



November 3, 2017

Honorable Holly Mitchell, Chair
Joint Legislative Budget Committee
Senate Budget and Fiscal Review Committee

Honorable Phil Ting, Chair
Assembly Budget Committee

Honorable Ricardo Lara, Chair
Senate Appropriations Committee

Honorable Lorena Gonzalez Fletcher, Chair
Assembly Appropriations Committee

October 2017 Wildfires Disaster Response-Emergency Operations Account Request

Pursuant to the provisions of section 8690.6 of the Government Code, the following report is respectfully submitted.

Section 8690.6 of the Government Code makes Disaster Response-Emergency Operations Account funds available, upon allocation by the Director of Finance, to state agencies for disaster response operation costs incurred as a result of a proclamation by the Governor of a state emergency. Allocations may be made for activities that occur within 120 days after a proclamation of emergency by the Governor.

On October 8, 2017, a series of wildfires erupted in the heart of Northern California's wine country. Over the course of a single night, these fires engulfed 100 square miles, spreading with unprecedented speed and fury. Sparked by the same hot, windy conditions, other major wildfires soon broke out across the state, devastating more than 200,000 acres of land. By the time the fires were contained two weeks later, it was clear that the Northern California fires of October 2017 were by far the most lethal and destructive wildfire disaster in the history of California.

On October 9 and October 10, 2017, Governor Brown declared a state of emergency for the counties of Butte, Lake, Mendocino, Napa, Nevada, Orange, Solano, Sonoma, and Yuba due to the impacts of numerous wildfires. The Governor also secured a Presidential Major Disaster Declaration to support the state and local response to the fires, and federal direct aid for residents of those counties who have suffered losses due to the fires. Workers in these counties who have lost jobs or had work hours substantially reduced as a result of the fires are also now eligible for federal Disaster Unemployment Assistance benefits.

To aid in the recovery efforts, executive orders were issued to suspend planning and zoning requirements and state fees for manufactured homes and mobile home parks to help displaced residents with housing needs; waive the one-week waiting period for unemployment insurance benefits for impacted individuals; suspend the fees associated with the replacement of specified documents and records; suspend specified procurement rules to allow state agencies to enter into contracts for goods, materials, and services necessary to quickly assist with response and recovery efforts; streamline regulations to allow facilities regulated by the California Department of Social Services and the California Department of Public Health that were impacted by the

fires to remain open; extend the state's prohibition on price gouging during emergencies; allow wineries to relocate their tasting rooms; allow for the expedited hiring of additional personnel for emergency and recovery operations; and strengthen coordination between state agencies on environmental restoration in fire impacted areas.

The Department of Finance, in consultation with the Office of Emergency Services, is collecting information from various departments related to unexpected equipment, personnel, and other disaster assistance costs incurred in response to the Governor's State of Emergency Proclamations related to the wildfires. Due to the dynamic nature of these events, the total General Fund impact will be further refined as part of the Governor's Budget and May Revision. A concurrent letter is being distributed to the White House, urging the President and Congress to work quickly to adopt a third supplemental disaster-related appropriations bill to support the state's recovery efforts.

Finance has received requests from the California Department of Toxic Substances Control and the California Department of Resources Recycling and Recovery (CalRecycle) for hazardous waste and debris removal and cleanup in the amounts of \$1.5 million and \$35 million, respectively. Funding for these activities must be secured immediately to allow the departments to execute contracts to begin recovery efforts. The Department of Social Services requested \$5 million for the purchase and distribution of food to individuals affected by the fires as well as rental/mortgage vouchers and utility assistance. As such, the Director of Finance will allocate up to \$41.5 million from the Disaster Response-Emergency Operations Account pursuant to section 8690.6 of the Government Code.

We have reviewed the information submitted by these departments and concur with the estimates submitted to address these immediate needs. If you have any questions or need additional information regarding this matter, please call Mark Tollefson, Principal Program Budget Analyst, at (916) 445-8913.

MICHAEL COHEN
Director

By:



AMY M. COSTA
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Honorable Richard Roth, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Shirley Weber, Chair, Assembly Budget Subcommittee No. 5
Mr. Mac Taylor, Legislative Analyst (3)
Mr. Mark Ibele, Staff Director, Senate Budget and Fiscal Review Committee
Mr. Mark McKenzie, Staff Director, Senate Appropriations Committee
Mr. Kirk Feely, Budget Fiscal Director, Senate Republican Fiscal Office
Mr. Craig Cornett, Senate President pro Tempore's Office (2)
Mr. Christian Griffith, Chief Consultant, Assembly Budget Committee
Mr. Pedro R. Reyes, Chief Consultant, Assembly Appropriations Committee
Ms. Cyndi Hillery, Staff Director, Assembly Republican Fiscal Committee
Mr. Seren Taylor, Director of Strategic Policy, Assembly Republican Leader's Office
Mr. Jim Richardson, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Christopher W. Woods, Assembly Speaker's Office (2)