



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

April 19, 2023

The Honorable Chris Holden
Chair, Assembly Appropriations Committee
1021 O Street, Suite 8220
Sacramento, CA 95814

**RE: Assembly Bill 338 – OPPOSE
As Introduced January 30, 2023**

Dear Assembly Member Holden:

On behalf of the Rural County Representatives of California (RCRC), we regretfully oppose Assembly Bill 338 (Aguiar-Curry), which expands the definition of “public works” to include fuel reduction work done under contract and paid for in whole or in part out of public funds performed as part of a fire mitigation project under certain conditions. RCRC is an association of forty rural California counties, and the RCRC Board of Directors is comprised of elected supervisors from each member county.

Mitigation of wildfire risk is of paramount importance to communities in the wildland-urban interface statewide. CAL FIRE’s recently-updated, draft Fire Hazard Severity Zone maps indicate a 14.6 percent increase in Very High Fire Hazard Severity Zone (VHFHSZ) acreage in the state responsibility area (SRA) alone since 2007, most of which was shifted from land that was designated as Moderate Fire Hazard Severity fifteen years ago.¹ The maps represent a sobering view of how dramatically the state’s wildfire patterns and potential impacts have been exacerbated by climate change and inattention to fuels treatment. The new maps are yet another indicator of California’s ever-worsening fire hazard conditions and the urgent need to expedite wildfire risk mitigation at both the landscape scale and the community level.

The urgency of these projects comes with a dire need to develop a local workforce dedicated to the removal of hazardous fuels in the communities most impacted by wildfires and tree mortality. Many such communities not only suffer from a workforce

¹ *Fire Hazard Severity Zones in State Responsibility Area (November 21, 2022) (2022) California Department of Forestry and Fire Protection.* Available at: <https://osfm.fire.ca.gov/media/ujtbj2zg/fhsz-in-sra-acreage-change.pdf> (Accessed: February 1, 2023).

shortage, but also a deficiency in housing to accommodate the necessary labor to accomplish the pace and scale of fuels treatment necessary to truly mitigate the impacts of catastrophic wildfire. Most importantly, the majority of rural, forested communities depend almost wholly on public funding such as state and federal grant dollars so that fire safe councils, community collaboratives and other under resourced, local organizations can work together with local governments to get work done on the ground using local contractors.

In a year when state revenues are projected to fall far below previous budget years, RCRC and its member counties are extremely concerned that any new policies impacting the ability of socioeconomically disadvantaged communities to continue to make progress on the pace and scale of fuels treatment will have devastating impacts on the safety of rural residents as well as the long-term health and resilience of forested ecosystems. We are also concerned that very little study has been done on the current condition of the forest resilience workforce, including wages and training needs for contractors used by both state and local agencies, to truly understand whether the state can balance its current forest resilience funding commitments with a marked increase in workforce costs.

We believe the forest workforce needs to be carefully examined to ensure that local workers are, in fact, not currently making a living wage. Anecdotal evidence from wage reports on California Climate Initiative grants indicate that wages paid in the forestry sector are in line and, in most cases, surpass living wages as calculated by the Massachusetts Institute of Technology's Living Wage Calculator² for projects in rural communities. While wages for these projects might not translate to urban or suburban areas like Sacramento or the Bay Area, the lower cost of living in many rural California counties likely justifies the differential in wages paid, particularly for projects using public funds that are often difficult for small, rural communities to obtain.

Experience has shown that, as written, AB 338 would have the unintended consequence of eliminating local jobs rather than creating them by placing small, local contractors at a competitive disadvantage for fuels reduction work in rural areas. The requirements to become a prevailing wage employer are both resource- and labor-intensive, making it difficult for many small contractors to obtain and maintain prevailing wage status. By requiring prevailing wage for fuels reduction projects, we expect to see local contractors priced out of projects while large, out-of-area contractors dominate the bidding. This exact scenario has occurred in rural communities with other prevailing wage sectors such as construction, and it has often served to restrict the affordability of projects while limiting availability of contractors to a small pool from outside the community. AB 338, while well-intended, would likely eliminate local jobs in the forestry workforce rather than creating them in communities like Lassen County, where hasty state policies have already created a cavernous need for new jobs.

² Glasmeier, Amy K. (2023). *Living Wage Calculator*. Massachusetts Institute of Technology. <https://livingwage.mit.edu/states/06/locations>

Prevailing wage requirements will also be an impediment to state departments under the California Natural Resources Agency such as CAL FIRE and the various conservancies, who will struggle in the foreseeable future to continue to meet the state's ambitious forest resilience and wildfire mitigation goals with diminishing state funding revenues. Administering prevailing wage will require additional staffing time and resources not currently allocated in the state budget and will necessarily shrink the pace and scale of forest resilience acres treated due to dramatically increased costs. AB 338 will unavoidably raise the state spending on fuels treatment projects in order to achieve the same results to safeguard California residents from the impacts of catastrophic wildfire.

Should AB 338 become law, it must be accompanied by an associated commitment from the Legislature to increase funding for forest resilience and fuels treatment grants and other programs. Senate Bill 247 (Dodd, 2019) required Pacific Gas & Electric to pay prevailing wage for vegetation management operations, and PG&E subsequently estimated that SB 247 increased costs by approximately 49 percent³. While investor-owned utilities have the option of simply passing along their costs to their ratepayers, fire-prone communities currently struggle for resources to compete for precious grant dollars in order to safeguard their residents and mitigate smoke emissions and ecosystem damage from catastrophic wildfires.

For these reasons, RCRC respectfully requests your "No" vote when this measure is heard before your committee. Please do not hesitate to contact me at sheaton@rcrcnet.org with any questions.

Sincerely,



STACI HEATON
Senior Policy Advocate

cc: The Honorable Cecilia Aguiar-Curry, Member of the California State Assembly
Members of the Assembly Appropriations Committee
Jay Dickenson, Chief Consultant, Assembly Appropriations Committee
Joe Shinstock, Consultant, Assembly Republican Caucus

³ Pacific Gas & Electric. *U39M Opening Brief Before the California Public Utilities Commission Application No. 21-06-021*. Page 461.
<https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M498/K806/498806632.PDF>