
SENATE COMMITTEE ON NATURAL RESOURCES AND WATER

Senator Josh Becker, Chair

2025 - 2026 Regular

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Consultant: Edith Hannigan

Subject: Regional Wildfire Mitigation Collaboratives

SUMMARY

This bill would authorize regional entities under the Regional Forest and Fire Capacity Program in the Department of Conservation to form regional wildfire mitigation collaboratives and authorize the California Infrastructure and Economic Development Bank to issue revenue bonds to fund projects planned by the collaboratives.

BACKGROUND AND EXISTING LAW

California Infrastructure and Economic Development Bank (IBank). IBank was created in 1994 to finance public infrastructure and private development that promote a healthy climate for jobs, contribute to a strong economy, and improve the quality of life in California communities. IBank has broad authority to issue tax-exempt and taxable revenue bonds, provide financing to public agencies, provide credit enhancements, acquire or lease facilities, and leverage state and federal funds.

Regional Forest and Fire Capacity Program (RFFC). Established in the Public Resources Code, under the Department of Conservation (DOC), RFFC supports regional leadership to build local and regional capacity and develop, prioritize, and implement strategies and projects that create fire adapted communities and landscapes by improving ecosystem health, community wildfire preparedness, and fire resilience. DOC provides block grants to regional entities and to eligible coordinating organizations to support the statewide implementation of the program.

Existing Law:

- 1) Establishes, via the Bergeson-Peace Infrastructure and Economic Development Bank Act, IBank within the Governor's Office of Business and Economic Development (Government Code (GOV) § 63021).
- 2) Authorizes IBank to issue bonds (GOV § 63030).
- 3) Establishes RFFC in the DOC (Public Resources Code (PRC) § 4208.1).
- 4) Establishes the goals of the program to:
 - a) Support regional leadership to build local and regional capacity.
 - b) Develop, prioritize, and implement strategies and projects that create fire adapted communities and landscapes.
 - c) Improve ecosystem health, community wildfire preparedness, and fire resilience (PRC § 4208.1).

- 5) Authorizes DOC to provide block grants to regional entities to develop regional strategies that implement projects to achieve the program's goals and ensure there are regional entities to cover every part of the state adjacent to or containing a very high or high fire hazard severity zone (PRC § 4208.1(b)(1)).
- 6) Authorizes regional entities to implement program activities directly, or provide subgrants or contracts, and collaborate with local entities, including municipal governments, tribal governments, nongovernmental organizations, community organizations, fire safe councils, land trusts, resource conservation districts, joint power authorities, special districts, fire departments, residents, private and public forest landowners and managers, businesses, and others to accomplish certain objectives, as follows:
 - a) Develop regional priority strategies that develop and support fire adapted communities and landscapes by improving forest health, watershed health, fire risk reduction, or fire resilience needed to achieve local, regional, or statewide public safety, climate resiliency, and ecosystem goals included in the "Agreement for Shared Stewardship of California's Forest and Rangelands" and "California's Wildfire and Forest Resilience Action Plan."
 - b) Complete project development and permitting to generate implementation-ready projects that address regional landscape resilience and community fire protection priorities for funding consideration.
 - c) Implement forest management demonstration projects that showcase scalable models for management, funding, and achieving and quantifying multiple benefits.
 - d) Implement community fire preparedness demonstration projects that create durable risk reduction for structures and critical community infrastructure.
 - e) Develop outreach, education, and training as needed to facilitate and build capacity to implement this section.
 - f) Collect and assess data and information as needed to identify and map communities, infrastructure, forests, and watersheds at risk of, and vulnerable to, wildfire, in collaboration with appropriate state agencies, including, but not limited to, the Department of Forestry and Fire Protection (PRC § 4208.1(b)(2)).
- 7) Requires DOC, upon appropriation by the Legislature, to provide block grants to eligible coordinating organizations to support the statewide implementation through coordination of and technical assistance to regional entities.
- 8) Requires DOC to:
 - a) Facilitate peer-to-peer learning within and between regions to share information, experiences, and resources to build regional capacity.
 - b) Provide technical assistance to regions to enhance regional capacity and assist in the development and prioritization of projects.
 - c) Assist regions in identifying potential funding sources for regional priorities.
 - d) Encourage the development of local cost share opportunities.
 - e) Publish and update on the DOC's internet website the following information related to implementation of the program:

- i) A list of regional entities and eligible coordinating organizations funded by the program.
 - ii) The outcomes of any block grant provided to a regional entity or eligible coordinating organization, including a summary of the benefits, such as the number of people and properties for which wildfire risk has been mitigated, ecosystem health benefits, or other measurements of progress towards state goals for public health and safety, climate resilience, and biodiversity, as applicable.
 - iii) A description of progress towards ensuring there are regional entities to cover every part of the state that contains or is adjacent to a very high or high fire hazard severity zone (PRC § 4208.1(d)).
- 9) Authorizes DOC, until July 1, 2025, to authorize advance payments on grants awarded pursuant to this program (PRC § 4208.1(e)).

PROPOSED LAW

This bill would:

- 1) Authorize IBank to issue revenue bonds to finance wildfire mitigation plans developed by regional wildfire mitigation collaboratives, as specified.
- 2) Require a regional wildfire mitigation collaborative receiving funding for a wildfire mitigation plan to enter into a repayment and participation agreement with IBank.
- 3) Establish the regional wildfire mitigation collaborative revolving fund (revolving fund) in the state treasury.
- 4) Authorize IBank to distribute proceeds from the revolving fund to regional wildfire mitigation collaboratives following approval of the collaborative's wildfire mitigation plan.
- 5) Authorize IBank to provide technical assistance to regional wildfire mitigation collaboratives.
- 6) Authorize IBank to issue taxable or tax exempt revenue bonds to finance wildfire mitigation plans developed by regional wildfire mitigation collaboratives.
- 7) Define "regional wildfire mitigation collaborative" as specified.
- 8) Authorize entities in the same geographic region to form a regional wildfire mitigation collaborative, as specified, with any or all of the following entities: cities; counties; fire districts; water agencies; public utilities; conservancies; resource conservation districts; tribal governments; and any other relevant public agencies.
- 9) Require regional wildfire mitigation collaboratives to form cooperative agreements with any or all of the following entities: property insurers that serve the region, if applicable; private utilities that serve the region, if applicable; and other relevant private or nonprofit entities.
- 10) Authorize a regional wildfire mitigation collaborative to form as a joint powers authority.

- 11) Authorize regional wildfire mitigation collaboratives to develop wildfire mitigation plans to implement projects across the region that mitigate against the risk of wildfire, including, but not limited to:
 - a) Structure hardening and retrofitting that creates fire-resistant homes, businesses, and public buildings.
 - b) Creation of additional "Firewise USA" communities.
 - c) Projects that facilitate vegetation management.
 - d) Prescribed grazing.
 - e) Prescribed burns.
 - f) The creation and maintenance of defensible space.
 - g) Development and implementation of public education and outreach programs, including the following:
 - i) Programs that include technical assistance, new technologies, game elements to enhance and accelerate the education of property owners, workforce recruitment and training, and equipment purchases.
 - ii) Public education outreach regarding making homes and communities more wildfire resilient, including training on defensible space and prescribed grazing.
 - iii) Ignition prevention.
 - h) Other fuel modification activities that provide neighborhood or communitywide benefits against wildfire.
- 12) Specify that wildfire mitigation plans are to be focused primarily on maximizing communitywide wildfire risk reduction, and may also include projects that benefit individual properties.
- 13) Require wildfire mitigation plans to consider projects that accomplish the following goals:
 - a) Improve the availability and affordability of property insurance in the region.
 - b) Reduce the risk of utility-started fires.
 - c) Complement other fire prevention or forest health activities and plans.
- 14) Allow a regional wildfire mitigation collaborative to receive funds from IBank.
- 15) Require a regional wildfire mitigation collaborative seeking IBank funds to submit a wildfire mitigation plan to DOC.
- 16) Authorize DOC to consult with the State Fire Marshal, Department of Forestry and Fire Protection, Department of Housing and Community Development, California Office of Emergency Services, Department of Insurance, and the California Public Utilities Commission to review wildfire mitigation plans according to the following criteria:
 - a) The wildfire risk and loss reduction that the plan brings to the region.
 - b) The wildfire risk and loss reduction that the plan brings to very high and high fire hazard severity zones.

- c) Geographic areas to which the plan and its activities apply.
 - d) Cost effectiveness of the activities identified in the plan.
- 17) Establish that regional wildfire mitigation collaboratives are eligible to receive IBank funds after approval of the wildfire mitigation plan by DOC.
- 18) Make relevant findings and declarations.

ARGUMENTS IN SUPPORT

According to the author, “SB 1297 builds on the existing Regional Forest and Fire Capacity program, which only focuses on landscape-level mitigation, by allowing for the creation of Regional Wildfire Mitigation Collaboratives that enables entities which benefit from wildfire risk reduction to be involved in planning and funding mitigation projects. Participating entities could include public agencies, insurers, utilities, and non-profit organizations that all serve an area. The Collaboratives will develop plans that focus not just on landscape mitigation, but also on community-scale hardening and structural hardening shaped by participant feedback on what will meaningfully reduce the risk of substantial losses following a wildfire, improve insurability, and lead to saved costs. Collaborative participants would help fund those plans over time but be eligible to receive the initial project funding from bonds coordinated by the IBank.

“SB 1297 avoids the pitfalls of current mitigation planning processes by encouraging all beneficiaries of wildfire risk reduction to come together and collaborate on the planning process, rather than operating in their own silos. Additionally, this bill opens new financing opportunities to make available more stable and reliable sources of funds for regional projects.”

ARGUMENTS IN OPPOSITION

None received.

COMMENTS

Double referral. This bill is double referred to this committee and the Business, Professions, and Economic Development Committee. This is the committee of first referral. Issues discussed in this analysis under the portfolio of the Business, Professions, and Economic Development Committee are included here for completeness and context only.

Applying proven funding mechanisms to wildfire prevention. Much like SB 894 (Allen, passed in this Committee on April 7, 2026, with a vote of 7-0), this bill proposes to build off a successful financing mechanism to fund wildfire mitigation projects. SB 894 would create the Wildfire Resilience Loan Program within the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA), allowing property owners to access low interest loans to retrofit their homes and businesses with fire resistant building materials. CAEATFA has been very successful in increasing uptake of energy efficiency retrofits and provides a framework for promoting a similar increase in structure hardening uptake.

This bill, SB 1297, proposes to build off the successful IBank regional transportation funding model, which provides a variety of funding options (including taxable and tax exempt bonds, loans, credit enhancements, and other financing mechanisms) to

governments and businesses to facilitate public infrastructure and private development. By applying this model to regional wildfire mitigation, public and private entities can pool resources to access funding to implement projects that reduce regional risk profiles.

How it would work. This bill would establish a new entity in the RFFC, called a “regional wildfire mitigation collaborative” (collaborative), and a new fund, the Regional Wildfire Mitigation Collaborative Revolving Fund, in the State Treasury. It would authorize IBank to issue bonds to fund wildfire mitigation plans.

The collaborative is required to enter into cooperative agreements with any or all of a list of private entities, including property insurers and private utilities. If the collaborative wants to access IBank bond revenues, the collaborative is authorized to write a wildfire mitigation plan.

That mitigation plan must be approved by the DOC before IBank is authorized to issue revenue bonds to finance the development and support of the plan.

Worthy cause, duplicative programming. The RFFC program establishes a definition for “regional entities,” who are regional leadership agencies with proven experience who are given responsibility under RFFCP for developing regional strategies to implement regional wildfire mitigation projects. DOC then provides block grants to the regional entities to implement those strategies.

This bill would establish a second category of regional entities, known as “regional wildfire mitigation collaboratives,” established by regional entities as joint powers authorities with additional cooperative agreements with private entities such as insurers and private utilities. These collaboratives would be required to develop and submit a wildfire mitigation plan to DOC for approval. Approval of the plan would make the collaborative eligible for funding via IBank.

This creates a parallel collaborative authority and plan writing process that is duplicative of the existing procedure. Currently, a regional entity develops a regional wildfire strategy, and then applies for competitive funding from DOC to implement the strategy. This bill proposes that the regional entity create a second region-wide organization, structured as a joint powers authority or other cooperative agreement. This second organization would write a different strategy, called the wildfire mitigation plan. This second plan would have to be approved by the DOC before the collaborative would be eligible for IBank funding.

Instead, the Committee may wish to amend this bill so that private partners such as utilities and insurers can enter into agreements directly with a regional entity, instead of with a collaborative, and that IBank bonds can fund implementation of the regional wildfire strategy.

This reduces inefficiencies in the planning process, authorizes flexible legal agreement options that best meet a region’s needs, and moves money into local communities with less friction. Instead of having two different regional organizations having two different regional plans being funded by two different sources, this process would make sure regional wildfire planning efforts were coordinated and funding didn’t go to cross

purposes. The regional entity can use one planning process to access two sources of funding, maximizing the use of taxpayer dollars.

Authorize regional entities to form partnerships. Frequently used in transportation infrastructure financing, agreements between public and private sector organizations can help to most efficiently allocate resources, personnel, risks, and funding to best meet a region's needs.

The committee may wish to amend this bill to authorize regional entities to form partnerships with private organizations in the form of joint powers authorities, cooperative agreements, contractual agreements, memoranda of understanding, or other agreements. Once a regional entity enters into an agreement with a private organization, the partnership would be eligible for financing from IBank.

The amendments include:

- 1) Defining "partnership." **[SEE AMENDMENT #1]**
- 2) Amending the authorizing statutes of the RFFC Program to:
 - a) Specify that private entities and nongovernmental organizations are included in organizations that may be coordinated with to develop regional priority strategies.
 - b) Specify that regional entities may implement program activities directly with, provide subgrants or contracts to, and conduct collaborative planning efforts with, insurance companies, private and public utilities, including, but not limited to water and electric utilities, and other public and private entities.
 - c) Place a stronger emphasis on the development of regional priority strategies that support expanding structure hardening and retrofitting opportunities.
- 3) Authorizing regional entities to form a Regional Wildfire Partnership through legal agreements with other public and/or private organizations.
- 4) Establishing that only those regional entities who take the extra step of becoming a Regional Wildfire Partnership are eligible for IBank bonds.
- 5) Establishing that regional entities who do not take the extra step to become a Regional Wildfire Partnership continue to remain eligible for DOC grants. **[SEE AMENDMENT #2, for 2)-5)]**

Reporting requirement. The Committee may wish to require a regional wildfire public private partnership to submit a report to DOC regarding whether any funds, besides RFFC grants, were utilized to achieve projects identified in their regional priority strategy. **[SEE AMENDMENT #3]**

Make conforming changes to the proposed Regional Wildfire Mitigation Collaborative Revolving Fund. The Committee may also wish to rename the Fund as the Regional Wildfire Partnership Fund, establish appropriate definitions, and substitute "partnerships" for "regional wildfire mitigation collaboratives" and "regional priority strategies" for "wildfire mitigation plans," and make other conforming changes (such as deleting references to DOC approval of plans). **[SEE AMENDMENT #4]**

Further, the Committee may wish to amend the legislative findings and declarations to conform to the changes described above. **[SEE AMENDMENT #5]**

Committee amendments will be taken in Senate Business, Professions, and Economic Development Committee. Due to legislative time constraints, amendments that the author agrees to in this Committee will be taken in the Senate Business, Professions, and Economic Development Committee’s hearing on this bill.

Related legislation

AB 9 (Wood, Chapter 225, Statutes of 2021) established the Regional Forest and Fire Capacity Program in DOC to support regional leadership to build local and regional capacity and develop, prioritize, and implement strategies and projects that create fire adapted communities and landscapes by improving ecosystem health, community wildfire preparedness, and fire resilience.

SUGGESTED AMENDMENTS

AMENDMENT 1

Section 4208 of the Public Resources Code is amended to read:

4208. For purposes of this article, the following definitions apply:

(a) “Department” means the Department of Conservation.

(b) “Eligible coordinating organization” means a local government, tribal government, resource conservation district, joint powers authority, or nongovernmental organization with a history of providing technical assistance and demonstrated capacity to coordinate regional partners across the state.

(c) “Program” means the Regional Forest and Fire Capacity Program.

(d) **“Wildfire partnership” means a joint powers authority, cooperative arrangement, contractual agreement, memorandum of understanding, or other similar arrangement between the public and private sectors, built on the expertise of each partner, that best meets the region’s needs through the appropriate allocation of resources, personnel, risks, and funding for the purposes of the development and implementation of regional priority strategies to identify and reduce wildfire risk.**

(e) “Regional entity” means a state conservancy, local government, tribal government, resource conservation district, joint powers authority, or nongovernmental organization with a history of implementing related projects, demonstrated capacity to work across regional partners, and ability to serve as fiscal administrators for the program.

~~(e) “Regional wildfire mitigation collaborative” or “collaborative” means an entity formed by a regional entity as described in Section 4208.2.~~

(f) "Statewide implementation" means identifying and supporting regional entities in every part of the state that contains or is adjacent to a very high or high fire hazard severity zone identified by the State Fire Marshal pursuant to Section 51178 of the Government Code or Article 9 (commencing with Section 4201).

AMENDMENT 2

Section 4208.1 of the Public Resources Code is amended to read:

(a) There is hereby established in the department the Regional Forest and Fire Capacity Program to support regional leadership to build local and regional capacity and develop, prioritize, and implement strategies and projects that create fire adapted communities and landscapes by improving ecosystem health, community wildfire preparedness, and fire resilience. For strategies and projects that seek to create fire adapted communities, regional entities shall maximize risk reductions to people and property, especially in the most vulnerable communities.

(b) (1) The department shall, upon an appropriation by the Legislature for these purposes, do both of the following:

(A) (i) Provide block grants to regional entities to develop regional strategies that develop governance structures, identify wildfire risks, foster collaboration, and prioritize and implement projects within the region to achieve the goals of the program.

(ii) Regional priority strategy development shall be in coordination with public landowners and other relevant forest and fire planning efforts, **which may include, but not be limited to, private entities and nongovernmental organizations,** in wildfire and forest resiliency planning.

(B) Ensure, to the extent feasible, there are regional entities to cover every part of the state that contains or is adjacent to a very high or high fire hazard severity zone identified by the State Fire Marshal pursuant to Section 51178 of the Government Code or Article 9 (commencing with Section 4201).

(2) Regional entities may implement program activities directly or provide subgrants or contracts, and collaborative planning efforts with local entities, including municipal governments, tribal governments, nongovernmental organizations, community organizations, fire safe councils, land trusts, resource conservation districts, joint power authorities, special districts, fire departments, residents, private and public forest landowners and managers, businesses, **insurance companies, private and public utilities, including but not limited to water and electric utilities,** and **other public and private entities others,** to assist the regional entity in accomplishing all of the following objectives:

(A) Develop regional priority strategies that develop and support **any of the following:**

(i) fire adapted communities and landscapes by improving forest health, watershed health, fire risk reduction, or

(ii) fire resistant homes, businesses, and public buildings by expanding structure hardening and retrofitting opportunities, or
(iii) fire resilience needed to achieve local, regional, or statewide public safety, climate resiliency, and ecosystem goals included in the “Agreement for Shared Stewardship of California’s Forest and Rangelands” and “California’s Wildfire and Forest Resilience Action Plan,” Or
(iv) any combination of (i)-(iii) above.

(B) Complete project development and permitting to generate implementation-ready projects that address regional landscape resilience and community fire protection priorities for funding consideration.

(C) Implement forest management demonstration projects that showcase scalable models for management, funding, and achieving and quantifying multiple benefits.

(D) Implement community fire preparedness demonstration projects that create durable risk reduction for structures and critical community infrastructure.

(E) Develop outreach, education, and training as needed to facilitate and build capacity to implement this section.

(F) Collect and assess data and information as needed to identify and map communities, infrastructure, forests, and watersheds at risk of, and vulnerable to, wildfire, in collaboration with appropriate state agencies, including, but not limited to, the Department of Forestry and Fire Protection.

(c) The department shall, upon an appropriation by the Legislature for these purposes, provide block grants to eligible coordinating organizations under the program to support the statewide implementation of the program through coordination of and technical assistance to regional entities, as well as to support forest health and resilience efforts across regions and throughout the state.

(d) Public regional entities, as defined in subdivision (e) of section 4208 of the Public Resources Code, or an entity or entities designated by the regional entity, may organize a Regional Wildfire Partnership. Regional entities may enter into joint powers authorities, cooperative agreements, contractual agreements, memoranda of understanding, or other similar agreements with private entities such as, but not limited to, those identified in (b)(2) of Section 4208.1, for the purposes of subdivision (e) of section 4208.1 of the Public Resources Code.

(e) Only Regional Wildfire Partnerships established pursuant to subdivision (d) are eligible for financing from the Regional Wildfire Partnership Revolving Fund established pursuant to section 63048.51 of the Government Code. Regional entities established pursuant to subdivision (e) of section 4208 of the Public Resources Code that are not Regional Wildfire Partnerships established pursuant to subdivision (d) remain eligible for grants and other financing that are not the Regional Wildfire Partnership Fund.

(f) To maximize the benefits of the program, the department shall do all of the following:

- (1) Facilitate peer-to-peer learning within and between regions to share information, experiences, and resources to build regional capacity.
- (2) Provide technical assistance to regions to enhance regional capacity and assist in the development and prioritization of projects.
- (3) Assist regions in identifying potential funding sources for regional priorities.
- (4) Encourage the development of local cost share opportunities.
- (5) Publish and update on the department's internet website the following information related to implementation of the program:
 - (A) A list of regional entities and eligible coordinating organizations funded by the program.
 - (B) The outcomes of any block grant provided to a regional entity or eligible coordinating organization, including a summary of the benefits, such as the number of people and properties for which wildfire risk has been mitigated, ecosystem health benefits, or other measurements of progress towards state goals for public health and safety, climate resilience, and biodiversity, as applicable.
 - (C) A description of progress towards ensuring there are regional entities to cover every part of the state that contains or is adjacent to a very high or high fire hazard severity zone identified by the State Fire Marshal pursuant to Section 51178 of the Government Code or Article 9 (commencing with Section 4201).

(e) (g) Until July 1, 2025, the department may authorize advance payments on a grant awarded under this section in accordance with subdivision (d) of Section 11019.1 of the Government Code.

AMENDMENT 3

Strike proposed sections 5 and 6 from the bill.

Section 4208.2 is added to the Public Resources Code, immediately following Section 4208.1, to read:

4208.2. A Regional Wildfire Partnership shall, no later than December 31 of the year it was created, and annually thereafter, submit a report to the Department of Conservation regarding whether any funds, other than Regional Forest and Fire Capacity Program grants, were utilized to achieve projects identified in their regional priority. The Department shall make the report publicly available on its internet website.

AMENDMENT 4

Amend proposed GOV sections 63048.2 and 63048.3 as follows:

63048.52. (a) The bank, in coordination with the Treasurer and the Department of Conservation, may issue revenue bonds to finance ~~wildfire mitigation plans~~ **regional priority strategies** developed by ~~regional wildfire mitigation collaboratives~~ **partnerships** pursuant to Article 11 (commencing with Section 4208) of Chapter 1 of Part 2 of Division 4 of the Public Resources Code.

(b) A ~~partnership regional wildfire mitigation collaborative~~ receiving funding for a regional priority strategy plan developed pursuant to Article 11 (commencing with Section 4208) of Chapter 1 of Part 2 of Division 4 of the Public Resources Code shall enter into a repayment and participation agreement with the bank, specifying the funding commitments and reporting obligations.

(c) (1) The Regional Wildfire Partnership ~~Wildfire Mitigation Collaborative~~ Revolving Fund is hereby established in the State Treasury. Notwithstanding Section 13340 of the Government Code, moneys in the revolving fund are hereby continuously appropriated to the bank without regard to fiscal year for the purposes of this article.

(2) Moneys generated from the sale of bonds shall be deposited into the revolving fund.

(d) The bank may distribute proceeds from the revolving fund to Regional Wildfire Partnerships ~~regional wildfire mitigation collaboratives, following approval of the collaborative's wildfire mitigation plan pursuant to Section 4208.4 of the Public Resources Code.~~

(e) The bank may also provide technical assistance to Regional Wildfire Partnerships ~~regional wildfire mitigation collaboratives, including joint powers authorities.~~

63048.53. (a) The bank may issue taxable or tax-exempt revenue bonds pursuant to Chapter 5 (commencing with Section 63070) to finance regional priority strategies ~~wildfire mitigation plans~~ developed by Regional Wildfire Partnerships ~~regional wildfire mitigation collaboratives~~ pursuant to Article 11 (commencing with Section 4208) of Chapter 1 of Part 2 of Division 4 of the Public Resources Code. The proceeds of the bonds shall be deposited into the revolving fund, as provided in Section 63048.52, and used exclusively for the purposes of supporting regional priority strategies ~~wildfire mitigation plans~~ developed by ~~partnerships regional wildfire mitigation collaboratives~~ pursuant to Article 11 (commencing with Section 4208 of Chapter 1 of Part 2 of Division 4 of the Public Resources Code). Bond proceeds may also be used to fund necessary reserves, capitalized interest, or costs of issuance.

(b) Bonds issued under this article shall not be deemed to constitute a debt or liability of the state or of any political subdivision of the state or a pledge of the faith and credit of the state or of any political subdivision, other than the bank, but shall be payable solely from the revolving fund and the assets of the revolving fund, and the security provided by the revolving fund. All bonds issued under this article shall contain on the face of the bonds a statement to that effect.

AMENDMENT 5

Amend Section 1 – Legislative findings and declarations – as follows:

The Legislature finds and declares all of the following:

(a) ~~California's wildfire crisis poses systemic risks to insurance markets, investor-owned utilities, ratepayers, and the state's long-term fiscal~~

~~outlook. Wildfire poses an existential threat to communities in the wildland-urban interface, causing catastrophic loss of life, property, and natural resources and imposing escalating costs on homeowners, local governments, utilities, insurers, and the state.~~

~~(b) Wildfire prevention actions, including home hardening, defensible space, landscape-scale vegetation management, and more, are necessary to reduce the risk of loss and damage to life and property. Effective wildfire risk reduction requires landscape-scale, regionally coordinated investment strategies that integrate vegetation management, structure hardening, community preparedness, and infrastructure resilience.~~

(c) Current wildfire spending is insufficient to result in the needed risk reduction at the scale required. In addition, current spending is not directed enough towards structural hardening and communitywide risk reduction.

(d) In the 2025–26 fiscal year, the State of California spent roughly \$4,000,000,000 on wildfire, 90 percent of which went towards firefighting and fire suppression, and only 10 percent towards prevention.

(e) In 2025, according to Stanford University researchers, investor-owned utility planned wildfire expenditures totaled more than \$9,000,000,000~~0~~, to be spent primarily on distribution line right-of-way clearance.

~~(f) Conservation finance methodologies, including pay-for-success models where public and private entities quantify the benefits associated with a planned conservation action and agree to a schedule of milestone payments based upon the action being implemented and the benefits accrued, have been successfully deployed, including in California, to raise upfront financing via bond markets. Regional entities with established relationships, local expertise, and accountability to affected communities are best positioned to develop and implement strategies tailored to their regions' distinct risk profiles, resources, and stakeholder networks.~~

~~(g) It is the intent of the Legislature, on a voluntary basis, to incentivize similar financing strategies via existing programs and in a targeted manner to increase wildfire prevention in California. Sustainable financing for wildfire resilience requires aligning the financial interests of the many parties that benefit from risk reduction, including local governments, water agencies, electrical corporations, insurers, reinsurers, and state and federal agencies, so that each contributor participates on terms that serve its institutional objectives.~~

~~(h) Innovative financing models hold significant promise for mobilizing private capital to supplement public funding for wildland-urban interface resilience.~~

~~(i) California Infrastructure and Economic Development Bank (IBank) financing tools, catalytic state funding, and a clear statutory framework can~~

lower transaction costs and attract participation by entities that might otherwise lack a pathway for investment.

(j) The state's existing Regional Forest and Fire Capacity (RFFC) program and the Wildfire and Forest Resilience Task Force framework provides an appropriate institutional foundation upon which to build a more comprehensive regional resilience financing system.

(k) It is the intent of the Legislature, on a voluntary basis, to incentivize Regional Fire and Forest Capacity regional entities and other capable regional organizations to develop and implement wildfire resilience financing plans through regional public-private partnerships that improve regional wildfire prevention, reduce future losses from wildfire, prioritize communitywide risk reduction, improve the availability and affordability of insurance, and reduce the risk of utility sparked fires.

(l) It is also the intent of the Legislature to:

(1) Provide a flexible suite of financing tools including, but not limited to, revenue bond financing that regional entities may deploy as appropriate to their circumstances.

(2) Establish a catalytic state investment sufficient to demonstrate the viability of regional financing strategies and attract participation by private utilities, insurers, and other private entities.

(3) Enable performance-based financing structures in which upfront capital investments are supported by multi-year revenue commitments from beneficiary entities tied to verified reductions in wildfire risk and losses.

(4) Encourage private utilities, insurers, and other private entities to participate in regional wildfire resilience financing plans by creating a clear legal and institutional framework for their contributions, while preserving regulatory flexibility and recognizing each entity's distinct institutional objectives.

(5) Maintain flexibility so that regions may design programs consistent with their own circumstances, available resources, and stakeholder composition, without requiring participation by any particular entity.

SUPPORT

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OPPOSITION

None Received