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OFFICE OF THE GOVERNOR

JUL 07 2011

To the Members of the California State Assembly:

I am signing Assembly Bill 29 because establishing a fire protection and prevention fee in state responsibility areas will reduce General Fund costs, and ensure property owners in developed wildland areas pay for a portion of the fire and emergency response services they receive.

As a result of population increases and urban development in state responsibility areas in recent decades, there has been a significant increase in state costs associated with fire protection in state wildland areas. This bill recognizes that a portion of the costs borne by the state for wildland fire prevention and protection services should be funded by the landowners in these areas.

Specifically, this bill will establish a \$150 fire prevention fee on each structure within state responsibility areas. The purpose of this bill is to make the necessary statutory changes to realize \$50 million of General Fund savings identified in the budget bill by allocating the revenue generated from this fee to the Department of Forestry and Fire Protection's (CAL FIRE's) fire protection program, as well as \$200 million in ongoing General Fund savings.

A fee consistent with the "beneficiary pays principle," such as the one intended in this bill, can achieve significant General Fund savings. However, as currently drafted, the revenues may not materialize. I am directing the Department of Finance and CAL FIRE to work with the Legislature during the remaining legislative session to identify necessary clean-up language to realize these revenues.

The budget bill includes provisional language requiring CAL FIRE to convene a working group consisting of legislative staff, department executive staff, the Department of Finance, the Legislative Analyst's Office, and at least two fire chiefs to discuss options for future funding, realignment, and possible changes in the state's management of wildland firefighting. The working group, guided by the clean-up legislation noted above, will develop recommendations to establish a state responsibility area fee and address relevant legal, programmatic and implementation issues.

Sincerely,


Edmund G. Brown Jr.