



RURAL COUNTY REPRESENTATIVES  
OF CALIFORNIA

June 15, 2023

The Honorable Dave Cortese  
Chair, Senate Labor, Public Employment  
and Retirement Committee  
1021 O Street, Suite 6740  
Sacramento, CA 95814

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

Dear Senator Cortese:

On behalf of the Rural County Representatives of California (RCRC), we regretfully oppose Assembly Bill 338, authored by Assembly Member Cecilia 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.<sup>1</sup> 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.

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<sup>1</sup> *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).

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 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 Calculator<sup>2</sup> 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

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

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.

Furthermore, we are now facing a property insurance crisis, as two of the state's largest insurers of residential properties will no longer write new policies in California due to the risk associated with wildfires and other catastrophes. RCRC is extremely concerned that AB 338 will only exacerbate this emergency for residents across the state. Recently-promulgated regulations at the California Department of Insurance require insurers to offer discounts to homeowners who live within communities that are taking steps to mitigate the impacts of high severity wildfires. However, AB 338 will undoubtedly shrink the scope of wildfire mitigation efforts and, in many cases, cause delays in socioeconomically disadvantaged communities that are dependent on state and federal grant dollars to complete shaded fuel breaks and other fuels treatment projects necessary to safeguard their residents.

Prevailing wage requirements will also be an impediment to state agencies 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.

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 percent<sup>3</sup>. 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.

RCRC has been working to facilitate dialogue with local agencies and local contractors currently working on fuels treatment projects in rural communities to help better explore the potential impacts of AB 338. However, we continue to oppose AB 338 for the above stated reasons. Please do not hesitate to contact me at [sheaton@rcrcnet.org](mailto:sheaton@rcrcnet.org) with any questions.

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<sup>3</sup> 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>

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Sincerely,

A handwritten signature in black ink, appearing to read "Staci Heaton", with a stylized flourish at the end.

STACI HEATON  
Senior Policy Advocate

cc: The Honorable Cecilia Aguiar-Curry, Member of the California State Assembly  
Members of the Senate Labor, Public Employment and Retirement Committee  
Dawn Clover, Consultant, Senate Labor, Public Employment and Retirement  
Committee  
Scott Seekatz, Consultant, Senate Republican Caucus