 unless the parties bargain for a higher or lower formula, as specified. This bill is currently pending in this Committee.

- AB 1309 (Flora, 2025) is nearly identical to this bill and would have (1) required the state to pay CALFIRE BU-8 firefighters within 15 percent of the average salary for corresponding ranks in specified local fire departments, and (2) required CalHR, on or before January 1, 2027, to conduct a survey on the salaries and benefits for fire chiefs and report to CALFIRE, as specified. This bill was vetoed by Governor Newsom.

- AB 2872 (Calderon, 2024) would have required the state to pay sworn members of the Department of Insurance who are rank-and-file members of Bargaining Unit 7 the same compensation paid to corresponding rank-and-file sworn peace officers of the Department of Justice. This bill was vetoed by Governor Newsom.

- AB 1254 (Flora, 2023) was nearly identical to AB 1309 and AB 2129 and would have required the state to pay CAL-FIRE firefighters within 15 percent of the average salary for corresponding ranks in 20 listed California fire departments. This bill was ordered to the Inactive File on the Senate Floor.

Staff Comments: This bill is modeled after the compensation structure for BU-5, which represents sworn California Highway Patrol (CHP) officers. Existing law requires CalHR to conduct a compensation survey of five specified local law enforcement agencies—Los Angeles County and the cities of Los Angeles, Oakland, San Diego, and San Francisco—to determine salary adjustments for rank-and-file CHP officers. This statutory formula was established in 1974, before enactment of the Dills Act, which created the state's collective bargaining system for state employees.

When adopted, these jurisdictions were the state's five largest law enforcement employers and may have reflected a representative sample of CHP's labor market. Today, however, they are among California's highest-cost regions and may no longer reflect the labor markets or cost-of-living conditions experienced by many CHP officers throughout the state. BU-5 remains the only state bargaining unit that receives automatic annual salary range adjustments through a statutory formula rather than the collective bargaining process. As a result, BU-5 base salaries have grown more rapidly than inflation.

The Legislative Analyst's Office has previously recommended modifying or repealing the BU-5 compensation formula, citing concerns that it reduces legislative oversight of employee compensation, makes future salary costs difficult to forecast because of significant year-to-year variability, and limits the Legislature's flexibility to adjust compensation policies during periods of fiscal constraint. The LAO has suggested that a broader and more representative sample of public safety employers would better align compensation adjustments with prevailing labor market conditions.

Because this bill adopts a compensation structure modeled on the BU-5 formula, it could create pressure for other bargaining units to seek similar statutory compensation mechanisms. To the extent additional bargaining units pursue comparable treatment, the bill could result in significant statewide cost pressures.

CalHR has also noted that statutory compensation formulas can produce salary increases beyond the state's fiscal control. Historically, when the state has been unable to fund a formula-driven salary increase, alternative agreements have been negotiated in collective bargaining. In some cases, these agreements substituted other forms of compensation, such as enhanced health benefits, which may have reduced near-term costs but increased the state's long-term obligations.

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