

# United States Senate

WASHINGTON, DC 20510

November 29, 2018

The Honorable Mitch McConnell  
Senate Majority Leader  
317 Russell Senate Office Building  
Washington, DC 20510

The Honorable Chuck Schumer  
Democratic Leader  
322 Hart Senate Office Building  
Washington, DC 20510

The Honorable Richard Shelby  
Chairman  
Senate Appropriations Committee  
Room S-128, The Capitol  
Washington, DC 20510

The Honorable Patrick Leahy  
Vice Chairman  
Senate Appropriations Committee  
Room S-146, The Capitol  
Washington, DC 20510

Dear Senators McConnell, Schumer, Shelby, and Leahy:

As you develop a disaster supplemental funding package, we ask that you include \$9.054 billion and disaster-related tax relief, as requested by the California Governor's Office, to help California recover from this year's devastating wildfires.

The scale of the destruction from this month's wildfires is unprecedented. Now the deadliest wildfire in California history, the Camp Fire in Butte County has killed at least 88 people, destroyed almost 14,000 homes, burned 153,000 acres and destroyed the entire Town of Paradise. At the same time resources were stretched thin fighting the Camp Fire in northern California, the Woolsey and Hill Fires raging in southern California killed three people, destroyed nearly 400 homes, and burned 100,000 acres.

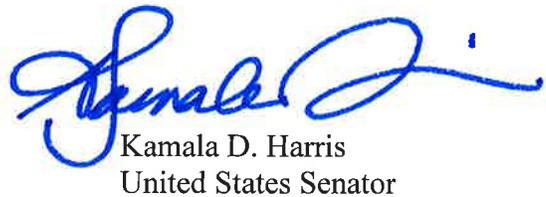
State and local governments in California are still in the early stages of recovery from this disaster and are still assessing damages and impacts. However, the Governor's Office has worked with the affected counties and communities to determine that \$9.054 billion in federal funding is needed as of November 28, 2018 to help California recover.

Thank you for your consideration of our request. As you work to determine disaster supplemental funding levels and the inclusion of tax relief for disaster-affected communities, we look forward to working with you to ensure that all Americans who have been severely impacted by recent natural disasters across the United States receive the federal support they need and deserve.

Sincerely,



Dianne Feinstein  
United States Senator



Kamala D. Harris  
United States Senator

Enclosure: November 28, 2018 letter from the California Governor's Office of Emergency Services



November 28, 2018

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Chuck Schumer  
Minority Leader  
United States Senate  
Washington, DC 20510

The Honorable Richard Shelby  
Chairman

The Honorable Patrick Leahy  
Ranking Member  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Mr. Speaker, Minority Leader Pelosi, Chairman Frelinghuysen and Ranking Member Lowey,

The State of California respectfully requests a Supplemental Appropriation for disaster funding in order to support California's recovery from the 2018 Wildfires. In Butte County, the Camp Fire alone has once again broken records for the deadliest and most destructive fire in the state's history. This disaster has literally destroyed the entire Town of Paradise. Simultaneously, in Southern California, the Hill and Woolsey Fires have caused immense destruction in both Ventura and Los Angeles counties.

Together, the Camp, Hill, and Woolsey fires have burned more than 247,000 acres, and at their peak, required the deployment of over 9,000 firefighters, 1,246 fire engines, 500 law enforcement personnel and over 1000 National Guard troops. Between all fires, over 20,000 structures have been destroyed, with over 18,000 in the Town of Paradise alone, and more than 1,000 have been damaged. Thus far, the fires have claimed 91 lives, and have destroyed significant infrastructure systems. While it will take years for these communities to fully recover, the funding identified in this request is essential to support our immediate efforts to recover from these catastrophic events.

On November 16, California submitted a request to the White House requesting 100 percent cost share waiver for the first 90 days of these wildfires for Categories A (Debris Removal) and B (Emergency Protective Measures). The state has not yet received a determination regarding this request.

Thank you for your consideration of this supplemental appropriation request. These recent events have been both tragic and overwhelmingly impactful. I look forward to working with you and the members of our delegation to ensure that the communities affected by these devastating wildfires have all of the necessary and available resources to help them recover.

Sincerely,

MARK S. GHILARDUCCI  
Director

Mark Ghilarducci  
November 28, 2018  
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Enclosure: Supplemental Funding Request by Federal Agency

cc: The Honorable Dianne Feinstein  
The Honorable Kamala Harris

On November 8, a series of destructive wildfires erupted across California during a Red Flag wind event that spanned most of the state. The Camp Fire, now the most destructive fire in California history, the Woolsey Fire, and the Hill Fire destroyed over 20,000 structures and damaged over 1,000 structures. Subsequent evacuations displaced hundreds of thousands during the holiday season and, at its peak, 2,070 individuals and families found themselves in shelters while waiting to hear if their homes and businesses survived the still-raging infernos. There are still 893 survivors living in six different shelters, and there are 289 survivors living in hotels under the Federal Emergency Management Agency's Transitional Sheltering Assistance Program. California is still in the response phase for these disasters, and is entering the initial stages of the recovery phase.

California state agencies have been working to calculate very preliminary estimates of damages and costs for this event. The following cost estimates are inclusive of the latest data available and could rise significantly depending on a number of variables that will impact the recovery of affected communities, including insurance coverage, complications and damage from expected future storms, and other factors.

**Federal Emergency Management Agency: \$4 billion**

The Federal Emergency Management Agency (FEMA) partnered with the state and local governments starting November 8, the day the fires began, and has continuously disbursed Individual Assistance programs to the affected communities and provided Public Assistance Emergency Work (Categories A and B). FEMA will assist in hazardous household waste and debris removal in Butte, Ventura, and Los Angeles counties, which will allow these communities to begin rebuilding homes, businesses, and schools. California also received a federal declaration allowing for Permanent Work (Categories C through G), which provides funding for roads and bridges, water control facilities, public buildings and contents, public utilities, parks, and recreational and other facilities.

This supplemental request takes into account an initial estimate of \$3.5 billion for household hazardous waste and debris removal. This cost may increase based on weather delays, landfill availability and locations, and other programmatic increases. The initial request for Categories C through G specifically is \$80 million; however this is a very early, preliminary estimate. California and the local communities affected by these disasters are in the process of transitioning from response to recovery, and the affected communities are still evaluating costs that are eligible under insurance versus those that are eligible under the Stafford Act Program.

These funds are critical for the schools and students impacted by the fires. At their peak, the wildfires closed over 1,000 public and private schools, destroyed six schools, and damaged ten, and displaced over 1,000,000 students. Relief is needed for school districts to address school expenses, which include infrastructure needs, extended and/or emergency staffing, temporary school facilities, student counseling services, and lost supplies (textbooks, technology, and student materials). The majority of these costs can be funded through FEMA programs and insurance, so the full impact of necessary funding will take additional time to determine.

This appropriation is requested to robustly fund FEMA's Hazard Mitigation program, which provides essential assistance to the state and local communities in reducing the risk of damage to people, property, and infrastructure in future disasters. Additional funding for FEMA's Disaster

Relief and Community Development funds is imperative to ensure that FEMA can continue to meet its obligations from previous natural disasters without jeopardizing its ability to respond to future events.

**U.S. Department of Housing and Urban Development: \$4.2 billion for 2018 Wildfires / \$2.4 billion in Unmet Needs from 2017**

As a result of the November 2018 wildfires, over 20,000 structures were destroyed, including an estimated 15,000 homes. Six schools have been destroyed, and an additional ten schools have been damaged. Community Disaster Block Grant Disaster Recovery (CDBG-DR) funds are only available through a Congressional appropriation and must be used for specific disaster recovery-related purposes. This funding is required to meet the projected need to recover and reconstruct destroyed homes, communities, and infrastructure due to the recent wildfires in Butte, Los Angeles, and Ventura counties.

This appropriation is requested to robustly fund the U.S. Department of Housing and Urban Development's (HUD) Disaster Mitigation program for California statewide. Though the Federal Register notice is expected in December 2018, the program is purported to provide essential assistance to the state and local communities in reducing the risk of damage to people, property, and infrastructure in future disasters. This funding is imperative to ensure that impacted communities can continue to carry out and refine resilience and mitigation priorities to reduce the occurrence and impacts of future disasters.

Additionally, the state is requesting an additional appropriation to fund ongoing recovery following significant disasters in 2017. In April 2018, HUD announced that California would receive \$212 million in CDBG-DR funding to support long-term recovery efforts following the devastation of the 2017 Wildfires (DR-4344) and the 2017 Wildfires, Flooding, Mudflows, and Debris Flows (DR-4353). However, the recovery needs – particularly the economic recovery needs - in the affected areas far exceed the available resources. The state continues to coordinate with local and federal partners with respect to ongoing data collection efforts, identifying resources, and understanding how unmet needs evolve over time. The 2017 disasters have had a substantial impact on local businesses, employees, and key industries, including the agricultural and tourism industries. Therefore, the state is requesting this additional appropriation of CDBG-DR funding to allow the creation of programs to assist in continuing to address housing, infrastructure, and economic recovery of the impacted areas.

**U.S. Department of Labor: \$50 million**

The impact of the fires has resulted in the loss of jobs, and displaced workers. In order to respond to the immediate and short-term employment needs of displaced workers in the impacted areas, the California Employment Development Department is pursuing a National Dislocated Worker Grant to implement a temporary jobs program. National Dislocated Worker Grants are discretionary grants awarded by the U.S. Department of Labor under the Workforce Innovation and Opportunity Act. The National Dislocated Worker Grant funding is distributed by the California Employment Development Department to Local Workforce Development Areas and/or Project Operators in the impacted areas.

Workers fill temporary jobs that not only assist various cleanup and repair projects on public and tribal lands, but also enhance their employability and earnings. The grant funds will provide short-

term employment for individuals in Butte, Los Angeles, and Ventura counties. The Employment Development Department will be seeking flexibility in the funding authorization to allow for projects on both public and private lands.

**U.S. Department of Agriculture: \$80 million**

Funding of \$10 million is requested for the U.S. Department of Agriculture (USDA) to address significant damage to farmland and dairies, rangeland, and watersheds. This number is a preliminary estimate, as the state is still in the response phase of these disasters. Because the state is so early in the process of recovery, this number is expected to change. These wildfires have necessitated not only the evacuation and sheltering of survivors, but also of pets and livestock. At the peak of the fires, over 2,500 animals were sheltered by local communities with support from the California Department of Food and Agriculture.

*Farm Service*

Funding for the USDA Emergency Watershed Protection Program and Farm Service Agency Disaster Assistance Programs will provide post-fire restoration work on agricultural land in California, in addition to critical watershed restoration and repairs. The program is essential to rehabilitate farmland and reduce longer-term agricultural production declines associated with the catastrophic fires. Overall, a supplemental appropriation would allow the USDA to fund current requested crop loss funding for California agricultural communities. However, with the significant losses associated with agriculture, farm, and dairy businesses, future funding needs are anticipated.

*Natural Resources Conservation Service*

A significant appropriation is requested to restore the U.S. Forest Service funding. At the peak of this event, the counties included in the President's Major Disaster Declaration experienced three major fires burning simultaneously, which destroyed over 247,000 acres. At the peak, there were 8,900 firefighters working on extinguishing the Camp, Hill, and Woolsey fires, with 1,246 engines deployed.

California also requests additional funding for local watershed projects administered by the National Resources Conservation Service, such as the Emergency Watershed Protection Program, the Watershed and Flood Prevention Operations Program, and Environmental Quality Incentives Program. These will assist in efforts to effect on-the-ground recovery through local resource conservation and district partners as future weather poses a significant threat to the watershed in the local communities.

**U.S. Department of Transportation: \$64 million for 2018 Wildfires / \$1.1 billion in Unmet Needs from 2017 Wildfires**

Additional funding towards the U.S. Department of Transportation's Emergency Relief Program, the Public Transportation Emergency Relief Program, and other programs that can provide immediate assistance and resources to repair and rebuild California's federal-aid highways and roads impacted by the wildfire events in Butte, Los Angeles, and Ventura counties are at \$64 million and are subject to increase.

California also requests additional funding of \$1.1 billion for current damage estimates under the above programs for damage that occurred to the state's highways and local roads prior to the November 2018 wildfires.

**U.S. Department of Commerce: \$600 million**

The U.S. Department of Commerce's Economic Development Administration plays a crucial role in facilitating the delivery of economic assistance to local governments for long-term recovery planning, reconstruction, and resiliency in response to Presidential Major Disaster Declarations. The Economic Development Administration grants emphasize disaster resiliency to help mitigate the potential of economic hardship as a result of future wildfires. The 2018 wildfires had a devastating impact on California's local communities, at a time when the state is still recovering from the 2017 wildfires.

Funding an additional \$600 million in economic assistance will allow each of the impacted counties to complete projects to support the long-term recovery planning, reconstruction, and resiliency of California's businesses, nonprofit organizations, and agricultural, tourism, and other industries, as well as assist in rebuilding the entire community of Paradise, in Butte County.

**U.S. Small Business Administration**

This program provides low-interest loans to businesses, private non-profit organizations, homeowners, and renters. These Small Business Administration benefits will greatly assist businesses and the local economies affected by the November 2018 wildfires by allowing for repair or replacement of damaged or destroyed real estate, personal property, machinery, equipment, inventory, and business assets. The U.S. Small Business Administration was previously funded to cover loans associated with the 2017 wildfires without the need of a supplemental appropriation. At this time, no supplemental funding is being requested for this program.

**U.S. Department of Education: \$70 million**

California requests an appropriation to the U.S. Department of Education of \$20 million for the Immediate Aid to Restart School Operations Program (RESTART), and \$50 million for the Temporary Emergency Impact Aid for Displaced Students Program (Impact Aid). The purpose of these programs is to assist local educational agencies and non-public schools with expenses related to the restart of elementary and secondary schools, and to make impact aid payments for the cost of displaced students in areas where a major disaster has been declared. At the height of the fires, over 1,000 schools were closed, and over 1,000,000 students were displaced. As mentioned above, ten schools were damaged, and six schools were destroyed by the November 2018 wildfires. This funding will be essential in helping students return to school and restore and regain a critical part of their community.

Last year, California received RESTART funding in response to the 2017 wildfires. \$8 million of that funding is still available from the U.S. Department of Education for costs that were covered by FEMA. California requests that this funding be reallocated to address the 2018 wildfires.

**Tax Relief**

As was granted after the 2017 wildfires, targeted tax relief will directly aid Californians in rebuilding their homes and communities in Butte, Los Angeles, and Ventura counties. We support language that will help Californians receive tax relief for non-itemized deductions for casualty losses waiving the current-law requirement that losses exceed 10 percent of adjusted gross income; penalty-free access to retirement funds; disaster-related employment relief; earned income tax credit reporting-year flexibility; and enhancement of charitable giving incentives.