

Date of Hearing: April 7, 2025

ASSEMBLY COMMITTEE ON EMERGENCY MANAGEMENT

Rhodesia Ransom, Chair

AB 294 (Gallagher) – As Introduced January 23, 2025

SUBJECT: Recovery from disaster or emergency: funding priority

SUMMARY: Would allow the California Office of Emergency Services (Cal OES) to prioritize funding and technical assistance for infrastructure and housing recovery projects in communities that suffered losses of population and business due to a local, state, or federal emergency or disaster. Specifically, **this bill:**

- 1) Provides Cal OES may prioritize infrastructure, housing recovery projects, and technical assistance in communities that have unmet recovery needs and suffered a loss in population and businesses as a result of a major federal disaster, state of emergency, or a local emergency.
- 2) Provides Cal OES may prioritize funding and technical assistance in the following programs:
 - (a) The federal Hazard Mitigation Grant Program;
 - (b) The federal Building Resilient Infrastructure and Communities program; and
 - (c) The California Disaster Assistance Act.

EXISTING LAW:

- 1) Under the California Emergency Services Act, establishes the California Office of Emergency Services (Cal OES) within the office of the Governor for the purpose of mitigating the effects of natural, manmade, or war-caused emergencies. (Government Code Section 8550)
- 2) Under the California Disaster Assistance Act, requires the Director of Cal OES to provide financial assistance to local agencies for their personnel costs, equipment costs, and the cost of supplies and materials used during disaster response activities, incurred as a result of a state of emergency proclaimed by the Governor, subject to specified criteria. (Government Code Section 8680)
- 3) Provides the California Disaster Assistance Act continuously appropriates moneys in the Disaster Assistance Fund and its subsidiary account, the Earthquake Emergency Investigations Account, without regard to fiscal year. (Government Code Section 8690.25)
- 4) Under the Federal Robert T. Stafford Disaster Relief and Emergency Assistance Act, authorizes the Federal Emergency Management Agency (FEMA) to provide emergency assistance to states and local entities impacted by disasters. In any emergency, the President may, among other things, authorize public assistance programs aimed at providing essential emergency assistance, repairing and restoring damaged public facilities and removing debris. (Public Law 100707)

- 5) Under the Sandy Recovery Improvement Act of 2013, requires FEMA, in cooperation with State, local, and Tribal emergency management agencies, to review, update, and revise through rulemaking the factors that FEMA uses to determine whether to recommend provision of Individual Assistance (IA) during a major disaster. (Public Law 113-2, Section 1109).

FISCAL EFFECT: Unknown. This bill has not been analyzed by a fiscal committee.

COMMENTS:

Equity impact: According to the author’s office, “AB 294 primarily benefits low-income communities, rural populations, communities of color, elderly and disabled individuals, and small business owners. These groups often face the greatest challenges in disaster recovery due to financial hardship, limited access to resources, and systemic inequities in housing and economic stability. Existing disaster recovery programs do not always prioritize the hardest-hit areas, leading to slower recovery for marginalized communities. Many face bureaucratic and financial barriers to rebuilding, while economic and housing instability worsens post-disaster. Without targeted assistance, these inequities deepen, leaving vulnerable populations without the support they need. AB 294 addresses these disparities by prioritizing funding and technical assistance for communities with the greatest unmet recovery needs. This ensures faster recovery, more equitable access to housing and infrastructure support, and greater resilience against future disasters. By directing aid to those most affected, AB 294 creates a fairer, more efficient disaster recovery system that prevents long-term displacement and economic decline.”

Purpose of the bill: According to the author, “From the Camp Fire in my district in 2018 to the recent LA fires, the loss of homes, businesses, and lives has left lasting scars. AB 294 ensures that our disaster recovery efforts meet the needs of the most vulnerable, fostering resilience and equity for a stronger California. The scale and frequency of disasters demand a more strategic and equitable approach to recovery. The existing structure does not meet the full scope of needs in communities that suffer population and business losses. Without prioritization, these communities face prolonged recovery times and exacerbated socioeconomic disparities. AB 294 directly addresses these issues by ensuring the most affected communities receive the support they need, allowing them to rebuild and prepare for future disasters more effectively.”

Background: California has faced an increasing number of disasters in recent years, including catastrophic wildfires, earthquakes, and extreme weather events. These events result in significant loss of life, displacement of residents, and extensive damage to housing and infrastructure. Vulnerable communities, particularly those with lower socioeconomic status, are disproportionately affected. They face challenges such as homelessness, long-term financial hardship, and difficulty accessing recovery resources. Disasters often exacerbate existing inequalities, entrenching disadvantaged populations in cycles of poverty and vulnerability.

Los Angeles Wildfires: On January 2, 2025, the Los Angeles National Weather Service (NWS) Los Angeles began issuing warnings of “strong to moderate” Santa Ana high winds and “potential fire weather risk” across Southern California from January 7-9th. These advisories were reminiscent of the NWS advisories issued prior to the Franklin Fire, which erupted on December 9, 2024 and quickly grew to over 4,000 acres. It prompted evacuation orders, warnings, road closures and school closures in the area. In total, the fire destroyed 20 structures

and damaged 28 others, according to CAL FIRE. Unfortunately, the Franklin Fire was a harbinger.

On January 5, 2025, the NWS Service Los Angeles warns of widespread damaging winds and extreme fire weather conditions, noting that scattered downed trees and power outages are likely, in addition to rapid fire growth and extreme behavior with any fire starts beginning in the afternoon of Tuesday, January 7. On January 6, 2025, the NWS Los Angeles warns, “HEADS UP!!! A LIFE-THREATENING, DESTRUCTIVE, Widespread Windstorm is expected” and the NWS Los Angeles/Oxnard issues an alert stating, “Strong winds are coming. This is a Particularly Dangerous Situation – other words, this is about as bad as it gets in terms of fire weather.”

Palisades and Eaton Fires: As a result of the day-long red flag warning, the Los Angeles Fire Department pre-deploys and pre-positions resources, including fire engines, command teams, brush patrols, water tenders and air operations personnel at 8:00am. Thirty minutes later, a hiker near the source of the Palisades Fire reports smelling smoke. At 10:20am, an AlertCalifornia wildfire detection camera, detects smoke rising. By 2:30pm, the Palisades Fire has spread to 700 acres and is making a run towards the Pacific Coast Highway. According to the Los Angeles Fire Department, 10,000 houses are threatened and there are 250 city firefighters on scene in addition to 100 Los Angeles County Fire Department Firefighters deployed to assist. Extreme fire behavior, including short and long-range spotting, continues to challenge firefighting efforts for the Palisades Fire. CAL FIRE Incident Management Team II is activated to assist Los Angeles County Fire and Los Angeles City Fire Departments as winds gust up to 60 mph and the fire grows to 1,262 acres by 4:00pm.¹

At 6:18pm, CAL FIRE reports the Eaton Fire has begun in Altadena, describing the incident as a "fast-moving fire burning brush fueled by high winds," prompting evacuation orders.² Given the dire conditions of simultaneous conflagrations, the Los Angeles Fire Department calls on all of its firefighters to report for duty and the LA County Fire Department's incident commander orders 10 strike teams (50 engines) to help contain the Eaton Fire.

Full Containment: At its height, the fires placed an estimated 331,335 people on an evacuation advisory, with nearly 192,000 residents facing mandatory evacuation and roughly 140,000 subject to warnings. The blazes burned a combined 37,469 acres and leveled entire communities in the Pacific Palisades and Altadena neighborhoods of LA County.

The Eaton Fire became the second most destructive fire in California history after destroying 9,418 buildings. The Palisades Fire is the third most destructive fire in state history with 6,837 structures destroyed. As firefighters were battling the largest conflagrations, additional fires broke out in the Los Angeles area. Crews were able to stop the forward spread and contain the blazes. These fires included the Lidia, Archer, Woodley, Sunset, Kenneth, Hurst and Auto fires, which burned close to 2,400 acres between them.

Two weeks after the initial fires, the Hughes Fire began near Castaic Lake in northern Los Angeles County on January 22 and quickly grew to over 10,000 acres. It was fully contained on

¹ <https://www.fire.ca.gov/incidents/2025/1/7/palisades-fire/updates/b5ee529b-be05-4c4a-8892-5463128f2c1d>

² <https://www.fire.ca.gov/incidents/2025/1/7/eaton-fire/updates/35f4cb4c-4023-4484-a7b2-d0c2a40a5880>

January 30 after covering 10,425 acres. After the wildfires were fully contained, LA City inspectors assessed more than 15,000 structures in the Palisades. Once these inspections were completed, the focus shifted to ensuring hazardous debris is safely removed. This process is currently underway with the help of the U.S. Environmental Protection Agency (EPA) and the Army Corps of Engineers.

What communities may benefit under this bill? Los Angeles Area communities that have suffered losses in population and businesses due to the recent fires and have unmet needs would be eligible. Additionally, the communities with unmet needs that have suffered local, state and federally declared disasters, such as, Rio Dell, the Town of Paradise, Pajaro, and Val Verde, would be eligible for this discretionary assistance and priority from Cal OES.

The California Disaster Assistance Act (CDAA): The CDAA authorizes the Director of the Cal OES to administer a disaster assistance program that provides financial assistance from the state for costs incurred by local governments as a result of a disaster event. CDAA provides for the reimbursement of local government costs including funding for the repair, restoration, or replacement of public real property damaged or destroyed by a disaster.

Hazard Mitigation Grant Program (HMGP): FEMA's Hazard Mitigation Grant Program provides funding to state, local, tribal and territorial governments so they can develop hazard mitigation plans and rebuild in a way that reduces, or mitigates, future disaster losses in their communities. This grant funding is available after a presidentially declared disaster. In this program, homeowners and businesses cannot apply for a grant. However, a local community may apply for funding on their behalf. All state, local, tribal and territorial governments must develop and adopt hazard mitigation plans to receive funding for hazard mitigation project application.

Eligible Risk Reduction Projects under the HMGP: Hazard mitigation includes long-term efforts to reduce risk and the potential impact of future disasters. HMGP assists communities in rebuilding in a better, stronger, and safer way in order to become more resilient overall. The grant program can fund a wide variety of mitigation projects. These can include:

- 1) Planning & Enforcement: Developing and adopting hazard mitigation plans, which are required for state, local, tribal and territorial governments to receive funding for their hazard mitigation projects. Acquisition of hazard prone homes and businesses which enable owners to relocate to safer areas (acquisition). Post-disaster code enforcement.
- 2) Flood Protection: Protecting homes and businesses with permanent barriers to prevent floodwater from entering (levees, floodwalls, floodproofing). Elevating structures above known flood levels to prevent and reduce losses (elevation). Reconstructing a damaged dwelling on an elevated foundation to prevent and reduce future flood losses. Drainage improvement projects to reduce flooding (flood risk reduction projects).
- 3) Retrofitting: Structural retrofits to make a building more resistant to floods, earthquakes, wind, wildfire and other natural hazards. Retrofits to utilities and other infrastructure to enhance resistance to natural hazards (utility retrofits).
- 4) Construction: Construction of safe rooms for both communities and individual residences in areas prone to hurricane and tornado activity. Slope stabilization projects to prevent and reduce losses to structures.

Building Resilient Infrastructure and Communities: The Building Resilient Infrastructure and Communities (BRIC) program supports states, local communities, tribes and territories as they undertake hazard mitigation projects, reducing the risks they face from disasters and natural hazards. The BRIC program guiding principles are supporting communities through capability- and capacity-building; encouraging and enabling innovation; promoting partnerships; enabling large projects; maintaining flexibility; and providing consistency.

Arguments in support: The California Association of Realtors writes, “Existing law requires the director of California’s Office of Emergency Services (OES) to coordinate all state agency emergency activities in connection with an emergency. AB 294 (Gallagher) seeks to permit OES the ability to prioritize funding obtained from the federal Hazard Mitigation Grant Program and California Disaster Assistance Act for infrastructure and housing recovery projects in communities that suffered a loss in population and businesses and have unmet recovery needs due to a major federal disaster, state of emergency, or local emergency.”

The California Forestry Association adds, “As you know, over the past several years, California has experienced multiple catastrophic wildfire seasons, with millions of acres of forestlands burned, billions of dollars in insured losses, and, tragically, hundreds of lives lost. Wildfires fueled by climate change and decades of insufficient fuel reduction work on public and private lands are becoming more frequent and intense, further threatening our forest ecosystems and communities located in and near the State’s natural landscapes. The recent wildfires in the Los Angeles area served as a tragic reminder that wildfire is now a statewide, year-round issue. Large or small, urban or rural: all California communities depend on state support when disaster strikes. AB 294 provides OES the flexibility needed to support all Californians in their time of need. For these reasons, Calforests is pleased to offer our strong support for Assembly Bill 294.”

Prior legislation: AB 2776 (Rodriguez) of the 2023-24 Session. Would have authorized Cal OES to prioritize funding and technical assistance under specified programs for infrastructure and housing recovery projects in communities that have suffered a loss in population and business and have unmet recovery needs as a result of a major federal disaster, state of emergency, or local emergency. (Died in the Senate Committee on Appropriations.)

REGISTERED SUPPORT / OPPOSITION:

Support

California Apartment Association
California Association of Realtors
California Forestry Association

Opposition

None on file.

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