
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair

2025 - 2026 Regular Session

SB 894 (Allen) - Wildfire resiliency: financial assistance

Version: April 23, 2026

Urgency: No

Hearing Date: May 14, 2026

Policy Vote: N.R. & W. 7 - 0, E.M. 9 - 0

Mandate: No

Consultant: Ashley Ames

Bill Summary: This bill would create the California Wildfire Resilience Loan Program, administered by the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA), to provide financial assistance for projects and activities that reduce wildfire-related risks and losses, as specified.

***** ANALYSIS ADDENDUM – SUSPENSE FILE *****

The following information is revised to reflect amendments
adopted by the committee on May 14, 2026

Fiscal Impact:

- CAEATFA estimates ongoing costs of \$3.9 million in the first year, gradually increasing to \$5 million per year by the fifth year and likely continuing to grow thereafter (California Alternative Energy Authority Fund or other fund) to administer the Wildfire Resilience Loan Program, including to provide a loan loss reserve/credit enhancement funds. This cost estimate is based on CAEATFA's projection of 1,000 projects in the first year, which would increase in each subsequent year and grow to more than 2,4000 projects by year five. Actual CAEATFA costs could be higher or lower and would depend on how many projects are ultimately undertaken.
- Unknown, potentially significant one-time costs for the Department of Forestry and Fire Protection (CalFire) to provide guidance, in consultation with the Office of Emergency Services (CalOES) and the Department of Insurance, to CAEATFA on wildfire resilience improvements eligible under the program. Unknown but likely minor costs for the Department of Insurance to consult with CalFire on the above guidance. CalOES anticipates its consulting costs would be minor and absorbable.
- Cost pressures of an unknown but likely significant amount, possibly in the tens of millions of dollars (various funds), to provide state funding for California Wildfire Resilience Loan Program projects and activities.

Committee Amendments: The committee amendment would make provisions of the bill contingent upon an appropriation by the Legislature or the availability of federal or private funds from any source for the purposes identified in this bill.

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