

Memorandum

To: Wade Crowfoot
Secretary
California Natural Resources Agency

Date: February 5, 2021

Telephone: (916) 653-5000

From: Thomas W. Porter
Director
California Department of Forestry and Fire Protection

Website: www.fire.ca.gov

Subject: GREENHOUSE GAS REDUCTION FUND – Department of Forestry and Fire Protection

EXPENDITURE RECORD FOR FISCAL YEAR 2020/2021
Department of Forestry and Fire Protection – Prescribed Fire

This Attestation Memorandum documents that the California Natural Resources Agency and the California Department of Forestry and Fire Protection (CAL FIRE) completed the attached Expenditure Record on February 5, 2021 for CAL FIRE's dedicated prescribed fire crew program. The Expenditure Record is consistent with the statutory requirements of Government Code Section 16428.9 and with the California Air Resources Board's (CARB) Funding Guidelines for Agencies that Administer California Climate Investments to support expenditures from the Greenhouse Gas Reduction Fund.

This Attestation Memorandum and Expenditure Record will be submitted to CARB for public posting on the CARB website at: www.arb.ca.gov/caclimateinvestments. Questions on this Attestation Memorandum or Expenditure Record may be directed to Helge Eng, CAL FIRE Deputy Director for Resource Management at (916) 653-7772 or helge.eng@fire.ca.gov.

Attachment

Signed:



Wade Crowfoot, Secretary
California Natural Resources Agency



Thomas W. Porter, Director
California Department of Forestry and Fire Protection

Greenhouse Gas Reduction Fund: Expenditure Record

Department of Forestry and Fire Protection (CAL FIRE)
Prescribed Fire and Vegetation Management

Authorizing legislation: Item 3540-003-3228 of the Budget Act of 2020 (Chapter 6, Statutes of 2020) appropriates to Department of Forestry and Fire Protection for \$35.0 million.

Element (1) A description of each expenditure proposed to be made by the administering agency pursuant to the appropriation.

Agency that will administer funding

- CAL FIRE

Amount of proposed expenditure and appropriation reference

- The total expenditure is \$35.0 million per Section 3540-003-3228 of the Budget Act of 2020 (Chapter 6, Statutes of 2020).
- \$30 million will be spent on personnel and operational costs for 10 existing prescribed fire crews.
- \$2.5 million will be spend on prescribed fire related contracting,
- \$2.5 million prescribed fire monitoring, and Forest Health Research grants

Estimated amount of expenditures for administering agency administrative costs

- No administrative staff are paid from funds in this appropriation.
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***If applicable,
identify laws or
regulations that
govern how funds
will be used***

- AB 1532 (Pérez, Chapter 807, Statutes of 2012), Senate Bill (SB) 535 (de León, Chapter 830, Statutes of 2012), and AB 1550 (Gomez, Chapter 369, Statutes of 2016) provide the general framework for how the auction proceeds will be administered to further the purposes of AB 32.
- AB 398 (E. Garcia, Chapter 135, Statutes of 2017) prioritized fire prevention for expenditures from the Greenhouse Gas Reduction Fund.
- The Budget Act of 2017, as amended by AB 109 provides direction on the types of projects that should be funded.
- SB 901 (Dodd, Chapter 626, Statutes of 2018) allows certain prescribed fire, thinning, and fuel reduction projects on federal lands to be exempt from California Environmental Quality Act (CEQA) if certain conditions are met.
- SB 1260 (Jackson, Chapter 624, Statutes of 2018) tasks CAL FIRE to use its Prescribed Fire Program for improved planning and coordination between state and federal agencies and private cooperators to develop, implement, and complete prescribed fire projects statewide to increase the pace and scale of use of prescribed fire.

***Continuation of
existing
Expenditure
Record***

- This is a new Expenditure Record.
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Project type(s)

- Land restoration and forest health
 - Forest fuel reduction treatments
 - Pest management activities
 - Climate adaptation and resiliency
 - Climate and clean energy research
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Describe the projects and/or measures that will be eligible for funding

- Ten CAL FIRE Prescribed Fire Crews will carry out prescribed fire and fuel reduction projects across the state to increase the pace and scale of use of prescribed fire and to restore forest ecosystem health.
 - One prescribed fire monitoring staff person will work with field crews to complete prescribed fire fuels and air quality monitoring for individual prescribed fire projects.
 - CAL FIRE will continue to collaborate with CARB to develop and implement prescribed fire air quality monitoring.
 - CAL FIRE will contract with partnering organizations to help achieve the pace and scale increase of prescribed fire use.
 - CAL FIRE will conduct and fund research related to forest health improvement and use of prescribed fire, through Forest Health Research grants. Program priorities may change annually.
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Intended recipients

- CAL FIRE
- Federal, state and local agencies
- Native American tribes
- Private timberland owners
- Non-governmental organizations
- Resource conservation districts
- Fire safe councils
- Land trusts
- Landowner organizations
- Conservation groups
- Non-profit organizations
- Universities and research organizations

***Program structure
and process for
selecting projects
for funding***

- Grant Program: competitive solicitation, evaluation, and selection of projects according to program guidelines.
 - Allocation to contractors (e.g., other agencies, private, or non-profits) based on award or formula by governing body.
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Element (2) A description of how a proposed expenditure will further the regulatory purposes of Division 25.5 (commencing with Section 38500) of the Health and Safety Code, including, but not limited to, the limit established under Part 3 (commencing with Section 38550) and other applicable requirements of law.

How the expenditure is consistent with the Investment Plan and the Scoping Plan

- Assembly Bill 1532 requires that GGRF funds be appropriated in a manner that is consistent with the three-year Cap-and-Trade Auction Proceeds Second Investment Plan. The Second Investment Plan recommends that the forest sector perform several actions to achieve positive climate benefits:
 - Protecting forest land at risk of development to more carbon-intensive uses.
 - For forest-related black carbon, improving the health and resiliency of forests and reducing wildfire risk and severity through active management and linking forest management activities to biomass utilization including biomass power and fuel production.
 - The First Update to the Climate Change Scoping Plan identified key strategies and recommendations to continue reducing greenhouse gas (GHG) emissions and achieve the goals and purposes of Assembly Bill 32. The update to the Scoping Plan recommends:
 - Investment in strategies that ensure forested lands are managed in ways that maximize their carbon benefits while also ensuring landscape resilience; protecting and enhancing the State's water supplies; safeguarding the State's wildlife, fish, and plants; and promoting sustainable rural communities.
 - The 2017 Climate Change Scoping Plan Update recognizes the need to maintain forests as a carbon sink, necessitating reduction of the risk of wildfire through management activities such as prescribed fire and mechanical fuel reduction, amongst other strategies.
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Element (3) A description of how a proposed expenditure will contribute to achieving and maintaining greenhouse gas emission reductions pursuant to Division 25.5 (commencing with Section 38500) of the Health and Safety Code.

Describe how expenditures will facilitate the achievement of GHG emission reductions in the State

- The projects and expenditures improve the stability of forest carbon through activities that promote forest resilience; increase carbon sequestration and storage; reduce mortality and associated GHG emissions from wildfire, drought, and pest damage; and restore impacted landscapes through re-introduction of beneficial fire. This will be done by various means:
 - Prescribed fire treatments
 - Forest fuel reduction treatments.
 - Pest management activities.
 - Research and monitoring
 - Prescribed fire and fuel reduction treatments reduce fuel loading, thereby reducing the risk of large, uncontrolled wildfires and associated GHG emissions while also improving the stability of forest carbon in remaining vegetation and restoring forest ecosystem health. Projects will require that the best, healthiest trees remain for greater carbon sequestration and fire, drought, and pest resistance. While trees may be removed, thinning overstocked stands reduces competition among trees, thereby promoting carbon sequestration and avoiding future mortality.
 - Pest management activities remove trees infected with, and highly susceptible to, diseases and pests to prevent further disease spread and pest infestation. Active management reduces tree mortality and promotes future carbon sequestration by remaining live trees.
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Explain when GHG emission reductions and/or co-benefits are expected to occur and how they will be maintained

- Prescribed fire and fuels reduction treatments are an initial source of GHG emissions as biomass is removed from the treatment area. A net GHG benefit from fuel reduction activities occurs as a result of improved tree growth and avoided wildfire emissions from an expected reduction in fire severity. The time required to achieve a net GHG benefit will vary depending on site characteristics and treatments employed but are expected to be achieved between 7 and 15 years.
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Element (4) A description of how the administering agency considered the applicability and feasibility of other non-greenhouse gas reduction objectives of Division 25.5 (commencing with Section 38500) of the Health and Safety Code.

Expected co-benefits, particularly environmental, economic, public health and safety, and climate resiliency

- Avoiding or reducing the impacts to forests from catastrophic wildfire.
- Healthy resilient forests that are more resistant to fire and climate change.
- Well-managed forested landscapes that lessen the risk to life, public safety, and infrastructure.
- Support biodiversity and wildlife adaptation to climate change and maintain functional wildlife habitat for state and federally listed species.
- Maintenance of functional climate refugia and wildlife migration corridors.
- Maintenance of the diversity of natural communities that are increasingly stressed by climate change.
- Maintenance and improvement of air quality in the long term.
- Creation of new and maintenance of existing employment opportunities.
- Enhanced recreational opportunities and tourism revenue

How the project will support other objectives of AB 32 and related statutes

- All activities will also support other Assembly Bill 32 objectives including improvement of air quality by reduction of wildfire emissions; providing opportunities for community institutions and small businesses to participate in and benefit from GHG reduction efforts via issuing grants and by creating jobs.
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***Percentage of
total funding that
will be expended
for projects that
are located in and
benefit priority
populations¹ per
CARB guidance***

- The program will provide some benefit to low-income communities.

¹ Priority populations include residents of: (1) census tracts identified as disadvantaged by California Environmental Protection Agency per SB 535; (2) census tracts identified as low-income per AB 1550; or (3) a low-income household per AB 1550. See Section VII.B for more information on the definitions of priority populations.

Describe the benefits to priority populations per CARB guidance

- Program investments may improve access to jobs in low income and disadvantaged communities.
- The program will reduce fire risk and increase ecosystem health in low income communities.

Explain strategies the administering agency will use to maximize benefits to disadvantaged communities

The program is not expected to provide direct benefits to disadvantaged communities due to the location of primarily forested lands in rural areas, although benefits to disadvantaged communities may occur as a result of project implementation such as reducing flood risk to one or more adjacent disadvantaged communities or employment and/or job training for residents of a disadvantaged community.

Explain how the administering agency will avoid potential substantial burdens to disadvantaged communities and low-income communities or, if unknown, explain the process for identifying and avoiding potential substantial burdens

- CAL FIRE will avoid potential substantial burdens to disadvantaged and low income communities by reducing the amount of air pollution experienced by the communities in which prescribed fires are conducted.
- CAL FIRE Forest Health research grants will minimize reporting requirements and provide meaningful support to reduce the burdens on low income communities.

Element (5) A description of how the administering agency will document the result achieved from the expenditure to comply with Division 25.5 (commencing with Section 35800) of the Health and Safety Code.

How the administering agency will track / report progress to make sure projects are implemented per requirements in statute and CARB guidance

- CAL FIRE will track funding and submit annual status reports.
- CAL FIRE will require funding recipients to maintain records and submit annual status reports.
- CAL FIRE will conduct periodic reviews of selected projects. If a funding recipient does not perform in accordance with program requirements, the recipient will be subject to the remedies for non-performance, as identified in the agency's guidelines.

Describe the approach that will be used to document GHG emission reductions and/or other benefits before and after project completion

- CAL FIRE will calculate the net GHG reductions from the programs described here using methods approved by CARB (see <http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/quantification.htm>).

***Type of
information that
will be collected to
document results,
consistent with
CARB guidance***

- Project results will be collected and entered into the Department's CalMAPPER Information System. CalMAPPER records a wide range of information in a database form and spatially, so that maps can be produced, and other GIS analysis can be conducted. Information such as acres treated, location of projects, funds expended, solid wood or biomass products generated from the projects, and carbon sequestration and GHG emission reduction avoidance will be collected and recorded.

***How the
administering
agency will report
on program status***

- CAL FIRE will regularly report on expenditures, status of grant projects, and project benefits in reports that follow CARB guidelines. At a minimum, such reports will include expenditures, net GHG benefit, and acres treated.
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