
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

SB 1297 (Allen) - Regional wildfire partnerships

Version: April 14, 2026

Urgency: No

Hearing Date: May 4, 2026

Policy Vote: N.R.&W. 7-0, B.,P.&E.D.10-0

Mandate: No

Consultant: Ashley Ames

Bill Summary: This bill would authorize the Infrastructure and Economic Development Bank (IBank) to issue bonds to finance regional priority strategies developed by wildfire partnerships.

Fiscal Impact:

- Unknown but likely significant ongoing costs, possibly in the millions of dollars annually (various funds) for IBank to establish and administer the Regional Wildfire Partnership Revolving Fund. See staff comments for details.
- Unknown but likely significant ongoing costs (various funds) for the Department of Conservation to administer programs, collect data, and produce reports as required by this bill, among other things.
- Unknown but likely significant ongoing cost pressures (various funds) for the state to provide funds for the Regional Wildfire Partnership Revolving Fund established by this bill.

Background:

IBank and Infrastructure Loans. According to its website, IBank exists within GO-Biz and “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. IBank’s current programs include the Infrastructure State Revolving Fund (ISRF) Loan Program, California Lending for Energy and Environmental Needs (CLEEN) Center, the Climate Catalyst Revolving Loan fund, Small Business Finance Center and the Bond Financing Program.”

Regional Forest and Fire Capacity (RFFC) Program. According to the California Department of Conservation, the Regional Forest and Fire Capacity (RFFC) Program supports the development of regional strategies and partnerships for landscape-scale wildfire resilience. The program provides block grant funding to designated regional entities to build local and regional capacity, convene cross-jurisdictional partners, and coordinate among state, local, federal, tribal, and nonprofit stakeholders. RFFC grantees develop Regional Priority Plans that identify and prioritize forest health and wildfire mitigation projects, align regional efforts with state goals, and advance projects through early planning, permitting, and design.

According to the California Wildfire and Forest Resilience Task Force, the program is intended to address fragmentation in wildfire planning by supporting sustained regional governance structures and collaboration, with the goal of creating a pipeline of ready-to-implement projects that improve forest health, reduce wildfire risk, and promote fire-adapted communities.

Proposed Law: This bill would:

1. Authorize IBank, in coordination with the Treasurer and the Department of Conservation, to issue revenue bonds to finance regional priority strategies developed by wildfire partnerships and specifies that a partnership receiving funding for a strategy must enter into a repayment and participation agreement with IBank, specifying the funding commitments and reporting obligations.
 - a) Define wildfire partnership as 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.
2. Establish the Regional Wildfire Partnership Revolving Fund in the State Treasury and specify that moneys in the fund are continuously appropriated to IBank without regard to fiscal year and that moneys generated from the sale of bonds must be deposited into the fund. Authorize IBank to distribute proceeds from the fund to regional wildfire partnerships and authorize IBank to provide technical assistance to regional wildfire partnerships.
3. Specify that only regional wildfire partnerships are eligible for financing from the Regional Wildfire Partnership Revolving Fund but that other regional entities that are not Regional Wildfire Partnerships remain eligible for grants and other financing that are not the Regional Wildfire Partnership Fund.
4. Require a regional wildfire partnership, no later than December 31 of the year it was created, and annually thereafter, to 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 and requires the Department of Conservation to make the report publicly available on its website.
5. State findings and declarations.
6. State Legislative intent.

Related Legislation:

SB 894 (Allen, 2026) 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.

Staff Comments: IBank notes that it is difficult to determine a fiscal estimate to implement the provisions of this bill as it is unclear how the IBank would issue bonds based on the credit of Regional Wildfire Partnership Revolving Fund when the fund itself does not have a funding source, appropriation, and/or revenue stream to support repayment. Without these features, any bonds sold cannot be repaid, which would make it impossible to sell the bonds.

If the revolving fund were to receive funding/an appropriation/source of repayment, IBank would require additional staffing and funding for external consultants in order to implement the program. None of this could be absorbed into the existing IBank budget as this would need to be a separate program within the IBank.

In order to establish a Transmission Revolving Fund program, IBank has requested five-year funding of \$3.6 million for staff positions and \$11 million for non-staff expenses. IBank estimates similar costs for implementing the proposed Regional Wildfire Partnership Revolving Fund with the distinction that costs to implement SB 1297 would likely be ongoing as, unlike the Transmission Revolving Fund, there is no sunset in place.

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