

CALIFORNIA FIRES AND THE CONSEQUENCES OF OVERREGULATION

HEARING

BEFORE THE

SUBCOMMITTEE ON THE ADMINISTRATIVE STATE,
REGULATORY REFORM, AND ANTITRUST

COMMITTEE ON THE JUDICIARY

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C O N T E N T S

THURSDAY, FEBRUARY 6, 2025

OPENING STATEMENTS

	Page
The Honorable Scott Fitzgerald, Chair of the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust from the State of Wisconsin	1
The Honorable Jerrold Nadler, Ranking Member of the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust from the State of New York	3
The Honorable Jim Jordan, Chair of the Committee on the Judiciary from the State of Ohio	4

WITNESSES

Steven Greenhut, Resident Senior Fellow, Western Region Director, R Street Institute	7
Oral Testimony	9
Prepared Testimony	
Edward Ring, Director Energy and Water Policy, California Policy Center	15
Oral Testimony	17
Prepared Testimony	
Steve Hilton, Founder, Golden Together	38
Oral Testimony	40
Prepared Testimony	
Frank Frievalt, Director, Wildland-Urban Interface (WUI) FIRE Institute, California Polytechnic State University	42
Oral Testimony	44
Prepared Testimony	

LETTERS, STATEMENTS, ETC. SUBMITTED FOR THE HEARING

All materials submitted for the record by the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust are listed below	72
Materials submitted by the Honorable Jerrold Nadler, Ranking Member of the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust from the State of New York, for the record	
A letter to the Honorable Jim Jordan, Chair of the Committee on the Judiciary from the State of Ohio, from the Honorable Judy Chu from the State of California; the Honorable Scott Fitzgerald, Chair of the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust from the State of Wisconsin; the Honorable Jamie Raskin, Ranking Member of the Committee of the Judiciary from the State of Maryland; and the Honorable Jerrold Nadler, Ranking Member of the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust from the State of New York, Feb. 6, 2025, from the Honorable Judy Chu from the State of California	

Materials submitted by the Honorable Jerrold Nadler, Ranking Member of the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust from the State of New York, for the record—Continued

A letter to the Honorable Jim Jordan, Chair of the Committee on the Judiciary from the State of Ohio, from the Honorable Judy Chu from the State of California; the Honorable Scott Fitzgerald, Chair of the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust from the State of Wisconsin; the Honorable Jamie Raskin, Ranking Member of the Committee of the Judiciary from the State of Maryland; and the Honorable Jerrold Nadler, Ranking Member of the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust from the State of New York, Feb. 4, 2025, from the Honorable Brad Sherman from the State of California

Materials submitted by the Honorable J. Luis Correa, a Member of the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust from the State of California, for the record

An article entitled, “Progressive becomes the latest big insurer to flee disaster-prone Texas—leaving thousands of residents scrambling for protection. What to do if you lose coverage,” Oct. 19, 2024, *Moneywise*

An article entitled, “15 State Facing an Imminent Insurance Crisis,” Oct. 4, 2024, *Insurify*

An article entitled, “Florida, California insurance crisis is spreading. Is your state next?” Jul. 2, 2024, *CNBC*

An article entitled, “More homeowners lose insurance in areas hard-hit by climate disasters,” Jan. 18, 2025, *Washington Post*

A letter to the Honorable Pete Hegseth, Secretary, Department of Defense, Feb. 1, 2025, from the Honorable Jim Costa, a Member of the Committee on the Judiciary from the State of California

A letter to the Honorable Scott Fitzgerald, Chair of the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust from the State of Wisconsin, and the Honorable Jerrold Nadler, of the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust from the State of New York, Feb. 6, 2025, from the California Democratic Congressional Delegation

Materials submitted by the Honorable Zoe Lofgren, a Member of the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust from the State of California, for the record

A fact sheet entitled, “Governor Newsom’s fire prevention and response efforts.”

A graphic entitled, “The insurance industry’s solutions were tried in Florida and failed to stabilize the market,” showing insurance industry changes in the State of Florida

A graphic entitled, “Over the past 20 years, home insurers have done better in California than nationwide,” showing how California home insurers have done better

A graphic entitled, “Boardroom Influence: How Insurance Professionals Shape R Street Institute.”

A statement from the National Association of Mutual Insurance Companies (NAMIC), Feb. 6, 2025, submitted by the Honorable Scott Fitzgerald, Chair of the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust from the State of Wisconsin, for the record

CALIFORNIA FIRES AND THE CONSEQUENCES OF OVERREGULATION

Thursday, February 6, 2025

HOUSE OF REPRESENTATIVES

SUBCOMMITTEE ON THE ADMINISTRATIVE STATE,
REGULATORY REFORM, AND ANTITRUST

COMMITTEE ON THE JUDICIARY

Washington, DC

The Subcommittee met, pursuant to notice, at 10:06 a.m., in Room 2141, Rayburn House Office Building, the Hon. Scott Fitzgerald [Chair of the Subcommittee] presiding.

Present: Representatives Fitzgerald, Jordan, Issa, Cline, Gooden, Hageman, Harris, Baumgartner, Nadler, Raskin, Correa, Balint, Garcia, Lofgren, and Johnson.

Also present: Representatives McClintock, Kiley, Biggs, Lieu, Swalwell, and Kamlager-Dove.

Mr. FITZGERALD. The Subcommittee will come to order.

Without objection, the Chair is authorized to declare a recess at any time.

We welcome everyone to today's hearing on California Fires and the Consequences of Overregulation. We have a lot of Members that will be waiving on today.

Without objection, Mr. McClintock, Mr. Kiley, Mr. Biggs, Mr. Lieu, Mr. Swalwell, Ms. Kamlager-Dove, and Mr. Moskowitz will be permitted to participate in today's hearing for the purposes of questioning the witnesses if a Member yields them time for that purpose.

I will now recognize myself for an opening statement.

Earlier this year, Southern California was hit with tragedy as fires exasperated by strong Santa Ana winds engulfed large sections of Los Angeles. California Department of Forestry and Fire Management reports that the ongoing wildfires have burned more than 57,000 acres, destroyed 16,000 structures, and tragically caused the death of 28 individuals.

These fires are not a new occurrence. Wildfires have been plaguing Southern California for hundreds of years. Abundant forests and shrub land, coupled with the relatively dry climate and strong coastal winds, increase the risk and prevalence of fires.

Given the heightened threat environment, one would think California would prioritize mitigation efforts to reduce the number and the strength of fires. Unfortunately, California leaders have insisted and, instead, prioritized often counterproductive goals, like planting trees, installing electric vehicle charging stations, overequipping their communities and first responders with the tools they need to protect their citizens and livelihoods. Unfortunately, this thinking has resulted in decades of overregulation and have left Californians more vulnerable to wildfires.

For example, the State's increase of lawsuits brought by environmental groups under the California Environmental Quality Act, known as CEQA, has delayed proper forest management projects such as controlled burns, timber harvesting, or brush clearing. It has also given rise to sue-and-settle litigation where environmental activists sue regulators for the purposes of imposing a friendly settlement agreement.

Meanwhile, the California Coastal Commission has near dictatorial powers to approve or deny any project along the 840-mile coastline. This muscle was flexed in 2019 when the L.A. Department of Water and Power attempted to replace wooden power lines in the Pacific Palisades area with steel. They also tried to widen fire lanes and install fire-resistant power lines.

The Coastal Commission put the project to a halt and ordered Water and Power to pay a nearly \$2 million fine due to the discovery of an endangered plant in the vicinity of the project. Governor Newsom's—Governor Newsom rightfully waived the requirements of the CEQA and the Coastal Act to spare fire victims the burdensome permitting and review requirements as they rebuild their homes.

Waiving the requirements exposes the very cumbersome nature of these regulations. Contributing to this crisis is the elected California State insurance commissioner, who routinely has chosen to put artificial price caps on insurance rates. This has led to decades of stagnant insurance premiums, as they're an obvious political incentive to oppose rate hikes and has caused insurers to pause issuing new policies or leave the State entirely.

It has also caused more reliance on the State's insurers of the last resort, the California FAIR Plan. According to the *Los Angeles Times* and insurance companies that are leaving the State, the FAIR Plan has been seen as a policy that could count and grow for as little as 200,000 in 2020 to more than 450,000 as of September 2024.

Taking together, these regulations have fueled the frequency and strength of wildfires in California. State and local leaders have also deprioritized fire prevention in their budgets. L.A. Mayor Karen Bass, for example, approved a budget for 2024 that cut more than 17 million from the L.A. Fire Department. Governor Newsom, similarly, reduced funding for numerous fire safety and prevention programs in the State budget, including 101 million reductions for wildfire and fire resilience programs. I'm sure you can buy a lot of EV charging stations for \$100 million.

Today, we will hear from a panel of experts who have been preaching for years to stop appeasing the environmental activists and begin implementing adequate water and forest management

policies. It's my hope that these witnesses will be prepared to offer recommendations that State and Federal lawmakers may use to protect California from future fires. With the absent of real regulatory reform in the State, I fear history is tragically bound to repeat itself.

I now recognize Ranking Member, Mr. Nadler, for his opening statement.

Mr. NADLER. Thank you, Mr. Chair. I want to congratulate you on becoming Chair of this Subcommittee. While I am sure that we will have many disagreements, beginning with today's hearing, I do look forward to working with you and to finding areas of common ground.

Mr. Chair, while tens of thousands of Californians are still reeling from the fires that forced them to evacuate and that destroyed their homes and their livelihoods, Republicans are exploiting this crisis with a hearing that does nothing more than provide a sad excuse to further their long-held goal of dismantling the regulations that keep us safe.

Rather than face the undeniable facts of climate change and the need for urgent, unfettered Federal assistance to help Californians rebuild their lives, Republicans want to change the subject. We should begin by remembering the tens of thousands of people whose lives have been upended by this disaster.

[Video shown.]

Mr. NADLER. The devastation wrought by these fires is unimaginable, and the only question we should be asking now is how we can help the people of California recover. Despite the heroism of first responders and plentiful water access—all but one small reservoir closed for maintenance—the fires tragically destroyed acres on acres of homes and communities.

Instead of responding to this tragedy with open hearts, Republicans, led by President Trump and his unelected co-president, Elon Musk, have resorted to a flurry of baseless accusations and scurrilous misinformation seeking to blame California's Democratic elected officials. When they claim to be helping the situation, they've actually done more harm than good.

For example, President Trump has falsely argued that environmental protection policies left Southern California without sufficient water to fight the wildfires, despite clear evidence to the contrary. Nevertheless, he ordered the release of over two billion gallons of water in the Central Valley, purportedly to support his unsubstantiated claims. The President claimed that the water was, quote, "heading to farmers throughout the State and to Los Angeles." This critical agriculture resource desperately needed by California's farmers for the spring was instead, due to the President's actions, diverted into the Pacific Ocean, 100 miles away from Los Angeles.

California does not need political photo ops that waste desperately needed water. They need real Federal assistance. How does the President respond? By insisting that any Federal aid come with strings attached that further his own political agenda, like voter ID laws. Never mind that California already has voter ID laws, but the President wants to play politics rather than help those in need.

[Video shown.]

Mr. NADLER. That is outrageous. It is outrageous that Republicans in Congress, including Speaker Johnson, have indicated that they are open to placing conditions on disaster aid, especially ones that have nothing to do with wildfires. Not only is that wrong for California, but it is simply wrong to treat the citizens of any State as pawns in a political game.

Natural disasters tragically affect millions of Americans across the country each year. As FEMA's website explains, its purpose is, quote, "to help people before, during, and after disasters." To help people, all people. It is not there to help just the Republicans or just the Democrats or to promote partisan objectives. It has always been and should always remain strictly neutral in its work.

The Members should be careful before they consider attaching political strings to the Federal funds needed to recover from natural disasters. If it can happen to California, it can happen to your State too.

In 2024 alone, the States my colleagues across the aisle represent collectively had 122 extreme weather events that necessitated FEMA assistance. The 122 extreme weather events made worse and made more frequent by the realities of climate change that the majority still will not acknowledge.

Imagine if then-President Biden had conditioned necessary FEMA disaster recovery funds on strings that they're no relation to the disasters their constituents are still recovering from. They would have been outraged, justifiably. Today, they remain silent.

Today, instead of letting California recover from the blazes that were contained only five days ago and to take stock of how to rebuild, the majority is leveraging the pain and suffering of Americans to push a message of deregulation over all else. Instead of supporting our fellow Americans as they pick up the pieces, instead of ensuring that our neighbors have the resources they need to recover from this disaster, instead of working to slow the devastating effects of climate change that affect us all, Republicans will return to their tired old playbook and blame everything on overregulation.

Today we are fortunate to be joined by Frank Frievalt, a retired Fire Chief with actual experience on the ground fighting fires and saving lives. I'm looking forward to hearing from a true expert on how we can best help California in its hours of need.

I yield back.

Mr. FITZGERALD. The gentleman yields back.

I now recognize the Chair of the Full Committee, Mr. Jordan, for his opening statement.

Chair JORDAN. Thank you, Mr. Chair.

The Ranking Member started off his comments by saying that Republicans wanted to dismantle the regulations that keep us safe. That keep us safe? Twenty-eight Californians lost their lives, 20,000 structures were destroyed, 40,000 acres where these fires took place, and California is the most heavily regulated State in the country.

We're trying to figure out how we can stop this. This is not about dismantling—if regulations were going to solve the problem, they'd have been solved—everything would have been solved in California because you got more regulations than any other place.

So, I appreciate the Chair bringing experts in here to tell us what's really going on. I appreciate this hearing.

Oh, to be clear, the clip that was shown by Ranking Member Nadler of President Trump was before the fires. It was clear back in September, for goodness' sake.

We're going to get to the truth with our witnesses. I want to thank the Chair for this important hearing about regulatory reform that really needs to happen, and we want to make sure the regulations that are in California don't come to the rest of the country because we don't want this happening all over our great Nation.

With that, I yield back.

Mr. FITZGERALD. The gentleman yields back.

Without objection, all other opening statements will be included in the record.

We will now introduce today's witnesses, and I recognize the gentleman from California, Mr. Kiley, for that purpose.

Mr. KILEY. Thank you, Mr. Chair.

We are fortunate to have with us today witnesses who know as well as anyone what has gone so wrong in my State, what has gone so wrong in the Golden State. They will share with us the titanic policy blunders and staggering failures of political leadership that have caused such harm to California and for which our citizens have paid such a high price.

I believe that today's hearing can be a moment where we turn the tide and restore some sanity to California fire and water policy while issuing a warning to the rest of the country about the devastating consequences of these failed policies. As President Trump said, "there can be no Golden Age without the Golden State."

Our first witness is Steve Hilton. Now, most probably know Mr. Hilton as a British and American commentator for, among other outlets, *FOX News*. He actually, back in 2010–2012, was the Director of Strategy for British Prime Minister David Cameron, and he has now brought his unique mix of brilliant strategy, passion, and commonsense approach to policy to found a nonprofit organization called Golden Together, which focuses on fixing the problems that are causing a mass exodus of people from the State of California. That mass exodus, by the way, is measurable.

For five straight years, California has ranked No. 1 in the country in outbound U-Haul rentals. The greatest State in the country, the most beautiful State in the country has become the most popular State to leave.

Mr. Hilton's testimony will cover the failures in leadership that have led to the lack of preparation for the fires in Los Angeles.

Our second witness is someone who many of us in California know very well and whose insights we have been relying on for a long time. Mr. Steven Greenhut is a resident Senior Fellow and Western Region Director for State Affairs at R Street Institute. He was a columnist for *The San Diego Union-Tribune* who focused on California policy and State government. He authored the book, "Winning the Water Wars: California can meet its water needs by promoting abundance rather than managing scarcity."

His testimony will identify many areas in which policy promises in California were made with no follow-through from California leaders. As a California resident, he can speak to the personal im-

pact many of these policy decisions have had on him and his family.

Finally, Mr. Edward Ring, who is perhaps as knowledgeable about water and fire policy in California as just about anyone. Dr. Ring is the Director of Water and Energy Policy for the California Policy Center. He has a deep tactical knowledge of the poor decisionmaking of environmentalist California policymakers. He will speak directly to the prolonged environmental review process and the meddling of environmental groups that prevent proper fire mitigation and water management from happening in California.

Lest anyone think that the purpose of this hearing is simply to identify problems rather than present solutions, I'd encourage you to check out Dr. Ring's written testimony in which he has literally dozens and dozens of concrete policy changes that California could make right now to improve the situation.

Thank you, Mr. Chair, for convening this important hearing. I yield back.

Mr. FITZGERALD. The gentleman yields back.

I now recognize the Ranking Member, Mr. Nadler, to introduce the Democrat witness.

Mr. NADLER. Thank you.

Before I introduce our witness, I must take strong exception to what Mr. Kiley said when he said, "California is the most beautiful State in the Union." Obviously, New York is the most beautiful State in the Union.

Chief Frievalt has served since 1979 with special district, city, county, State, and Federal fire agencies, and rose from firefighter to fire chief. He holds an MS from Oklahoma State University in fire and emergency management administration and currently serves as the Director of the Wildland-Urban Interface Fire Institute at Cal Poly, San Luis Obispo.

Frank is an SME for the Gordon and Betty Moore Foundation Wildfire Advisory Council and previously served as a Senior Policy Advisor to the Western Fire Chiefs Association, with an emphasis on the development of resilient wildland-urban interface communities. His work is grounded in aligning key stakeholders around a core set of parcel and community-level mitigations that will disrupt the fire pathways which lead to conflagration. He's pursuing actuarial evaluation of risk mitigations for both the public and private sectors because we share the same desired outcome: Minimizing property loss to the peril of wildfire.

I yield back.

Mr. FITZGERALD. The gentleman yields back.

We want to welcome the witnesses and certainly thank you for appearing today. We will begin by swearing you in.

Would you please rise and raise your right hand?

Do you swear or affirm under penalty of perjury that the testimony you're about to give is true and correct to the best of your knowledge, information, and belief, so help you God?

Let the record reflect that the witnesses have answered in the affirmative.

Thank you, and you can be seated.

Please know that your written testimony will be entered into the record in its entirety. Accordingly, we ask that you summarize your testimony in five minutes today.

Mr. Greenhut, you may begin.

STATEMENT OF STEVEN GREENHUT

Mr. GREENHUT. Thank you.

Chair Fitzgerald, Ranking Member Nadler, and the Members of the Subcommittee, my name is Steven Greenhut. I'm Western Region Director for the R Street Institute, a free-market think tank, and have written extensively about California issues for newspapers and books for the past 27 years. I love the State and want to see it prosper.

One of the common themes in my writing has been the State's commitment to expanding bureaucracy and regulation without much regard for whether the new programs accomplish their stated goals. The Los Angeles wildfires have exposed festering regulatory hurdles that have exacerbated the crisis. Many are years in the making, maddeningly complex, and not given to quick solutions. It's a confluence of bad policy involving brush clearance, water, insurance, firefighting, housing, and climate change.

California has created a tangled web of regulation that renders this once innovative State incapable of accomplishing anything efficiently, even environmental protection. Consider California's extensive climate change agenda. Instead of building a resilient system that handles whatever Mother Nature throws our way, our State constantly uses it as an excuse for inaction on nuts-and-bolts issues.

By the way, uncontrolled wildfires undermine whatever progress we're making in reducing carbon dioxide emissions. The University of Chicago research found that the 2020 wildfires emitted close to double the State's emissions reductions achieved over 16 years. The Governor has agreed that we need to step up brush clearance, but very little happens.

The California Environmental Quality Act, CEQA, and other laws require environmental impact reports for clearance projects and 2-3 approvals for controlled burns. They can take years. The State could, for instance, consider using more funds from the Greenhouse Gas Reduction Fund to pay for this rather than prioritizing a high-speed rail system that's unlikely to do much about the climate. It's always an issue of priorities.

The wildfires have also highlighted California's counter-productive insurance regulations. I've been writing for years about the coming insurance catastrophe. It can take many months, close to a year, for insurers to wade through the process of hearings, rate reviews, and opposition to such hikes by consumer attorney interveners who earn large fees for their efforts.

The problem goes back to Proposition 103, the 1988 ballot initiative that instituted the prior approval system for rate increases and rolled back rates. It created a price control system. Unable to easily adjust rates to reflect risk, insurers quietly and then not so quietly began exiting.

The insurance commissioner crafted a suite of useful reforms that were showing some promise, but why did it take so long? With

this catastrophic wildfire, it remains to be seen whether these changes will be enough to stop the continued exodus of insurers.

Many homeowners in the L.A. area didn't have coverage or were relying on the State-created insurer of last resort, the FAIR Plan, and there's much talk of that barebones system facing possible insolvency. Rather than addressing the insurance emergency, the Governor and lawmakers found time for a performative special legislative session about so-called oil industry price gouging. Again, it's about priorities.

Water policy is a tangential issue related to wildfires, but California has built little new water infrastructure since the seventies when the population was roughly half what it is today. The State passed a major water bond a decade ago, but we've seen little progress on building traditional infrastructure projects.

The California Coastal Commission in 2022 even rejected a privately funded desalination plan in Huntington Beach over concerns about plankton. More water would not have stopped the wildfires, but additional water resources would bolster firefighting efforts and mitigate some of the effects of drought seasons.

Instead of building the basic water infrastructure prioritized under the Pat Brown Administration, recent administrations have focused almost solely on conservation and rationing. Yet, approximately 50 percent of California's water flows to the Pacific, 40 percent is used for agriculture, and 10 percent is for urban uses. Limiting swimming pools and car washing is no solution.

We've seen criticisms about the inadequate number of firefighters. Thanks to union power, we see abundance of L.A. firefighters earning total compensation packages above \$500,000 a year, with one captain earning more than \$900,000 a year. If pay reflected market rates, California's State government and municipalities could afford to hire more of them.

Finally, I want to touch on California's cumbersome building regulations, which are a notable hurdle in the rebuilding process. Thankfully, the Governor issued an Executive Order suspending CEQA and the Coastal Act. Why has it taken disaster? State officials have relaxed some rules for arenas and high-density housing but not in a far-reaching manner. Little by little, California has built up a massive administrative State.

I'm hoping the heartbreaking nature of the wildfires will finally cause State officials to rethink this failed approach.

Thank you for your time.

[The prepared statement of Mr. Greenhut follows:]



SUBMITTED STATEMENT OF
STEVEN GREENHUT
RESIDENT SENIOR FELLOW AND WESTERN REGION DIRECTOR
R STREET INSTITUTE

BEFORE THE
SUBCOMMITTEE ON THE ADMINISTRATIVE STATE, REGULATORY REFORM, AND ANTITRUST
COMMITTEE ON THE JUDICIARY
UNITED STATES HOUSE OF REPRESENTATIVES

HEARING TITLED
“CALIFORNIA FIRES AND THE CONSEQUENCES OF OVERREGULATION”

HELD ON
FEBRUARY 6, 2025

“CALIFORNIA FIRES AND THE CONSEQUENCES OF OVERREGULATION”

Chairman Fitzgerald, Ranking Member Nadler and members of the subcommittee,

My name is Steven Greenhut. I am a senior fellow and the Western region director for the R Street Institute, a think tank dedicated to free markets and limited, effective government. I am based in Sacramento and have been a California resident for 27 years. I write about California issues for 12 newspapers in Southern California. I've written several books on California policy. I lived in Los Angeles and Orange counties for 11 years and have traveled to every one of the state's 58 counties. I love California and want to see it prosper.

One of the common themes in my writing has been the state's commitment to expanding bureaucracy and regulation, without much regard for whether the new programs accomplish their stated goals.¹ Residents and businesses simply deal with the new taxes and red tape and adapt. California is such a beautiful and energetic place that people here muddle through despite the burdens the state government puts in their way. Of course, California has lost population in recent years (although it recently experienced a slight rebound) and businesses continue to flee – to a large degree because of our regulatory and tax policies.²

But the Los Angeles wildfires – likely to be one of the costliest natural disasters in U.S. history³ – have exposed festering regulatory hurdles that have exacerbated the crisis. Many are years in the making, maddeningly complex and not given to quick solutions. It's a confluence of bad policy involving brush clearance, water, insurance, firefighting, housing and climate change.

Simply put, California has created a tangled web of regulation that renders this once-innovative state incapable of accomplishing anything efficiently.⁴ I'd like to start by touching on California's extensive climate-change agenda.⁵ I'm not here to debate the overarching climate issue. But instead of building a resilient system that handles whatever Mother Nature throws our way, our state constantly uses climate change as an excuse for inaction on nuts-and-bolts issues.⁶

By the way, uncontrolled wildfires undermine whatever progress we're making in reducing carbon-dioxide emissions. University of Chicago research found that the 2020 wildfires emitted “close to double

¹ Greenhut, Steven. “California's Wildfires Exposed Failings of State's Leadership,” *Reason*, Jan. 31, 2025, <https://reason.com/2025/01/31/californias-wildfires-exposed-failings-of-the-states-leadership/>

² Cain, Bruce and Hehmeyer, Preeti. “California's population drain,” Stanford Institute for Economic Policy Research, October 2023, <https://siepr.stanford.edu/publications/policy-brief/californias-population-drain>

³ Lotz, Avery. “L.A. fires could be the U.S.' worst natural disaster, Newsom says,” *Axios*, Jan. 12, 2025, <https://www.axios.com/2025/01/12/la-wildfires-gavin-newsom-natural-disaster>

⁴ Skelton, George. “California used to be good at building things. What happened?” *Los Angeles Times*, June 26, 2023, <https://www.latimes.com/california/story/2023-06-26/what-happened-to-home-building-in-california-let-me>

⁵ “California Climate Policy Dashboard,” UC Berkeley, Accessed Jan. 31, 2025, <https://www.law.berkeley.edu/research/clee/research/climate/climate-policy-dashboard/>

⁶ Wehner, Greg. “California's Newsom blames climate change, to seek federal assistance as more storms line up to batter state,” *Fox News*, Jan. 8, 2023, <https://www.foxnews.com/us/californias-newsom-blame-climate-change-see-federal-assistance-storms-line-up-batter-state>

“CALIFORNIA FIRES AND THE CONSEQUENCES OF OVERREGULATION”

(the state’s) emissions reductions achieved over 16 years.”⁷ All the focus and expenditure is for naught unless the state figures out how to more effectively battle regularly occurring fires. As the University of Chicago researcher put it, “Wildfire emissions need to be a key part of climate policy if California is going to meet its emission reduction goals.”⁸

Regarding brush clearance, the governor has agreed that we need to step up the process. But very little has happened. We need to clear 1 million acres a year per state and federal estimates, but we have averaged only 125,000 acres or less a year.⁹ Yet CAL FIRE estimates that the state desperately needs to clear around 15 million acres, 10 million of which are federally owned. As former associate state justice Daniel Kolkey explained in his chapter in the 2021 book “Saving California,” the state’s “progress have been slow and its vision wanting.” Most recent wildfire initiatives have been “too modest to rise to the challenge.”¹⁰ It’s once again a matter of priorities.

The California Environmental Quality Act, or CEQA, and other laws require Environmental Impact Reports (EIRs) for clearance projects and two to three approvals for controlled burns. After the devastating Paradise fire in 2018, it took two years to get the first permit out for bid. The state could, for instance, consider using more funds from the Greenhouse Gas Reduction Fund to pay for this,¹¹ rather than, say, prioritizing a high-speed-rail system that is unlikely to do much about the climate.¹² The state prioritizes such boutique “climate” projects over its fundamental responsibilities, and even those projects are plagued by cost overruns and delayed timelines.

The wildfires have also highlighted California’s counterproductive insurance regulations. I’ve been writing for years about the coming insurance catastrophe. It can take many months for insurers to wade through the process of hearings, rate reviews and opposition to such hikes by consumer-attorney “intervenor”¹³ who earn large fees for their efforts. This process is so cumbersome that it reduces competition, leading to too-few insurers. State officials have recognized this problem, but they have failed to stand up to vested interests and actually reform the system.

The problem goes back to Proposition 103, the 1988 ballot initiative that made the state insurance commissioner an elected position, instituted the prior-approval system for rate increases and rolled

⁷ Staff, “Wildfires are Erasing California’s Climate Gains,” University of Chicago Energy Policy Institute, Oct. 17, 2022, <https://epic.uchicago.edu/news/wildfires-are-erasing-californias-climate-gains/>

⁸ Ibid.

⁹ Kolkey, Daniel M. “California Burning: Wildfires and Climate Change,” Chapter 9, p. 128, “Saving California,” August 2021, Pacific Research Institute, <https://www.amazon.com/Saving-California-Steven-Greenhut/dp/1934276448>

¹⁰ Ibid.

¹¹ Ibid.

¹² Joffe, Marc. “New Figures Show That California High-Speed Rail Won’t Do Much about Climate Change,” Cato Institute Commentary, Feb. 26, 2024, <https://www.cato.org/commentary/new-figures-show-california-high-speed-rail-wont-do-much-about-climate-change>

¹³ California Department of Insurance, “Proposition 103 Consumer Intervenor Process,” Accessed Jan. 31, 2025, <https://www.insurance.ca.gov/01-consumers/150-other-prog/01-intervenor/>

“CALIFORNIA FIRES AND THE CONSEQUENCES OF OVERREGULATION”

back rates. It created a price-control system.¹⁴ Elected commissioners have a political interest in not approving insurance rate hikes. Unable to easily adjust rates to reflect risk, insurers quietly – and then not so quietly – began exiting. In 2023, the state’s largest property insurer, State Farm General Insurance Co., stopped writing new policies in California.¹⁵ Others followed suit and increasingly have stopped renewing existing policies.

The insurance commissioner crafted a suite of useful reforms that were showing some promise, but why did it take so long?¹⁶ With this catastrophic wildfire, it remains to be seen whether these changes will be enough to stop the continued exodus.

Because of the regulation-driven contraction of our insurance market, many homeowners in the L.A. area didn’t have coverage or were reliant on the state-created insurer of last resort, the FAIR Plan.¹⁷ There’s much talk of that barebones system facing possible insolvency.¹⁸ Rather than addressing the insurance emergency, the governor and lawmakers found time for a performative special legislative session about so-called oil-industry price gouging.¹⁹ They knew the insurance market was crumbling, but preferred high-profile hearings about our high gas prices, which ironically are caused by regulatory policies they support (highest-in-the-nation gas taxes, a special formulation requirement that reduces supply and state policy that is trying to drive away fossil fuels).

Water policy is a somewhat tangential issue related to wildfires. But California has built little new water infrastructure since the 1970s when the population was roughly half what it is today.²⁰ The Delta smelt issue has been an impediment since 1982, yet progress on one potential solution – building a tunnel

¹⁴ Powell, Lawrence; Lehmann, R.J.; and Adams, Ian. “Rethinking Prop. 103’s Approach to Insurance Regulation,” International Center for Law & Economics, Nov. 6, 2023, <https://laweconcenter.org/resources/rethinking-prop-103s-approach-to-insurance-regulation/>

¹⁵ Talerico, Kate and Varian, Ethan. “State Farm projects dropping 1 million policies in California over next five years,” *Mercury News*, Sept. 30, 2024, <https://www.mercurynews.com/2024/09/27/state-farm-projects-dropping-1-million-policies-in-california-over-next-five-years/>

¹⁶ California Department of Insurance, “Commissioner Lara issues landmark regulation to expand insurance access for Californians amid growing climate risks,” Dec. 30, 2024, <https://www.insurance.ca.gov/0400-news/0100-press-releases/2024/release065-2024.cfm>

¹⁷ Arnold, Willis Ryder; Chakrabarti, Meghna; Skoog, Tim. “The broken home insurance market – in California and beyond,” WBUR, Jan. 24, 2025, <https://www.wbur.org/onpoint/2025/01/24/broken-home-insurance-market-california>

¹⁸ Darmiento, Laurence. “California’s FAIR Plan, the home insurer of last resort, may need a bailout after the L.A. fires,” *Los Angeles Times*, Jan. 18, 2025, <https://www.latimes.com/business/story/2025-01-18/california-fair-plan-the-home-insurer-of-last-resort-may-need-bailout-after-fire-losses>

¹⁹ Office of Gov. Gavin Newsom, “Ahead of first special session vote, Governor Newsom meets with supporters of proposal to prevent gas price spikes,” Sept. 26, 2024, <https://www.gov.ca.gov/2024/09/26/ahead-of-first-special-session-vote-governor-newsom-meets-with-supporters-of-proposal-to-prevent-gas-price-spikes/>

²⁰ Greenhut, Steven. “‘Environmental Justice’ Starts by Providing More Water for Everyone,” *Reason*, Sept. 25, 2020, <https://reason.com/2020/09/25/environmental-justice-starts-by-providing-more-water-for-everyone/>

“CALIFORNIA FIRES AND THE CONSEQUENCES OF OVERREGULATION”

project through the Sacramento-San Joaquin Delta – has been excruciatingly slow.²¹ The state passed a major water bond a decade ago, but we’ve seen little progress on building traditional water infrastructure projects. The fine print on that bond prioritized environmental projects rather than water-storage projects. Sites Reservoir – a proposal for an off-stream storage project north of Sacramento – has been on the drawing board for decades.²² If California officials were interested in expanding water storage, they would have fast-tracked that proposal.

The state foolishly blocks privately funded water projects that could vastly expand water resources. For instance, the California Coastal Commission in 2022 rejected a desalination plant on an industrial site in Huntington Beach over concerns about plankton.²³ The governor publicly supported the project, yet his commission nominees voted against it. Frankly, it would take more time now to complete an EIR for a major water project than it took to build the entire State Water Project.²⁴

More water would not have stopped the wildfires, but additional water resources would bolster firefighting efforts and mitigate some of the effects of drought seasons. As an aside, the state’s limits on natural gas make it hard for water districts to permit generators to move water to where it’s needed most.²⁵ Again, water policy just has not been a state priority with lawmakers pointing fingers at climate change without recognizing policies they could embrace that would mitigate its effects.

Instead of building the kind of basic water infrastructure prioritized under, say, the Pat Brown administration,²⁶ recent administrations have focused almost entirely on conservation and rationing.²⁷ Approximately 50 percent of California’s water flows out to the Pacific, 40 percent is used for agriculture

²¹ Moyle, Peter. “The Failed Recovery Plan for the Delta and Delta Smelt,” UC Davis Center for Watershed Sciences, May 29, 2022, <https://californiawaterblog.com/2022/05/29/the-failed-recovery-plan-for-the-delta-and-delta-smelt/>

²² Gonzalez, Vicki. “Sites Reservoir project finally gets green light, construction expected to begin in 2024,” Capital Public Radio, Nov. 24, 2023, <https://www.capradio.org/articles/2023/11/24/sites-reservoir-project-finally-gets-green-light-construction-expected-to-begin-in-2024/#:~:text=It's%20the%20site%20of%20the,proposed%20several%20times%20since%20then.>

²³ Becker, Rachel. “A salty dispute: California Coastal Commission unanimously rejects desalination plant,” *CalMatters*, May 12, 2022, <https://calmatters.org/environment/2022/05/california-desalination-plant-coastal-commission/>

²⁴ California Department of Water Resources, “SWP Timeline,” Accessed Jan. 31, 2025, <https://water.ca.gov/Programs/State-Water-Project/SWP-Facilities/History/SWP-Timeline>

²⁵ California Insider, Interview with Brett Barbre, January 2025, <https://www.youtube.com/watch?v=H19B6dMXx0>

²⁶ California Department of Water Resources, “Milestones in California Infrastructure Thinking, Planning and Policy-Making,” Accessed Jan. 31, 2025, https://resources.ca.gov/CNRALegacyFiles/docs/climate/ab2800/Appendix12_Milestones_FINAL.pdf

²⁷ Becker, Rachel. California now has mandatory water conservation in urban areas: How will the new rules affect your supplier?, *CalMatters*, July 3, 2024, <https://calmatters.org/environment/water/2024/07/california-water-conservation-rules-adopted/>

“CALIFORNIA FIRES AND THE CONSEQUENCES OF OVERREGULATION”

and 10 percent is for urban uses. Only 5.7 percent is used by households, so limiting swimming pools and car washing is no solution.²⁸

We’ve seen criticisms about an inadequate number of firefighters. Thanks to union power, the median municipal firefighter pay package is around \$225,000.²⁹ Public databases show an abundance of LA firefighters earning total compensation packages above \$500,000 a year, with one captain earning more than \$900,000.³⁰ If pay reflected market rates, California state government and municipalities could afford to hire more of them rather than relying on underpaid prison labor.

Finally, I want to touch on California’s cumbersome building regulations, which are a notable hurdle in the rebuilding process. Thankfully, the governor issued an executive order suspending CEQA, which poses endless obstacles, and the Coastal Act for LA wildfire victims.³¹ But why has it taken a disaster to do so? State officials have relaxed some of these rules for specific high-density building projects and sports arenas, but have failed to reform them in a far-reaching manner.³² Many state lawmakers from both parties admit that CEQA, which provides an open invitation for lawsuits from any stakeholder, slows or stops the construction of needed housing projects (and much else).³³

The overall problem touches on the purpose of this hearing. No one failing resulted in the recent devastation. Instead, little by little California has built up an administrative state noted for its reliance on regulation and bureaucracy. Instead of reforming rules that impede progress, the state just spends more money and adds more rules. When disaster strikes, our officials point fingers elsewhere.³⁴ I’m hoping the heartbreaking nature of the wildfires will finally cause state officials to rethink this failed approach.

Thank you for your time and the opportunity to testify.

²⁸ Mount, Jeffrey; Hanak, Ellen; and Peterson, Caitlin. “Water Use in California,” Public Policy Institute of California, April 2023, <https://www.ppic.org/publication/water-use-in-california/>

²⁹ Ring, Edward. “Average Pay for Manhattan Beach Firefighters is \$328,000 a Year,” California Policy Center, Aug. 12, 2022, <https://californiapolicycenter.org/average-pay-for-manhattan-beach-firefighters-is-328000-per-year/>

³⁰ Transparent California public-employee salary database, <https://transparentcalifornia.com/salaries/2023/los-angeles/>

³¹ Office of Gov. Gavin Newsom, “Governor Newsom cuts red tape, further suspends Coastal Commission rules to help LA firestorm survivors rebuild,” Jan. 27, 2025, <https://www.gov.ca.gov/2025/01/27/governor-newsom-cuts-red-tape-further-suspends-coastal-commission-rules-to-help-la-firestorm-survivors-rebuild/>

³² Greenhut, Steven. “Berkeley NIMBYs spotlight the ill effects of CEQA,” *The Orange County Register*, Feb. 25, 2022, <https://www.ocregister.com/2022/02/25/berkeley-nimbys-spotlight-the-ill-effects-of-ceqa/>

³³ Brownlow, Bradley. “California Court Decries CEQA Abuse: ‘Something Is Very Wrong with This Picture,’” Holland & Knight Alert, Accessed Jan. 31, 2025, <https://www.hklaw.com/en/insights/publications/2022/05/california-court-decries-ceqa-abuse>

³⁴ Ring, Edward. “When Will Gavin Newsom Stop Deflecting Blame for the Wildfires?” *City Journal*, Jan 24, 2025, <https://www.city-journal.org/article/gavin-newsom-la-wildfires-criticism>

Mr. FITZGERALD. Thank you, Mr. Greenhut.
Mr. Ring, you may begin.

STATEMENT OF EDWARD RING

Mr. RING. Thank you.

Chair Jordan, Ranking Member Nadler, Chair Fitzgerald, Ranking Member Raskin, and the Members of the Subcommittee, thank you for the invitation to appear today to testify regarding California fires and the consequences of overregulation.

My name is Edward Ring, and I'm the Director of Energy and Water Policy for the California Policy Center, a nonpartisan public policy research institute. My observations over the past decade have led me to the conclusion that many of you may share: Overregulation over at least the past—excuse me—overregulation in California has made the State unaffordable to middle-class and low-income families. It has also endangered our lives, our homes, and our communities, and has harmed the environment at least as much as it has helped.

Today's hearing centers on the consequences of overregulation in California with a specific focus on the recent and catastrophic wildfires that consumed thousands of homes in Los Angeles and cost many lives. While no amount of preventive measures or properly applied firefighting resources can stop all of the wildfires in our State, their frequency and their severity is a consequence of overregulation. The regulations most damaging to our forests are, ironically, justified by misguided environmentalist values.

Because of environmentalist regulations and litigation pursuant to the California Environmental Quality Act, the California Endangered Species Act, and their Federal equivalents, California's annual timber harvest is down to 1.5 billion board feet a year, 25 percent of what it was as recently as the 1980s. These and other environmental laws have nearly killed our logging industry while also making it much harder to do prescribed burns or graze. These forests are dried out, unhealthy, because there are now at least three times as many trees—at least three times as many trees per acre than the natural density, competing for limited light, water, and soil nutrients. There is an alternative.

For example, in 2020, the Creek Fire burned 380,000 acres in the Central Sierra Mountains, but 20,000 acres in the middle of that fire, the watershed around Shaver Lake, didn't burn at all. That's because for several decades the owners practiced what they call total ecosystem management. They used prescribed burns, mechanical thinning, grazing, and selective logging to manage their forest. Wildlife biologists who were onsite claimed that specie counts in the area actually exceed levels found in forests where State regulations have banned logging.

These practices need to be extended to all wildland in California. In the wildland-urban interface, Los Angeles in particular, the Santa Monica Mountains Conservancy ought to completely reprioritize their actions to first ensure reducing fire risk. California is only five percent urbanized, and that is where 94 percent of our State's population lives. We have the most densely populated urban areas of any State in America.

The point here is that our State has plenty of open space and wilderness. Going to extreme lengths to return ecosystems to an untouched natural State is not appropriate along the perimeter of the city with 10 million people. In any case, our government at all levels has not outperformed private landowners in preserving habitat.

The California State government has enacted regulations and enabled litigation that rewards special interests, while costing taxpayers literally hundreds of billions of dollars. Environmental regulations make housing unaffordable, leaving subsidized developers to inadequately fulfill a mission that the private sector can do. We pay higher utility rates to subsidize renewables. We have carbon sequestration, carbon offset trading, and carbon accounting. We have environmental litigation as a business model. Entire new industries created by political decree producing nothing of value.

This disaster in Los Angeles is a clarifying moment. The leaders running California today can allow a deregulated private sector to create millions of good jobs delivering abundant energy, water, lumber, and housing, including rebuilding the lost homes in Los Angeles at a price normal people can afford, or we can ration our water, energy, and land expecting the government to subsidize millions of households that can no longer afford the essentials. We can manage our environment and expand our suburbs, redefining what constitutes a reasonable environmental impact, or we can retreat into high-density urban cores and pretend the entire Earth should be turned back over to nature.

I am including in my written testimony a list of laws that should be repealed, regulations that should be scrapped, and strategies whereby California, hopefully with the help from the Federal Government, can save our State.

Thank you.

[The prepared statement of Mr. Ring follows:]



California Fires and the Consequences of Overregulation

Testimony Before the U.S. House
Committee on the Judiciary;
Subcommittee on the Administrative State,
Regulatory Reform, and Antitrust

Edward Ring
Director Energy and Water Policy
California Policy Center

February 6, 2025

Written Testimony

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¹ California Timber Harvest, 2022, California Forest Foundation
<https://www.calforestfoundation.org/resource/timber-management/>

California Timber Harvest by Year, 1952-2006, US Forest Service, USDA
https://www.fs.usda.gov/pnw/pubs/pnw_gtr866.pdf

² California Forests 80%-600% Denser Than 150 Years Ago
 By Jim Jacobs, GWire, September 15, 2020
<https://gwire.com/2020/09/15/california-forests-80-600-denser-than-150-years-ago-uc-researcher-says-biomass-is-one-of-the-answers/>

To save forests, cut some trees down, scientists say
 By Ula Chrobak, Science Advisor, April 21, 2017
<https://www.science.org/content/article/save-forests-cut-some-trees-down-scientists-say>

Twentieth-century shifts in forest structure in California: Denser forests, smaller trees
 By Patrick McIntyre, James Thorne, David Ackerly, PNAS, January 20, 2015
<https://www.pnas.org/doi/10.1073/pnas.1410186112>

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These practices need to be extended to all wildland in California. And in the wildland-urban interface, Los Angeles in particular, the Santa Monica Mountains Conservancy ought to completely reprioritize their actions to first ensure reducing fire risk. California is only 5 percent urbanized, and that is where 94 percent of our state's population lives. We have the most densely populated urban areas of any state in America.⁴

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The disaster in Los Angeles is a clarifying moment. The leaders running California today can allow a deregulated private sector to create millions of good jobs delivering abundant energy, water, lumber, and housing – including rebuilding the lost homes in Los Angeles – at a price normal people can afford, or we can ration our water and energy and land, expecting the government to subsidize millions of households that can no longer afford the essentials. We can manage our environment and expand our suburbs, redefining what constitutes a reasonable environmental

³ Shaver Lake Spared From Devastating Creek Fire
By Reggie Kumar, Energized, December 15, 2020
<https://energized.edison.com/stories/shaver-lake-spared-from-devastating-creek-fire>

Why didn't Shaver Lake get torched by Creek Fire?
By Marek Warszawski, Fresno Bee, September 24, 2020
<https://www.fresnobee.com/opinion/opn-columns-blogs/marek-warszawski/article245842780.html>

⁴ America's Most Urban States, New Geography, March 7, 2016
<https://www.newgeography.com/content/005187-america-s-most-urban-states>

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I am including in my written testimony a list of laws that should be repealed, regulations that should be scrapped, and strategies whereby California, hopefully with *help* from the federal government, can save our state.

Thank you.

Recommended Reforms to California State Laws and Regulations

The following lists were voluntarily submitted by California-based attorneys specializing in land use, water rights, and environmental law, along with engineering consultants, trade organizations, water agencies, farmers, and activists. They are all willing to offer additional help in order to see these reforms become reality.

Please note that expert opinion on the Delta Conveyance, otherwise known as the Delta Tunnel, is divided. Rather than remove all references to the Delta Tunnel in these recommendations, we decided to include both points of view.

1 - Repeal the California Environmental Quality Act (CEQA, 1970), or, limit standing for lawsuits to elected law enforcement officials, and waive CEQA for housing, manufacturing and other employment projects, forest management, and infrastructure/utility and public service projects.

2 - Repeal the California Endangered Species Act (Fish and Game Code Section 2050 et. Seq) and the Fully Protected Species statutes (Fish and Game Code §§ 3511, 4700, 505, 5515) that duplicate and go far beyond the federal ESA.

3 - Repeal SB 1157 (2022) which caps the amount of water that water districts can deliver to their customers. This expensive and misguided legislation takes away the incentive for water districts to invest in new water supply projects.

4 - Repeal SB 1137 (2022) that requires 3,200 foot setbacks of oil wells from "sensitive receptors." This bill puts California's oil extraction and distribution industry at risk of collapse, risking in-state distribution capacity and only increasing imports of foreign oil.

5 - Permanently waive the California Air Resources Board (CARB) restrictions on prescribed burns that reduce fuel loads and fire risk in California's forests and chaparral.

6 - Direct the California State Water Resources Board (CSWRC) to adhere to the 2019 Biological Opinion that governed management of the Sacramento San-Joaquin Delta.

7 - To promote reestablishment of single family homes, rescind SB 9 (2021), SB 10 (2021) and RHNA compliance. The people of Altadena are very concerned corporations will buy all the properties.

8 - Repeal Public Resources Code 71450-71452 that establishes a target of locking up 30% of California's land and coastal waters from productive use (state version of Biden's January 2021 EO the so-called "America the Beautiful initiative").

9 - Reduce Striped Bass protections. The California Department of Fish and Wildlife (CDFW) manages striped bass in California to ensure a healthy population for recreational fishing,

including bag limits and commercial fishing restrictions. These protections for non-native predatory fish allow bass to continue eating native salmon, which drive the flow regulations in California.

10 - Repeal AB 32 (Health and Safety Code § 38500 et seq.) and associated Executive Orders (S-3-05, B-16-12, B-18-12, B-30,15, B-55-18) that empower the Air Resources Board to regulate and reorder the entire California economy under the guise of climate change and reducing GHG emissions.

11 - Rescind Assembly Bill AB 1893 (2024) and SB 330 (2019). These bills push corporate housing and do not protect property owners and neighborhoods. These two bills promote "builders remedy."

12 - Rescind AB 460 (2024) increasing Water Board Fines on ranchers and deprives diverters of due process when the State Water Board makes certain findings.

13 - Rescind AB 1337 (2024). The bill's vision for future water management is little more than handing the State Water Board unfettered authority to control water use as it sees fit.

14 - Overturn the Bay Delta Plan (San Joaquin River). The oldest and most independent irrigation districts in the State are being forced to dedicate 40 percent of the flow in the San Joaquin River to one species of salmon without any evidence that this flow will actually benefit fish returns. The State ignored significant evidence shows these salmon are being eaten by bass introduced into the system by the Department of Water Resources in the 1960s. *There is a federal mechanism to overturn the Bay Delta Plan; the EPA is required to approve the Bay Delta Plan.* The SWB submitted the Bay Delta Plan to EPA and EPA has yet to take any action – approval is literally sitting with the EPA.

15 – Rescind Water Code section 1058.5. This new law allows the State Water Board to take over and control locally run and independently funded water systems during statewide drought. The State Water Board did this in 2014-15 and 2021-2022 and issued weekly notices controlling local systems – many of which were incorrect and made erroneous assumptions. A court ruling overturned State Water Board actions in 2014-15 and awarded attorney fees to water right holders/irrigation districts that challenged the Board. Meanwhile, the 2021-2022 actions are still being challenged in expensive litigation – where the Board is alleging water right holders are harassing the Board by objecting to discovery.

16 - Enforce the Federal Biological Opinions over the state's variant. In late 2024, the US Fish & Wildlife Service issued the biological opinion for the Long Term Operations of the Central Valley Project and the State Water Project. These "BiOps" continue to recommend reducing flows in the Sacramento, Stanislaus and other rivers for the protection of fish and wildlife species.

17 - Repeal "30 by 30." In October 2020, Governor Newsom issued Executive Order N-8220, which requires conserving 30% of California lands and coastal waters by 2030. The authority, jurisdiction or efficacy of this initiative is unclear.

18 - Reject and rewrite "Water Supply Strategy." In August 2022, Governor Gavin Newsom released "California's Water Supply Strategy (WSS) - Adapting to a Hotter Drier Future", which outlines a strategy and priority actions to adapt and protect water supplies from the effects of rising temperatures and drier conditions due to climate change. Programs such as water recycling, desalination, and stormwater capture are great; however, the program does not fund local initiatives to actually do projects, instead it focuses largely on increasing State Water Board oversight and regulation of these projects. This WSS should be changed to shorten or eliminate State Water Board oversight and fund projects, rather than fund continuing and expanding regulation.

19 - Rescind Fish and Wildlife Code Section 5937. This requires dam operators to provide sufficient water to pass over, around or through the dam, to keep in good condition any fish that may be planted or exist below the dam. This code has been used too broadly by environmental plaintiffs to control the diversion, storage, and hydropower activities of dam operators.

20 - Rescind "Salmon doubling" goal. The Central Valley Improvement Act requires improvements to water management to protect fish and wildlife, including achieving the state and federal doubling goal for Central Valley Chinook salmon natural production, relative population levels between 1967-1991. The California State Water Board adopted this same goal in the 2006 Water Quality Control Plan. These goals drive much of the dedication to flow in the Delta; salmon doubling numbers are not realistic and result in chasing unrealistic metrics.

21 - Repeal SB 350 the Clean Energy and Pollution Reduction Act of 2015 that requires an increasing percent of California's energy to come from non-fossil fuel sources.

22 - Repeal all parts of the Porter-Cologne Act (Water Code §132020 et seq.) that exceed federal water quality and wetlands standards and maintain only the provisions implementing the minimum requirements of the Federal Clean Water Act. In 2019, in response to federal definitions of waters of the United States, the State Water Board adopted an expansive definition of wetlands to "fill the gap" left by the federal definition. The State Water Board did so by unlawfully amending a water quality control plan to regulate all state waters, instead of only WOTUS waters (Waters of the United States). Despite exceeding its authority and being ordered by a court to rescind the expanded wetlands definition, the State Water Board simply dropped the wetlands definition into its "Ocean Plan" to end around the limitation on its jurisdiction.

23 - Repeal Public Resources Code 25402 that requires the California Energy Commission to adopt energy efficiency standards for residential and non-residential buildings. While there were no national energy standards in the 1970s and most of the 1980s, a national energy code (ICC IECC) is now updated every 3 years.

24 - Starting with Labor Code 140, repeal provisions in the statute that establishes the Occupational Safety and Health Standards Board, known as Cal OSHA, which performs administrative actions that are redundant to those performed by Fed OSHA.

25 - Repeal SB 375 (Gov't Code Section 65080 (b)(2)) that subordinates all land use and housing development policy to government-created Greenhouse Gas Reduction (GHG) and Vehicle Miles Traveled Reduction (VMT) reduction targets.

26 - Repeal SB 391 that requires statewide transportation investment and planning to be dictated by climate change/GHG reduction mandates resulting in blocking new highway investments and congestion relief.

27 - Repeal AB 686 that mandates "Affirmatively Furthering Fair Housing" obligations on local governments that duplicate and exceed the federal Fair Housing Act and require suburban cities and counties to develop high density affordable housing in existing neighborhoods.

28 - Repeal Labor Code Section 1720 et seq. that duplicates and goes beyond federal Davis Bacon requirements for public works projects adding huge costs to housing and infrastructure.

29 - Make all regional Water Resources Control Board seats elected positions, with only registered voters from within each district's boundaries eligible to vote for a board member in that district. In addition only residents of the district would be eligible to hold office.

30 - Make the five seats on the SWRCB board elected positions, having them follow the already set boundaries of the California State Board of Equalization. These boundaries are reasonably close to the hydrologic continuity represented by the Regional Boards and have equal population distribution.

31 - Another approach to CEQA reform: Until California housing costs are again affordable (3x median household income for sale housing, and 4x median household income for rental housing - median by County), and until California's supplemental poverty rate improves from the worst in the nation to no worse than the tenth poorest state in the nation, *waive CEQA for housing, manufacturing and other employment projects, forest management, and infrastructure/utility and public service projects* ("project") which have (a) already been approved in whole or in part by a state or local agency in a plan, funding application or allocation, permit or other discretionary approval; (b) has already undergone a programmatic level of CEQA review because the project is an allowed use in a General Plan, Area Plan, Community Plan, Specific Plan, Master Plan, or Sustainable Communities Strategy. Limit standing for lawsuits seeking to enforce CEQA to elected law enforcement officials (District Attorney for a project located within a County, and Attorney General for a project located in multiple counties).

32 - Extend the substantive and procedural requirements of SB 167 (2017), the Housing Accountability Act (HAA), to all state agencies and special districts, and to all

infrastructure/utilities/public facilities that provide service to existing or future residents or employees. *The HAA limits the time agencies have to consider and approve projects, limits the authority of agencies to disapprove projects to projects that will cause significant adverse public safety impacts based on objective standards, and creates a lawsuit right by applicants or pro-development applicants against non-compliant agencies inclusive of attorneys fees, fines and compelled project approvals, against noncompliant agencies.*

33 - *Suspend all laws and regulations implementing the 2022 CARB Scoping Plan that result in higher housing production costs, higher electricity or natural gas costs, higher gasoline or diesel fuel costs, or are intended to limit or otherwise regulate vehicle miles travelled (VMT).*

34 - *Require all California environmental agencies (e.g., Cal/EPA and Natural Resource Agency departments, boards and commissions, regional water quality control boards, regional or county air quality management agencies, state or local historic preservation officers) to develop objective standards and ministerial approval processes in six months, and until then to waive all procedural requirements and issue permits or authorizations to residential, commercial, industrial, mixed use, or infrastructure/utility/public service projects that comply with objective pollution prevention, control or cleanup standards, to receive permits or approvals within 60 days.*

35 – *Designate all water and recycled water projects, including desalination and treatment plants, storage (surface and groundwater), diversion, conveyance, distribution, and discharge equipment and systems, that will increase the availability of reliable and affordable water supplies as emergency water system improvements for which an environmental agency can enforce only objective pollution prevention, control or cleanup standards, and only elected law enforcement officials can sue for failure to comply with an applicable objective standard, until such time as California communities and agriculture have sufficient water supplies for existing and planned future uses.*

36 - *The labor force is restricted right now due to AB 5. Rescinding AB 5 (2019) will allow small business architects, engineers and contractors to supplement their staff. There are not enough of these technical staff in the region so rescinding this bill would make a major impact on speed of rebuilding.*

37 - *Rescind SB 386 (2024). This bill could undermine the reliability of any water right, and, in turn, interests that depend on these rights. The bill would authorize the State Water Board to drag any water rights holder before the Board to defend its claim of right.*

38 – *Repeal AB 1066 (2016), the agricultural worker overtime bill. Agricultural workers used to be able to work 6 days x 10 hours a week. California now limits them to 5x8. This severely cuts their income, and holds them in income brackets dependent on government support.*

A Plan for Tying Federal Relief Funds to Reforms

Required to obtain first tranche of Congressionally-authorized funding for fire recovery:

- California waives CEQA/CESA & F&G Code/Water Code to deliver full water allocation from Delta
- California suspends enforcement of all state greenhouse gas reduction measures that increases housing, electricity or fuel prices; California prohibited from counting as GHG emission reductions the departure of people or jobs or industries to other states and countries; California required to include GHG emissions from fires and estimated GHG emissions from goods imported to and consumed in California, and submit to Feds a cost-benefit analysis including disparate cost burdens by household income, before accessing any fed funding – note this could be part of IRA clawback conditions also given state law DEI mandates embedded in California's IRA projects

Required to obtain second tranche of funding:

- Report confirming that debris/hazmat clearance done within 2 months
- Report confirming that construction and building permits are being issued within 1 week (on average) after applications submitted by a licensed construction professional (architect, engineer, or similar attesting that application complies with all applicable objective legal standards)
- Report confirming that 50% of required infrastructure is completed
- Report confirming what laws/regs have been waived to reduce the cost of constructing new housing to produce housing available for sale at 3x household median income, and rental housing at 4x median household income (by County)
- If any deadline missed, second tranche of funding limited to 20% until additional Feds approve additional state/local law/reg waivers or revocations have been implemented to achieve deadlines – monthly reports required thereafter to Feds to demonstrate compliance and second tranche funding metered out with satisfactory monthly progress reports approved by Feds

Required obtain third (final) tranche of funding:

- Report confirming 50% of structures are built or under construction
- Report confirming that 90% of infrastructure is built or under construction

- Report confirming housing production costs have been reduced, and cap tax credits for affordable housing to \$350k/unit [national average to produce an affordable housing apartment unit] until such time as these housing production reforms have resulted in these 3x (for sale) and 4x (rental) outcomes
- If any deadline missed, third (final) tranche of funding limited to 20% until additional Feds approve additional state/local law/reg waivers or revocations have been implemented to achieve deadlines – monthly reports required thereafter to Feds to demonstrate compliance and third tranche funding metered out with satisfactory monthly progress reports approved by Feds.

Recommendations for the U.S. Forest Service

The 4d rule, by regulation, states that the activities it covers do not constitute "take" for the species identified under the ESA. So, we could harvest our forests, reduce fuel loads, conduct salvage logging operations, reduce tree stands there thereby reducing the amount of water the trees take up and leave more to flow into our rivers and reservoirs, and not have to worry about Section 7 consultations, biological opinions, or any of those regulatory burdens under the ESA that grind things to a halt.

Second, at least in California, there are so many listed plants, animals and fish, that just taking on one or two means the gridlock still continues. For example, Northern Spotted Owl, Marbled Murrelet, every single run of Steelhead (Omykiss) and Salmon (Chinook, Coho, etc. spanning spring, fall, late-fall, winter, etc.), Elderberry beetle, and dozens of listed plants.

Instead of going species by species and allowing the enviros to sue on every single order, rule, action, consider doing a single, joint 4d rule that declares these enumerated activities for healthy forests are NOT a take. The rationale could be that the risk of massive wildfires (i.e., Los Angeles and the Oroville fire just to name two) are far greater and more devastating to people, these species, their habitat, air and water quality, and a host of other environmental calamities (mudslides post fire, fossil fuels in both the fore and then the cleanup, soil sterilization for years later, all the debris clogging our waterways and polluting our rivers, streams and reservoirs, sedimentation choking our aquatic ecosystems for years if not decades) than the activities need to bring our forest ecosystems back to healthy thereby ensuring the long term survival of the habitat and species themselves.

This will be very controversial and the environmental litigation complex will lose its mind but there will only be one action to sue on instead of them getting innumerable chances if you go a species by species route.

Federal Water Projects in California – Recommendations

There are many things the federal government can do to help make more water available for housing and agriculture, faster and cheaper, than any of the failing solutions that the Newsom administration is pursuing. These all have the benefit of being job creators, not requiring regulatory reform that will be tied up in court for years and thus would have broad support among water users [ag and urban] and traditional opponents (tribes, environmental and fishing organizations).

Increasing Water Delivery Through Existing Systems

Installing state of the art fish screens at Delta pumps (required by the Central Valley Project Improvement Act and past biological opinions – never implemented).

Improving levees in Sacramento San Joaquin Delta: this will strengthen resilience of existing water flows through the Delta while also providing needed public safety improvements (flood protection).

Agricultural water conservation - funding for canal piping and lining projects, improved irrigation efficiency systems.

Water Resource Development

Fund the “Fish Friendly Delta Diversion Project,” a proposal by the San Joaquin Valley Blueprint, a coalition of water agencies in San Joaquin County, to create a lined channel in a Delta island with perforated pipes buried under rocks and gravel. Designers claim a 200 acre infiltration basin could safely withdraw 15,000 acre feet per day without altering current or endangering fish. This could be built in lieu of the Delta tunnel. It would eliminate years of litigation, and provide water at a dramatically lower cost. Currently there is insufficient support for Delta tunnel from Central Valley agriculture due to cost, and its extended timeline (no water for at least 25 years). Could be supported by the parties opposing a Delta tunnel, which are all Delta counties and many conservative northern California counties (Butte, Plumas, Yuba), environmental groups, business groups (Howard Jarvis Taxpayers’ Assn, sport and commercial fishing organizations). Federal government could initiate its own project for CVP exports, accomplishing for federal government water contractors what California (Newsom) has been unable to do.

Funding for groundwater recharge and banking projects.

Reject federal permitting (and any funding) for Newsom’s Delta Conveyance Project (rescind biological opinion coverage; do not issue 404 permit). The DCP will take decades to implement, not provide any additional water (despite Newsom claims) and is broadly opposed by agriculture in and above the Central Valley, Howard Jarvis Taxpayers’ Association, local governments [including red counties such as Placer County and El Dorado County, due to its impacts on Delta

water quality and agriculture, upstream water supplies/storage], tribes and environmental organizations. Refusing/rescinding federal permitting for the DCP will force California to implement more cost-effective readily implementable solutions, such as projects noted here.

Water Quality

Fund enhanced treatment to deal with PFAS and other constituents. PFAS is turning up everywhere, including groundwater, and posing a threat to new and affordable housing development in the Central Valley, due to treatment requirements. At the same time, revisit potentially infeasible and unwarranted federal PFAS standards, which have been lowered to 4 parts per trillion (PPT), with California considering a state standard as low as 1 PPT.

Improve upper watershed forest management – dual benefit of fire control and water quality [forest fires pose huge threat to water supplies from water quality problems]. The Placer County Water Agency has been a leader in this area.

Improving Governmental Efficiency in Water Management

Enact the FISH Act, previously introduced by Congressman Kevin Calvert, as a vital step toward addressing regulatory inefficiencies in species management. The FISH Act will reduce bureaucratic conflicts and enable more effective, ecosystem-based management strategies by consolidating ESA responsibilities under a single federal agency. These reforms are crucial for balancing the needs of water users with efforts to recover endangered species and balancing conflicts like those that currently exist between Delta smelt, Winter-run Chinook salmon, terrestrial species (Giant Garter Snake), and waterfowl.

Water and Wildlife Recommendations – Federal Actions

Improve the federal regulatory process. One of the biggest challenges to improving water management is the time and cost of complying with federal regulations related to the construction of new infrastructure and the maintenance of existing infrastructure. This issue could be addressed in the following ways:

- 1 - Expand the use of Categorical Exclusions (CE) for routine operation and maintenance activities at water infrastructure facilities.
- 2 - Re-issue Department of the Interior Secretarial Order 3355 which was issued by Secretary David Bernhardt during President Trump's first term and apply it across federal agencies. This common-sense regulatory reform set firm time schedules and document length limits that federal agencies were required to meet when applying the National Environmental Policy Act (NEPA). Enacting this policy could take years off the regulatory process.

(https://www.doi.gov/sites/doi.gov/files/uploads/3355_-_streamlining_national_environmental_policy_reviews_and_implementation.pdf)

3 - Extend the maximum term for National Pollutant Discharge Elimination System (NPDES) permits issued to states and municipalities from five years up to up to ten years. (This would require legislation, but this congress could likely pass this kind of legislation with President Trump's support)

4 - Endangered Species Act (ESA):

- Direct federal agencies to focus the ESA on the recovery of listed species. Federal agencies should develop actionable ESA recovery plans to increase species' chance of developing abundant populations.
- Mandate federal agencies delist species when warranted. Species should be delisted when they no longer meet the definition of a threatened or endangered species. Currently federal agencies do not automatically delist a species once it has met delisting criteria.
- Re-issue a rule defining "habitat" under the ESA and limit the designation of critical habitat to areas that contain the necessary elements for species to thrive at the time of listing. The definition of habitat was previously promulgated by the Trump administration on December 16, 2020, but was undone by the Biden Administration.
- Direct federal agencies to discontinue listing species based on speculative future impacts. Some species that currently have healthy populations have been listed as threatened due to projections of impacts that might happen (sometimes not for decades) in the future. The FWS and NMFS should discontinue speculative listings.

5 - Federal Energy Regulatory Commission (FERC) needs to be streamlined. Numerous water providers in California also generate hydroelectric power. Revenue from the sale of this power helps develop and maintain water infrastructure. This is an issue in California and around the U.S. Today approximately 17 gigawatts of hydropower are at risk due to licensing and relicensing uncertainty. On average it takes between seven and ten years to relicense a hydropower facility. There are approximately a dozen federal agencies involved in the relicensing project that can impose mandatory conditions on the license (requirements the power producer must comply with to get their license). Sometimes the conditions federal agencies place on producers have nothing to do with the hydropower project. This could be addressed by directing FERC to develop a streamlined process for relicensing hydropower projects (two years) and limit mandatory conditions to matters directly related to the production of hydropower.

6 - Expand the use of Forecast-Informed Reservoir Operations (FIRO) across federal agencies. Using this technology can help federal water managers capture more water in reservoirs during extreme weather events.

7 - Address Wildfire threats on federal lands in California and around the U.S. California communities are not alone in facing significant threat due to wildfire. The U.S. Department of Agriculture reported last year that more than one-third of the U.S. population, roughly 115 million, are in high wildfire risk counties. These issues could be addressed through a number of mechanisms.

- Increase the pace and scale of forest health treatments on federal lands especially in areas that are at high risk of fire and/or are near critical water infrastructure.
- Encouraging the use of existing categorical exclusions (CEs) for forest health treatments under NEPA increasing the limitations on those CEs from 3,000 to 10,000 acres.
- Provide CE's for wildfire mitigation treatments around utility corridors for both electric and water infrastructure.
- Focus treatments on areas that are at higher risk of wildfire.
- Coordinate cross agency response not just to active wildfires but to pre-fire mitigation efforts.
- Many of these recommendations are included in H.R. 471 the Fix Our Forests Act which recently passed in the House of Representatives. President Trump could encourage the U.S. Senate to take up this critical legislation quickly.

Comprehensive List of Water Policy Reforms for California

This list has some overlap with preceding recommendations but was prepared by one agency and is an excellent compilation of everything necessary to protect and enhance our water supply. It also includes reforms designed to remove environmentally excessive mandates that are harming our state's ability to produce affordable energy or responsibly manage our forests and wildlands.

There are two sections: (1) The state, regional, and local level, and, (2) at the federal level.

Section One – At the State, Regional, Local Levels:

1 - Additional Funding for California's Aging Water Infrastructure: Eliminate Federal Funding of, and related to, the State of California's High-Speed Rail Project (H.R. 213 by Rep. Kevin Kiley-CA-3) and reallocate such funds (\$6 billion in Federal Funding in 2023) to invest in California's

aging water infrastructure, including new water storage and conveyance facilities projects that benefit California water, such as:

- the Delta Conveyance Project (see 1st bullet under #2 below); and,
- San-Luis Delta Mendota Canal.

Also, the California State Budget for the upcoming fiscal year should redirect its own funding of High-Speed Rail to instead invest in California's aging water infrastructure.

2 - Store More Water and Streamline New Water Sources: Exempt water supply projects from the California Endangered Species Act (CESA) and California Environmental Quality Act (CEQA) - Amend California Public Resources Code 21080 (CEQA) and Fish and Game Code 2087 (CESA) to exempt projects that seek to increase water supplies for the State of California.

- Delta Conveyance Project (DCP) - Remove barriers to build the DCP -- which would improve State Water Project water deliveries at the times and in the volumes needed, while also addressing subsidence and improving water storage capacity and water resiliency for California -- including streamlined permitting process. Exempt from CESA and CEQA, help expedite Federal permitting, and contribute Federal funding to the DCP.
- Desalination and other Water Supply Projects – Exempt California water supply projects, including brackish and ocean water desalination, from: CESA, CEQA, Coastal Commission review (amend California Coastal Act and extend exemptions in Sections 30610 and 30611), and State Lands review, as well as from the U.S. EPA's NPDES, U.S. Endangered Species Act (ESA), the National Environmental Policy Act (NEPA) permitting requirements, and other lengthy litigation/review processes.
- Contribute to local and regional water reliability by championing ocean desalination projects and expediting/streamlining permitting for such, including restarting and fast-tracking the Huntington Beach ocean desalination project which was halted by the CA Coastal Commission in 2022.
- Water Storage – Exempt from CESA and CEQA, and streamline all permitting for water storage projects in CA, starting with the Sites Reservoir; and raising Shasta Dam.

3 - Water/Property Rights: Set up a Federal Legal Defense Fund in the U.S. Justice Department to defend against the State of California “takes” of water/property rights.

4 - Develop Long-Term Water Supply Targets for California: SB 366 (from 2024), would have required the Department of Water Resources (DWR), as part of the 2033 update, to revise the contents of the California Water Plan to focus on developing a long-term water supply planning target for 2050 to identify and create plans for future water needs of various water sectors. The

bill (sponsored by the California Municipal Utilities Association, "CMUA") was vetoed by Governor Newsom. The same author introduced the bill again this year -- SB 72 -- again sponsored by CMUA.

5 - Allow Water Agencies to Operate Using Traditional Fuel Technologies: If the State of California wants to receive Federal Funding, then utilities' -- and especially water agencies' -- mobile and stationary fossil fuel equipment (fleet and generators that run on diesel and gas) must be EXEMPT from:

- California Air Resources Board (CARB) Advanced Clean Fleet Rule -- Amend Section 27156 of the California Vehicle Code -- which mandates all local agency fleets transition to zero emission vehicles; and,
- CARB Rules on Generator runtime limits.

These exemptions will ensure facilities can continue to deliver water with the power needed to do so.

6 - Reopen the San Onofre Nuclear Plant and Co-Locate a Water Desalination Facility

- Reopen the San Onofre Generating Station (SONGS) nuclear power plant in San Onofre, owned by Southern California Edison. At its peak, SONGS generated enough electricity for 1.5 million homes.
- Co-Locate an ocean water desalination facility with SONGS.

7 - Repeal the "Making Water Conservation a California Way of Life" Regulations

- Repeal the Making Water Conservation a California Way of Life Regulation (California Water Code Section 10602.2). This regulation will cost ratepayers over \$13 billion, with draconian limits on urban water use, while only saving a small percentage (approximately 2% or less) of total water use statewide in California.
- Repeal from the California Water Code the provisions of SB 1157 (chaptered in 2022) that will ratchet down indoor water use. Especially repeal these provisions for areas that recycle/reuse water from indoor uses.

8 - Streamline Recovery Efforts for Southern California: In the wake of the devastating Southern California fires, allow quick re-building by waiving local building code restrictions and streamlining permitting related to hazardous materials, health/safety, and other building requirements.

9 - Review for Repeal All Climate Change Laws in California and Redirect Investments

Appropriately: California has several climate change laws (see below), including those that require businesses to disclose their emissions and laws that require the state to reduce its own emissions. Review all such laws to eliminate redundant and unnecessary actions and redirect funding to instead invest in reliable energy and water infrastructure and supplies for California.

- **Senate Bill 253** – The Climate Corporate Data Accountability Act requires large businesses to disclose their greenhouse gas emissions.
- **Senate Bill 261** – The Climate-Related Financial Risk Act requires large businesses to disclose their climate-related financial risks.
- **AB 32 Climate Change Scoping Plan** – This plan outlines how California will reduce its greenhouse gas emissions.
- **Senate Bill 32** – This bill strengthened California's climate goals by requiring a 40% reduction in greenhouse gas emissions by 2030.
- **Programs to Reduce Energy Use** – These programs include energy efficiency standards for new construction and retrofits for existing buildings.
- **Programs to Reduce Emissions from Transportation** – These programs include vehicle performance standards and manufacturer requirements.
- **Programs to Reduce Emissions from Industry** – These programs include estimating, evaluating, and tracking greenhouse gas emissions from industrial sources.
- **Other Climate Change Laws in California** – AB 102, SB 101, AB 103, SB 104, SB 105, SB 758 (Block), SB 788 (McGuire & Jackson)

10 - Review for Repeal All Electrification and Renewable Energy Laws in California and Redirect Investments

Appropriately: Review all such laws to eliminate redundant and unnecessary actions and redirect funding to instead invest in reliable energy and water infrastructure and supplies.

California has several Electrification laws and regulations to reduce emissions and increase the use of electric vehicles, including:

- **Zero Emission Vehicle (ZEV) Executive Order** - Requires that all new passenger cars and trucks sold in California be zero-emission by 2035. This includes battery-electric and fuel cell electric vehicles.

- **Advanced Clean Cars II** - A set of regulations that increase the sales requirements for ZEVs, starting with the 2026 model year. The regulations also tighten emission standards for gasoline-powered cars and light trucks.
- **Electric Vehicle Charging Standards** - Standardizes payment options for electric vehicle charging stations.
- **ZEV Market Development Strategy** - A strategy developed by the California Air Resources Board (CARB) to support the ZEV regulations. The strategy assesses statewide ZEV infrastructure and is updated every three years.
- **Single-Family Electric Ready** - A program that provides guidance on how to prepare a home for an electric cooktop. California's primary Renewable Energy law, known as Senate Bill 100 (SB 100), mandates that 100% of the state's electricity retail sales must come from renewable and zero-carbon resources by 2045, with interim goals of reaching 60% by 2030; this is achieved through a mechanism called the Renewables Portfolio Standard (RPS) which requires utilities to procure increasing amounts of renewable energy to meet customer demand.

Section Two – At the Federal Level (issues to benefit California water):

Water and Wildfire Recommendations: One of the biggest challenges to improving water management is the time and cost of complying with Federal Regulations related to the construction of new water infrastructure and the maintenance of existing water infrastructure. This issue could be addressed by improving the Federal Regulatory process in the following ways:

Expand the use of Categorical Exclusions (CE) under NEPA for routine operation and maintenance activities at water infrastructure facilities.

Re-issue Department of the Interior Secretarial Order 3355, issued by Secretary David Bernhardt during President Trump's first term, and apply it across federal agencies. This common-sense regulatory reform set firm time schedules and document length limits that Federal Agencies were required to meet when applying NEPA. Enacting this policy could take years off the regulatory process.

Extend the maximum term for NPDES permits [National Pollutant Discharge Elimination System] issued to states and municipalities from five years up to up to ten years. This would require legislation, but the 119th Congress could likely pass this kind of legislation with President Trump's support (see H.R. 1181 from 118th Congress).

Amend the Endangered Species Act (ESA):

- Direct federal agencies to focus the ESA on the recovery of listed species. Federal agencies should develop actionable ESA recovery plans to increase a species' chance of developing abundant populations.
- Mandate federal agencies delist species when warranted. Species should be delisted when they no longer meet the definition of a threatened or endangered species. Currently federal agencies do not automatically delist a species once it has met delisting criteria.
- Re-issue a rule defining "habitat" under the ESA and limit the designation of critical habitat to areas that contain the necessary elements for species to thrive at the time of listing. The definition of habitat was previously promulgated by the Trump administration on December 16, 2020, but was undone by the Biden Administration.
- Direct federal agencies to discontinue listing species based on speculative future impacts. Some species that currently have healthy populations have been listed as threatened due to projections of impacts that might happen (sometimes not for decades) in the future. The U.S. Fish & Wildlife Service (FWS) and National Marine Fisheries Service (NMFS) should discontinue speculative listings.

Streamline the Federal Energy Regulatory Commission (FERC): Numerous water providers in California also generate hydroelectric power. Revenue from the sale of hydroelectric power helps develop and maintain water infrastructure. This is an issue in California and throughout the nation:

- Approximately 17 gigawatts of hydropower are at risk due to licensing and relicensing uncertainty.
- On average it takes between 7-10 years to relicense a hydropower facility, with approximately a dozen federal agencies involved in the relicensing that can impose mandatory conditions on the license (requirements the power producer must comply with to get their license).
- Sometimes the conditions federal agencies place on producers have nothing to do with the hydropower project.
- This could be addressed by directing FERC to develop a streamlined process for relicensing hydropower projects (2 years) and limit mandatory conditions to matters directly related to the production of hydropower. See text of H.R.4045 from 118th Congress.

Expand the use of Forecast-Informed Reservoir Operations (FIRO) across federal agencies. Using this technology can help water managers capture more water in reservoirs during extreme weather events.

Address Wildfire threats on federal lands in California and around the U.S.: California communities are not alone in facing significant threats due to wildfire. The U.S. Department of Agriculture reported last year that more than one-third of the U.S. population, roughly 115 million, are in high wildfire risk counties. These issues could be addressed through a number of mechanisms:

- Increase the pace and scale of forest health treatments on federal lands, especially in areas that are at high risk of fire and/or are near critical water infrastructure.
- Encourage the use of existing Categorical Exclusions (CE) for forest health treatments under NEPA by increasing the limitations on those CEs from 3,000 to 10,000 acres.
- Provide CE's for wildfire mitigation treatments around utility corridors for both electric and water infrastructure.
- Focus treatments on areas that are at higher risk of wildfire.
- Coordinate cross-agency response to pre-fire mitigation efforts (and not just to active wildfires).

Many of these recommendations are included in H.R. 471, the Fix Our Forests Act, which recently passed the House of Representatives. President Trump could encourage the U.S. Senate to take up this critical legislation quickly.

Mr. FITZGERALD. Thank you, Mr. Ring.
Mr. Hilton, you may begin.

STATEMENT OF STEVE HILTON

Mr. HILTON. Thank you very much.

Thank you very much, Mr. Chair, and all your colleagues, for giving me the opportunity to be here today. My comments reflect both the policy work that I've done that Mr. Kiley mentioned at my organization, Golden Together, specifically two reports which I'd like to draw your attention to: First, reducing California's carbon emissions through modern forest management, and, second, water abundance. My comments also reflect more recent conversations with firefighters in Los Angeles, retired firefighters across the State, and the victims of this disaster.

I have to say to the Ranking Member, those victims will be offended by the remarks we just heard, which were, frankly, outrageous and offensive, preposterously claiming that the regulations keep us safe. It is the regulations that put Californians in danger, as we have all been highlighting.

It's described sometimes, this disaster, as a natural disaster. It is not a natural disaster. This was a man-made disaster, more precisely a Democrat-made disaster. That is not hyperbole. That is the only plausible explanation for the impact here. We are still waiting, of course, to understand the ignition, what precisely ignited these fires. The impact, there's no question that it was the direct result of Democrat policy and Democrat appointments to the bureaucracies who implemented those policies.

As we've been hearing, fire is a natural part of life in these areas that burned. That is not new. We have had fires for decades. We have had fire prevention for decades. In the last two decades, that kind of sensible fire prevention was blocked by Democrat policy.

We have heard a lot, as we've watched these disasters unfold, about containment. What does containment mean? It doesn't mean putting out the fires. It means clearing the perimeter, fuel management, and fire prevention. That is what's actually happening, bulldozers and firefighters with axes.

There's a simple question. We can do that before these fire disasters, or we can do it after. The choice that Democrats have made is to force it to be done by our brave firefighters after the event instead of preventively beforehand.

Let's be specific. There is an article in *The New York Times* about Phillip and Claire Vogt, who designed and built one of the most fire-resistant homes in America on a peak in the Santa Monica Mountains.

For months, Phillip had been volunteering to clear away the dead undergrowth on the parkland surrounding his property, but California officials told him he could be fined for meddling with a sensitive habitat.

Who are these California officials? No. 1, CARB, the California Air Resources Board. In 2000, they issued new smoke management regulations that effectively prohibited the controlled burns that were the norm for decades before.

As we were hearing, the California Coastal Commission prohibits sensible fire prevention measures to save Branton's milkvetch shrub which they claim is endangered. Worst of all, as we were

hearing, the Santa Monica Mountains Conservancy, every single firefighter that I spoke to in Los Angeles said, “What are these people doing stopping us from taking the sensible steps to keep our communities safe?”

This is the direct result of overregulation. I could go on. In 2020, the State Senate bill in the California legislature, SB-182, would have mandated fire prevention and resilience, including evacuation routes, vegetation management, fire safe construction. It was vetoed by Governor Newsom. Here is a quote from his veto letter, “It fails to account for the consequences that could increase sprawl.”

So, yet again, you have sensible fire prevention blocked by overregulation because of ideology about the war on single-family homes that’s being waged in California, on and on. Every single aspect of this disaster, the failures that led up to it, the failures of response, all of it the result of Democrat policy. Who else is there to blame? Who else has been in charge in Los Angeles and across the State of California in these years?

Now we have some demands. We have demands from the people affected who never want to see this happen again. No. 1, any support from Congress for what’s happened must include a requirement for their sensible reforms, the common sense measures that we have outlined here and is in the policy reports that we put before you.

Safeguards to make sure this money, the Federal money is spent properly, any money. Just as we saw with the 9/11 victim compensation, we need a special master appointed to make sure that money is not wasted.

Finally, there is a bill on the desk of Governor Newsom right now for Trump-proofing California, even as he goes to the office and begs for help for his State. Surely, a condition of any support must be for—

Mr. FITZGERALD. Mr. Hilton? Mr. Hilton?

Mr. HILTON. —Governor Newsom to veto that bill.

[The prepared statement of Mr. Hilton follows:]

Opening statement, Steve Hilton:

There is a glaring inaccuracy in much of the reporting around the L.A. wildfires. The human and economic devastation is often described as a "natural disaster."

But this was not a natural disaster. It was a man-made disaster. More precisely, it was a Democrat-made disaster. Some might consider that too partisan a statement. What other explanation is plausible, though? While we are still waiting to establish confirmation of ignition (how these fires started), there is no question that their severity - the speed, scale and destructiveness of their spread - was the direct result of Democrat policies and Democrat appointments.

Fires are a natural part of life in California and have been for millennia. There is nothing new about wildfires. The violent winds that fanned the flames of these fires, the Santa Anas, are also a natural part of life. Hills and canyons have seen brush or wildfires in 1914, the 1920s, 1930s, 1940s, 1950s, 1960s, 1970s, 1980s, 1990s, 2000s, and into today.

What's not natural is the fuel load on the hills that burned out of control. The overgrown brush on the hillsides where these fires started: that was a deliberate act of Democrat policy, pig-headedly pursued even in the face of desperate warnings of a looming catastrophe exactly like the one we have just seen.

Here is a quote from the New York Times, in an [article](#) published on January 21st this year. It featured the story of a couple, Phillip and Clare Vogt, who designed and built one of the most fire-resistant homes in America on a peak in the Santa Monica mountains:

"For months, Phillip had been volunteering to clear away the dead undergrowth on the parkland surrounding his property, but California officials told him he could be fined for meddling with a sensitive habitat."

There you have, in a nutshell, the reason for this wildfire disaster. Common sense fire prevention and resilience, common practice for as long as these hills have had people living amongst them, was blocked by bureaucrats appointed by Democrat politicians, implementing Democrat policy.

Any southern California resident around 35 years old or more remembers controlled burns. They remember the public service announcements on the radio: "if you're driving on the freeway and you see a fire, don't call it in, that's a wildfire prevention team." But all that was stopped around 20 years ago.

CARB is the California Air Resources Board. In 2000 they issued new "Smoke Management" regulations that effectively prohibited controlled burns. More recently the California Coastal Commission also blocked fire prevention and mitigation measures in the exact hills that just burned, in order to protect a few thousand specimens of the "Braunton's milkvetch" shrub,. Which they claim is endangered.

Consequently, these hillsides were allowed to become dangerously overgrown, and any attempt to do something about it was thwarted by 'climate' ideologues who actually have no knowledge of or respect for the natural world. All they know is the arid obsession with carbon emissions, to the exclusion of all else.

Even in relation to ignition of these fires, Democrats are most likely to blame. Most fires in Los Angeles are started in homeless encampments. Which have been allowed to metastasize as a direct result of Democrat policy. Utilities have been blocked from taking sensible fire prevention measures, like undergrounding and clearing vegetation near their equipment by Democrat environmental laws, regulations and bureaucracies.

This is not even to mention the man-made water shortages in southern California, also caused by Democrat politicians and their appointed bureaucrats.

In sum: every single aspect of every single circumstance relevant to this disaster...the long term policy failures that led up to it, the failures of planning and preparation, the failures of response...all of it is the direct responsibility of the Democratic Party which has had total and uninterrupted governing control of Los Angeles for decades at the local level and 15 years at the state level.

Partisan Democrats on this committee, desperate to scrub L.A.'s blood from their hands, even though their support for the guilty people and policies obviously makes them indirectly culpable, will doubtless prattle on about "the climate crisis." Of course the real climate crisis is the Democrats' climate policies, which have deliberately and systematically undermined California's fire resilience.

There is an alternative. Many of us have been arguing for it for years.

We can have well-managed forests and chaparral that will not only protect people and property from wildfires, but help reduce carbon emissions - which have now increased as a result of misguided Democrat 'climate' policy and regulations. It is all laid out in my California policy organization Golden Together's report, [Reducing California's Carbon Emissions Through Modern Forest Management](#).

We can have all the water we need - for domestic, industrial, agricultural and environmental demands - and yes, for our firefighters. It is all laid out in our report [Water Abundance](#).

It is time for change in California, and these wildfires have shown the world why.

Mr. FITZGERALD. Mr. Hilton, thank you. Thank you so much.
Mr. Frievalt, you may begin.

STATEMENT OF FRANK FRIEVALT

Mr. FRIEVALT. Good morning, Members of the Committee. My name is Frank Frievalt. I'm the current Director of the Wildland-Urban Interface Fire Institute at Cal Poly, San Luis Obispo. My opinions today are mine. They don't necessarily represent the CSU system.

To the experience and education that was covered initially, I'd like to add that, of my time serving in the fire service, 19 of those years were in California, 24 of those years were outside of California. I think this will be important as we look at—

Mr. FITZGERALD. Mr. Frievalt, can you speak up just a little bit, please?

Mr. NADLER. Make sure your mike's on.

Mr. FITZGERALD. The mike's on.

Mr. FRIEVALT. Is that better? Very good. My apologies. I'm a soft talker.

As I said, my name is Frank Frievalt. I am the Wildland-Urban Interface Fire Institute Director at Cal Poly, San Luis Obispo. My comments today are mine. They do not necessarily represent those of the CSU, California State University.

My experience that was discussed earlier, I want to make clear that about half of that has been inside California and about half of it has been outside of California. Additionally, the comments that I'll make are informed around my service on the Western Fire Chiefs Association, which represents the States of Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, and Oregon. I also have a multistate mitigation alignment project underway that mitigations for wildland-urban interface properties that involves California, Oregon, Washington, Nevada, Colorado, Idaho, and Arizona.

We are setting out really to solve two problems. The first is unacceptable levels of life and property loss in the wildland-urban interface. When we talk about interface, just like we have oceans and land connecting at the coastline, think of the interface as where combustible vegetation meets urban centers. So, when we say interface, that's really the intent.

The second thing that we are solving is an impending national financial crisis that will cascade from the insurance market to the realty, mortgage lending, and general obligation municipal bond markets, in my opinion.

There is, understandably, a lot of polarization on this issue. What I can tell you from my time working in the field on these types of disasters is that we need to reframe how we approach this going forward, and I would suggest we do it in the following ways.

First, this is an urban conflagration problem. It is not a wildfire problem. It starts as a wildfire problem through embers entering communities and the reception of those communities on buildings. This is well-understood through Jack Cohen's work.

Second, this is a national problem. It is not just a California problem. Lahaina, Hawaii, the Marshall Fire in Colorado, Calf Canyon/Hermits Peak Fire in New Mexico. This one usually surprises people unless they lived back there—or here, the Gatlinburg

fires from 2016. The 2,460 structures and 17,000 acres. You don't normally think about that happening there.

It's not just here. Essentially, if you look at the globe, 30 degrees North and South of the Equator, Spain, Greece, Chile, Australia, and New Zealand, this is not just our issue. Unfortunately, we could learn from those as well.

Another reframing is that, while climate accelerated this issue, it's really just two of the three primary issues.

First, an accumulation of fuel since roughly 1910 due to national policy that made sense at the time and led to unintended consequences.

Second, continued development into fire-dependent landscapes. These landscapes have a return interval that needs to be met.

Third, while this issue has State and Federal consequences, it is always a local government issue. Unless we reframe our approach to the questions and the answers looking forward into what's coming versus looking backward into what has happened, we're going to continue to pursue things that are not going to be relevant to changing toward the outcomes that we need.

I give you three things that I think we should commit to:

First, is we need to prioritize selective management of combustible vegetation within one-half mile of wildland-urban interface communities above all other vegetation management actions. It's not to their exclusion, but it's that we need to prioritize those bases.

Second, we need to retroactively harden existing structures in wildland-urban interface communities through evidence-based mitigations and create and maintain defensible space around those structures. To clarify, mitigations mean the various actions that you can take to make these structures less receptive, first and foremost, to embers and later to structure-to-structure spread.

Third, we need to require that the evidence-based mitigations are included in the part of the actuarial pricing of risk and insurance rate setting. We know enough now about those relative contributions to the disruption of fire pathways to understand their value.

I'll end with, the first time I understood we had a serious disconnect was that I had some property owners that passed our defensible space inspection brilliantly and had a nonrenewable before the week was up. I realized at that point how the fire service and how the insurance industries were looking at the same place were not connected. That's where I think we need to go to.

Thank you.

[The prepared statement of Mr. Frievalt follows:]

Written Testimony of Frank Frievalt

Subcommittee on the Administrative State, Regulatory Reform, and Antitrust of the Committee on the Judiciary respectfully requests your testimony at a hearing titled, "California Fires and the Consequences of Overregulation" on Thursday, February 6, 2025, at 10:00 am in room 2141 of the Rayburn House Office Building.

Honorable Members of the Subcommittee:

My written testimony is founded upon the following:

- 18-months as the Director of the Wildland-Urban Interface (WUI) FIRE Institute: Letters of Reference for the position were provided from :
 - Stanford Doerr School of Sustainability, and Woods Institute for the Environment – Michael Wara, JD, PhD, Policy Director and Senior Research Scholar and Director, respectively
 - Gordon and Betty Moore Foundation – Genny Biggs, Program Director, Special Projects
 - Insurance Institute for Business and Home Safety – Roy Wright, Chief Executive Officer
 - National Institute of Standards and Technology; Engineering Laboratory, Fire Research Division – Alex Maranghides, Senior Wildland-Urban Interface Researcher
 - American Property Casualty Insurance Association – Mark Sektnan, Vice President, State Government Relations
 - Fire Service – a joint letter from the presidents of the:
 - Fire District Association of California – Jim Comisky
 - California State Fire Chiefs Association – Chris Tubbs
 - Western Fire Chiefs Association – Mark Niemeyer
- 43-years of fire experience in WUI settings, 24-years of that in Nevada
- Western Fire Chiefs Association Executive Board (AK, AZ, CA, HI, ID, MT, NV, OR, UT, WA, Western Pacific Islands)
- B.S. Fire Administration, M.S. Fire and Emergency Management Administration, Ph.D. (A.B.D.) Political Science, Major in Public Administration, Minor in Public Policy
- Multi-State Mitigation Alignment Project (CA, OR, WA, NV, CO, ID, AZ)
- Subject Matter Expert to the Wildfire Resilience Initiative (Gordon & Betty Moore Foundation)
- Subject Matter Expert to the California Department of Insurance, Public Wildfire Modeling Strategy Group

In my opinion, the unprecedented levels of life and property loss in California WUI communities, from the 1930 Malibu Fire, to the 1991 Oakland Hills Fire, the Camp Fire in 2017, and many during and after, including especially the recent Palisades and Eaton Fires were not wildfires, they were urban conflagrations initiated by wildfires.

The current mobilization of local/state/federal government bodies, public policy debate, and financial resources is primarily in response to unacceptable levels of life and property loss in WUI communities, not vegetation lost in wildfires. The focus of this hearing on overregulation in property insurance and community recovery reinforces that. For this reason, we must not approach the WUI conundrum as primarily a wildfire problem; confusing one for the other creates compounding errors in our thinking and public policy. Nor should we approach it as primarily an urban problem. Communities experience non-wildfire initiated structure fires frequently in high wind and dry conditions without generating urban conflagrations. The reason is the ember-initiation of many structure fire simultaneously, overwhelming the initial response, and then transitioning into an urban conflagration.

Three incremental changes have combined to exacerbate structure loss in the WUI: 1) An accumulation of fuels since 1910 through 100% suppression policies. For many reasons this policy was beneficial at the time, yet it altered the natural occurrence of more frequent but less intense fires, 2) Increasing development of communities into fire *dependent* landscapes and, 3) An increase in vapor pressure deficit (VPD) due to warming air masses at scale. This basically allows the atmosphere to hold more water in suspension as a gas before it condenses and rains/snows. The result is larger swings between too wet/too dry, too hot/too cold; these extremes support more frequent natural catastrophes. Modeling the past relationship between VPD and acres burned into the future projects a five-decade period where the average acres burned will be roughly 250-300% of our peak lived experience¹.

We cannot suppress, price, or regulate our way out of the WUI conundrum. These strategies will continue to be necessary, but insufficient - here is why:

First and foremost, please invest 26 minutes to watch "Design for Disaster" about the 1961 BelAir and Brentwood Fires. With a singular exception (the nearly complete eradication of wood shingle roofs) every contributing factor to that conflagration existed in the Eaton and Palisades fires. That was 64 years ago. The 1970 Laguna Fire burned for 13 days, resulted in 16 deaths, destroyed 700+ structures, more than 500,000 acres burned, and over \$234 million in damage. We have invested enormous amounts of resources to grow our firefighting capability, and in most cases, we are effective (98 percent of wildfires are suppressed before they grow larger than 100 acres)². But the growing trend is for a higher density of structures burned in smaller footprints³. Indeed, 89% of structure loss to wildfires from 2001-2019 occurred in just 2.7% of the fires⁴. In roughly the same duration as the Laguna Fire, the Palisades and Eaton Fires, just 7.5% the size of the Laguna Fire, killed almost twice as many people, destroyed 22 times more structures, and caused 171 times more direct financial loss⁵. We may be "winning" on wildfires, but we are definitely "losing" on WUI conflagrations.

¹ chrome-extension://efaidnbmnnnibpcajpcgclefindmkaj/https://www.caryinstitute.org/sites/default/files/public/downloads/ev_hansen_greenes_slides_vf.pdf; Slide #8

² <https://www.fs.usda.gov/detailful/r5/home/?cid=FSEPRD1064021>

³ <https://phys.org/news/2023-02-western-wildfires-destroyed-homes-decade.html>

⁴ <https://www.science.org/doi/10.1126/science.adk5737>

⁵ Assumes \$40,000,000,000 as the direct loss; only estimates are available at this time

Key takeaway 1 - we cannot suppress our way out of the WUI conundrum.

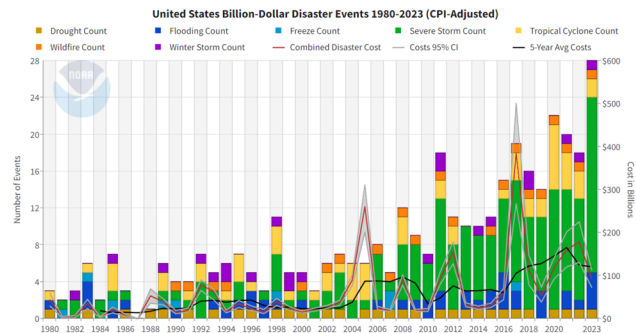
One of the unintended consequences of Proposition 103, over time, has been the incremental suppression of risk-signaling through risk pricing. The recent changes included in the Sustainable Insurance Strategy include provisions to allow increased premium to correct price suppression. However, increasing “rate” in the absence of changing “conditions on the ground”⁶, given the three incremental changes addressed earlier, and the projections for acres burned, will not do anything to reduce insured losses. If the only strategy is to increase rate to cover losses, the trend will continue until the price is unaffordable (e.g., when insurance costs start to approach a second mortgage). Unless we start pay cash for homes, lending would contract in the absence of surety.

Key takeaway 2 - we cannot price our way out of the WUI conundrum.

This excerpt from the recent IBHS Report "The Return of Conflagration to Our Built Environment" says it best, "The roots of the problem we face today can be traced back nearly a century to policy decisions, land-use strategies, construction practices, and the belief that conflagration in the built environment had been solved. Although the urban fire problem was mitigated through building codes, improved fire service response capabilities and more fire-resistant materials, another was growing where suburbs meet the wildlands. Many of the same elements that led to the urban conflagrations of the 18th, 19th, and early 20th centuries are now present within suburbs bordering wildlands. These elements are: Dense construction, Lack of ignition-resistant construction materials, Dense fuels between structures. As the impacts of climate change increase, this sets the stage for the built environment conflagrations we have seen over the past decade."

Key takeaway 3 - we have not yet demonstrated the willingness (in the WUI setting) to regulate our way out of the WUI conundrum in the way we did to end urban conflagrations.

Only retroactive mitigation at scale of existing WUI communities, and application of better policies for density, fire-resistant construction materials/methods, and reductions of natural and man-made connective fuels in new WUI communities will change the unsustainable loss trajectory we are on (Refer to image on billion dollar catastrophe trends). There



⁶ Retroactively hardening structures (IBHS Wildfire Prepared Home), removing combustible materials from the first 5-feet around the house.

must be clear alignment between public policy and market pricing signals about the mitigation requirements in WUI communities.

This is the first time in my career I have seen capitalists and environmentalists on the same side of the table (although they don't always realize it) because now, the environment is the economy. Global diversification of risk and investment portfolios for sustainable returns and market stability are a hallmark of the global reinsurance market (e.g., Lloyds of London – since 1688). With no attribution to cause, the trajectory of these financial losses is not sustainable for the public or private sectors.

Can we find fault and inadequacy in California regulatory policy, certainly. But if that's where it ends, it serves no purpose to the public safety and financial stability of our citizens. If this is really about finding, and correcting, the contributing factors to the recent LA fires, then we must be thorough.

To suppression, regulation, and pricing strategies we must add, and make preeminent, retroactive parcel mitigations at sufficient community density to disrupt conflagration. There must be alignment around those evidence-based mitigations between the State Fire Marshal, the Insurance State Commissioner, the state insurance trades, and the local government fire services.

Looking only for fault misses the positive changes in policy already made. The California Wildfire and Forest Resilience Task Force has been evolving its investments because they realize just counting acres treated isn't enough to get the outcomes we need. CalFire discussed recently in the media where and exactly how extreme events are outpacing its current model capabilities, they know they have to evolve. The California Fire Chiefs Association recently held a Fire Insurance Symposium and will likely dedicate a new section to specifically address alignment issues so that insurers and the fire service are aligned in the guidance we are giving property owners. The California Department of Insurance and IBHS have very similar mitigation requirements now at the parcel level (Safer From Wildfire and Wildfire Prepared Home); are they identical, no, but we could not have even made a distinction until recently. Cal Poly San Luis Obispo has created a first of its kind WUI institute to specifically focus on just the WUI issue by connecting all the necessary but fragmented policies, technologies, social science, mitigations, architecture, fire protection engineering, urban planning, and construction methods to the last mile of application. And lastly, while my national and international colleagues enjoy mocking "my" California, which we earn at times, they also seek me out when no one is watching, and ask, tell me again about what you are doing?

The WUI conundrum needs no more decimal points added to definitions of the problem, no more selective blame, no more wasted effort with scarce resources, masquerading level of effort for level of efficacy. Unless we are self-appointed, others have placed us here to serve them well; starting with me, I'm at your service.

Thank you for your time today.

Respectfully submitted,



Frank Frievall

Mr. FITZGERALD. Thank you, Mr. Frievault.

We'll now proceed under the five-minute rule with questions. The Chair recognizes myself for a number of questions starting out.

The tragedy of recent fires in Los Angeles was undoubtedly made worse by some of the policies that make it impossible for California to manage long-standing fire risks inherent to the State.

So, Mr. Ring, let me start with you. Why do you think there is such a resistance to these commonsense approaches that many have just heard about this morning and certainly have been hearing about since the fires happened in L.A.?

Mr. RING. I can't think of a harder question to answer. I find it inexplicable. I do think that some of the motivation for litigation, for example, that we see against sensible wildland management is an economic motive. Again, the regulatory and legal environment, because of these laws, are such that it's very easy to file a lawsuit to try to break any project that's going to develop land or manage wildland. So, I think a lot of it would have to do with that.

Also, that there is a preoccupation with climate change that sort of diverts people from looking at, I think what Steve referred to as, "the nuts and bolts." If you're concerned—truly concerned about climate change, you would want to pursue sensible policies with more urgency, not less.

It's partly ideology and it's partly some perverse incentives caused by the legal environment that we've created.

Mr. FITZGERALD. So, what could the Federal Government do? What kind of steps could we take to ensure that all States, including California, have less roadblocks to mitigate?

Mr. RING. An act of Congress could, for example, make losers pay in frivolous lawsuits that have to do with environmental issues. That would be a reform that would cut across every law or regulation that's being exploited currently.

Whereas, if you, for example, reform the Endangered Species Act, which is also necessary, and reforming NEPA is also necessary, but if you also assign responsibility to litigants that file frivolous lawsuits, you would take care of every regulation that's being exploited in that manner.

Mr. FITZGERALD. Do you think there's anything that we're seeing and experiencing with the fires in California that would lead you to maybe scrutinize some of the statutes at the State level in other States that also experience forest fires, wildfires that California just experienced that makes sense, that there is a State to look toward maybe fine-tuning what's going on in California?

Mr. RING. Well, I can say that in California it would probably be helpful to take away the waivers that permit California to enact all kinds of laws that go well in excess of Federal regulations.

As far as an example of a State that's managing their wildlands more responsibly, I can't answer that with specific knowledge. I think that in the Southeastern United States a lot of forest management is done in a way that makes a lot more sense.

Mr. FITZGERALD. Very good. Thank you.

Mr. Greenhut, let me ask you. Many States require the State insurance commissioner to approve a rate increase before it takes effect. The fast rate approvals are a crucial component of healthy

State insurance markets. Many of us that served in State legislature worked in that area.

Is there something that you're seeing that stands out when it comes to California that's lacking in this area, or are some of the moves or changes that have been made as a result of trying to better position themselves and, unfortunately, failing when it comes to insurance rates?

Mr. GREENHUT. There are about 12 States with prior approval systems, and California's is the strictest. You pointed out in your opening that—well, for one thing, it made the insurance commissioner an elected position. There aren't a lot of insurance commissioners often are looking to higher office who want to be the person who approved a major rate hike, and the problem is this has been going on for years. We're not able to just adjust the rates in the process.

There are things that could be done within the Prop 103 process. We could speed up the rate approval process, and California is notoriously slow for that. It's supposed to be by the initiative, these rate reviews are supposed to take place within 60–180 days. The average is somewhere like 293 days.

Then, there's one example. We have these intervenors who are consumer attorneys. Consumer Watchdog is one of them, and their predecessor group wrote the initiative. They earn substantial fees, essentially, opposing any sort of rate increase and that just drags it out.

There's one example—

Mr. FITZGERALD. We'll have an opportunity to talk a little bit further on that issue.

Mr. GREENHUT. Sure.

Mr. FITZGERALD. I'm going to yield back.

I'm going to recognize the Ranking Member for five minutes.

Mr. NADLER. I thank the Chair.

I first must respond to Mr. Hilton's inflammatory comments on my statement. Rules that prevent people's roofs from burning, rules that get rid of inflammatory material around homes, rules that mean that the house next door is less of a fire threat to your own, these are rules that save lives. Blanket deregulation would heighten fire risk, not lower it.

We have heard claims from Republicans, including President Trump, that the water systems in California were strained because of overregulation. With the exception of one small reservoir that was down for scheduled maintenance, the reservoirs were full when the fires started.

According to some estimates, when the Palisades Fire started, there were three million gallons of water stored locally. The demand to fight the fires was four times greater than the system had ever encountered.

The widespread and simultaneous use of hydrants across the affected area did cause water pressure to drop. As experts have explained,

Hydrants are designed for fighting fires at one or two houses at a time, not hundreds.

As one expert in the field observed,

We have really no lack of water. What we have is an infrastructure that is not made to fight cataclysmic fires, biblical-sized fires.

Director Frievalt, for these large-scale urban fires like ones in Eaton and Palisades, would you say that these are once-in-a-career fires?

Mr. FRIEVALT. Thank you for the question.

Initially, when it started, maybe. We can look at—you have plenty of access to the history and records and severity of Wildland-Urban Interface Fire institutes—or incidents. They're certainly on the rise.

I would also mention that, to date, our largest acreage, life and property losses actually occurred a long time ago. First, at least it was recorded in this way, 1871 in Peshtigo, Wisconsin. That was burned somewhere between 1.5–2.4 million acres; between 1,200–2,500 people were killed. It jumped Green Bay. Sixteen towns were burned in that process.

Mr. NADLER. Thank you. I have one other question. After large fires like these, we should be doing everything we can to help people in need, not point fingers and trying to blame elected leaders.

You made a number of recommendations, but what would be most helpful to the people of California during this difficult time?

Mr. FRIEVALT. Well, right now, we need to focus on the recovery part, for sure. As we move forward—I'll go back to the three concurrent integrated actions that I mentioned in my opening statement—we have to prioritize selective management of fuel treatment immediately around wildland-urban interface communities, we need to retroactively harden the existing inventory of structures, and we need to require evidence-based mitigations be included in the pricing of risk.

Mr. NADLER. Thank you.

I now yield the balance of my time to the gentleman from California, Mr. Lieu, who can speak of the devastation and the need for disaster relief funds.

Mr. LIEU. Thank you, Ranking Member Nadler, for yielding your time. Thank you, Chair Fitzgerald, for letting me attend.

Mr. Hilton, are you a firefighter?

Mr. HILTON. I'm not a firefighter, but I—

Mr. LIEU. Mr. Ring, are you a firefighter? Mr. Ring?

It's just a yes-or-no question. Mr. Ring, are you a firefighter?

Mr. RING. No.

Mr. LIEU. All right. Mr. Greenhut, are you a firefighter?

Mr. GREENHUT. I'm not a firefighter.

Mr. HILTON. Are you a firefighter?

Mr. LIEU. The Northern part of my district was evacuated. I've talked to numerous firefighters. I've visited the intensive damage. I've had multiple briefings from the firefighters, first responders, and fire chiefs. This is what they told me: The reason these fires in Southern California spread so quickly, caused so much damage was because of Santa Ana winds that reached unprecedented gusts of a hundred miles per hour, gusts so high the helicopters and the airplanes could not fly; also because of very low relative humidity and the driest conditions in California history.

None of the firefighters said it was about overregulation, homeless people, the delta smelt fish, the timber harvests, or voter ID

laws. So, shame on anyone who is exploiting the pain and suffering of disaster victims to jam through partisan ideological policies.

We should get disaster aid to these disaster victims now, without conditions, just like we treat every other disaster victim across America. We just gave aid this past December to South Carolina, Florida, and Oklahoma. The Democrats say, "hey, we want you to do better on climate change policies in your State." No. We just gave that aid because these are Americans who are suffering. So, do not exploit them.

I yield back.

Mr. FITZGERALD. The gentleman yields back.

The Ranking Member has a unanimous consent request.

Mr. NADLER. Thank you, Mr. Chair.

Since the majority is having this hearing on California fires without the participation of Members who represent the Palisades and Eaton, I seek unanimous consent to enter statements from Representatives Chu and Sherman into the record.

Mr. FITZGERALD. Without objection.

Mr. FITZGERALD. We now recognize the gentleman from North Carolina, Mr. Harris.

Mr. HARRIS. Thank you, Mr. Chair.

We're all here trying to learn more about how to prevent these situations from developing in the future. I want to just, first, thank all of you for being on the panel today and sharing. I want to address a question to Mr. Steven Greenhut, if I may.

Recently, areas in my own home State of North Carolina that were devastated by Hurricane Helene are now dealing with wildfires ourselves. Unfortunately, in the last couple of weeks, the aftermath of the storm's destruction has been providing fuel for these fires.

I want to talk for a moment about the concept of utilizing controlled burns to mitigate wildfires. I know there are prescribed burn projects that happened in my district, and I think it's important that they continue. It is my understanding that implementing prescribed burns has become more difficult due to the regulations in California.

Mr. Greenhut, are there significant barriers that exist in California to exercising these prescribed burns, and, if so, what are they?

Mr. GREENHUT. Yes. The California Environmental Quality Act, which continues to come up, CEQA, it just imposes enormous hurdles and delays in doing any sort of projects. So, when we had these horrific wildfires up in Paradise, Butte County, after the fires, it took two years before the county was even able to let out contracts for brush clearance. There was a previous fire where it took 18 months, I believe, to get an CEQA approval to do some brush clearance, and the community was destroyed shortly thereafter. So, CEQA is a huge hurdle for everything.

One of the points about CEQA, we hear a lot that, oh, we need these regulations to protect the environment. The CEQA delays and lawsuit process doesn't help the environment.

I was just looking up, 49 percent of lawsuits, CEQA lawsuits, are public projects. Many of them are environmental projects, including parks, university housing, and renewable energy. Eighty percent of

them are infill projects, which are lot of people in California say we need more of those to deal with climate change. Yet, the lawsuits target those projects.

Sixty-Four percent of the lawsuits are from associations, such as unions, without having—which don't have a history of environmental activism. In other words, they use them to secure wage concessions.

So, is this helping the environment? If we're slowing prescribed burns and brush clearance, and we've done very little—we're supposed to do about, according to CAL FIRE, about a million acres of clearance a year on Federal and State land and have been doing around 125,000 acres a year, and the Governor said, "we need to do more of it." It's just we haven't seen more of it and so, yes.

Mr. HARRIS. Well, and that was going to be a followup question. I understand that Governor Newsom publicly committed to step up the rate of mechanical thinning and prescribed burns to clean up the excessive fuel in the forest.

Again, I'll just ask you, has Governor Newsom followed through on that commitment at this point?

Mr. GREENHUT. Well, I agree with what he's saying needs to be done. What I'm looking at is that we have all these bureaucratic hurdles. So, even if a Governor issues an Executive Order, everything still gets just gummed up in the works. That's what I want to address is some of these long-term regulatory issues, not the short-term partisan issues.

Mr. HARRIS. Well, let me ask you this. I want you to use the balance of the time.

If you were in charge of setting policy related to forest management and prescribed burns, what changes would you make?

Mr. GREENHUT. Well, I think the focus, since I'm not an expert in forest clearance, is dealing with CEQA.

Mr. HARRIS. Sure.

Mr. GREENHUT. That is an impediment to everything. Our State—whenever there's a project, our State needs some lawmaker wants to get through, such as the Kings Arena in Sacramento, what's the first thing they do? A CEQA exemption. State has offered CEQA exemptions on different high-density housing projects. I agree with that.

It's just that we need to do it in a far-reaching manner so that all sorts of projects are spared the delays and the added costs. Often developers don't even—and public agencies don't even propose projects because they know it's going to lead to lawsuits and years of litigation and higher costs.

Mr. HARRIS. Well, again, let me just say in closing, I want to thank all of you on the panel for what you're sharing. I don't think anybody is here to exploit anything today.

I think we're here because we want to get the takeaways that can help us prevent anything like this from happening again. Certainly, I feel that way for my own home State of North Carolina and others around the country.

So, thank you, gentlemen, for sharing.

Mr. FITZGERALD. The gentleman yields back.

I now recognize the gentleman from Maryland, the Ranking Member of the Full Committee, Mr. Raskin.

Mr. RASKIN. Mr. Chair, thank you very much.

I appreciate the remark of the gentleman from North Carolina that we should not be here to engage in political rhetoric and exploitation of these terrible events.

States, counties, and localities all over America are affected by weather calamities that are coming on with extraordinary velocity because of climate change.

I want to yield to the distinguished gentleman from California, Mr. Lieu, several minutes to pursue his line of questions.

Mr. LIEU. Thank you, Ranking Member Raskin.

So, the majority's witnesses, Mr. Hilton, Mr. Ring, and Mr. Greenhut, are not firefighters. Thank goodness we do have a firefighter on this panel today, Mr. Frievault, who not only was a firefighter, he was a Fire Chief. He, in his testimony, talks about that this is not a traditional wildfire. This is a wildland-urban conflagration.

I'm going to show you, in a little bit, a video of what was happening. I just want to explain, when you solve the wrong problem, not only do you not get the solution, but you can cause harm.

Donald Trump has it in his mind that somehow there's a spigot in Northern California that he's going to open a valve and dump water to Southern California. Here are the facts. Southern California's reservoirs are at near-record levels when this fire happened. Didn't matter. Because Donald Trump then ordered the Army Corps of Engineers to release over two billion gallons of water that almost flooded farmland if not for the local water districts that pushed back.

Guess what? This water was saved for the farmers for the summer season when they needed the water. So, the President wasted all this water that isn't even reaching Southern California, it's going to evaporate, for a PR stunt. This was a harmful, ludicrous action to solve for the wrong problem.

So, I want to show a video now of what was happening in the Eaton Fire that wiped out Altadena. Just watch this 15-second video.

[Video shown.]

Mr. LIEU. That is not a timber harvest problem, not a desalinization problem, not a homeless person problem, not a voter ID problem. That is burning embers being blown by unprecedented Santa Ana winds that reached up to 100 miles per hour. These burning embers that could be softball size would fly for miles and miles and miles and hit a structure and set that structure on fire, and then that structure became the fuel for the fire. That's what was happening. The structures became the fuel for the fire.

So, Mr. Frievault, can you talk about—first, confirm that this true, and then explain in your testimony about strengthening the structure, the fire-resistant materials.

Mr. FRIEVAULT. I concur with what you said initially. Repeat the last part of your question, please.

Mr. LIEU. In your testimony, you talk about how to harden some of these structures, fire resistant materials, which actually is something that might make sense, not for their other random policies that the majority witnesses are trying to jam through on ideological reasons.

Mr. FRIEVALT. I would point to two standing sets of work that we could start on yesterday. The first is the wildfire prepared home designation from the Insurance Institute for Business & Home Safety. That's a package of mitigations that has been proven to be effective on really two things. First, it is preventative embers getting into structures and then starting the structure itself on fire. It also helps with low duration, low intensity fire in and around the structure.

While those are necessary, they're insufficient when we get high concentrations of structure. We need to get enough of those parcel level mitigations done to protect structure-to-structure spread. If you just do one here, one there, you'll still lose that piece.

Second, comes out of the National Institute for Standards and Technology, Technical Note 2205, Hazard Mitigation Methodology, excellent set of recommendations.

Mr. LIEU. Thank you.

Let me just say this. It is particularly outrageous for witnesses to somehow blame Democrats. You know who signed CEQA? Ronald Reagan. That's who signed CEQA.

Governor Newsom prepositioned assets before this fire, but those helicopters and airplanes could not fly over the Eaton fire because of their 100 mile per hour winds. That was the truth. That is what happened. Go do your own research.

I yield back.

Mr. RASKIN. I'll yield back to the Chair.

Mr. FITZGERALD. The gentleman from Maryland yields back.

We now recognize the gentleman from Texas, Mr. Gooden.

Mr. GOODEN. I yield my time to Mr. McClintock.

Mr. FITZGERALD. The gentleman yields his time.

Mr. MCCLINTOCK. I thank the gentleman for yielding.

First, I want to assure Mr. Lieu that Messrs. Hilton, Ring, and Greenhut are three of the most insightful experts on California public policy that I've had the honor to work with during my 45 years of public service, and I can't imagine a more distinguished panel than we have before us right now.

Mr. Lieu might also be surprised to learn that before the modern era, California lost four and a half million acres a year on average to catastrophic fire. Then, in the 20th century, we established land management agencies to do a little of the gardening ourselves instead of leaving it to nature.

We auctioned off excess timber to logging companies that paid us to remove the excess. We leased public lands to cattle and sheep ranchers to suppress brush growth through grazing. We did controlled burns to remove undergrowth. We cut fire breaks to contain fires. We used herbicides to keep brush from residential areas. We put out fires before they could explode out of control. Our fire losses declined from four and a half million acres a year on average to just 250,000 acres a year throughout the 20th century.

We don't know do those practices anymore. Our fire losses are now back up to an average of a million and a half acres. In 2020, four and a half million acres.

Mr. Greenhut, what happened?

Mr. GREENHUT. Thanks, Congressman.

It just seems like an ideological shift. We've moved toward land preservation at all costs. I was just looking through, thinking of—

Mr. MCCLINTOCK. It doesn't preserve the land, does it? It's causing incineration of the land.

Mr. GREENHUT. Exactly. The idea is to preserve species. We pointed out before that some of its growth control too. Pointed out that a project was stopped for hardening the telephone poles over concerns about an endangered weed.

Mr. MCCLINTOCK. Mr. Ring, is this a policy issue or is this an act of God?

Mr. RING. Everything's an act of God, but policy has a lot to do with what actually happens.

California's forest, since the enforcement of environmental regulations became more aggressive, are now overgrown. I know you're very familiar with this. The average tree density—and this is verified by several studies from universities in California: Merced, Berkeley, Davis, and elsewhere. The tree density in the central Sierra is now about five times what's historically normal.

The ladder fuels which would—ordinarily, that's the scrub and underbrush, and young trees, which would normally burn in controlled burns or fires started by lightning strikes. When that doesn't happen anymore, you have trees that are allegedly dying because of climate change, but they're actually dying because you've got so many more trees competing with the same amount of light and nutrients.

Mr. MCCLINTOCK. Well, yes, you can actually tell the boundary between the private lands that are not subject to these laws and the public lands just by the condition of the forest on each side of that boundary line. How clever of the climate to know exactly where the boundary lines are and only decimate the Federal lands.

I can offer some good news and that is, in 2016, we got a categorical exclusion from NEPA for forest thinning projects in the Tahoe Basin Management Unit. That simple change has taken the environmental studies from four and a half years down to just a few months. It has taken the environmental reports from 800 pages down to a few dozen. It's increased the timber yield on the Tahoe Basin from one million board feet a year to nine million board feet a year. It's tripled the amount of treated acreage. That's what saved the town of South Lake Tahoe from the Caldor Fire.

Unfortunately, right across the boundary line was the town of Grizzly Flats that was not protected by this law. It was completely incinerated by the same fire. Now, we got those provisions finally this year, just a few weeks ago, into the Fix Our Forest Act. It passed the House with 141 Democrats opposing it.

Mr. Hilton, I'll give you the final word. What would you say to those Democrats?

Mr. HILTON. I think I'd first say to Mr. Lieu, we'd take his righteous indignation a little bit more seriously if he wasn't in nearly every single case the first to jump on one of the terrible tragedies that we see too often in our country of mass shooting, to immediately call for the kinds of reforms that would stop it happening.

Mr. LIEU. These fires have nothing to do with mass shootings.

Mr. HILTON. Exactly. That's what we're here to do, to stop people dying, to stop people losing their homes, and to stop the terrible

human and economic cost of these fires. That's what we are here arguing for, those changes that could be made and would stop the severity and impact of these kinds of fires.

Mr. FITZGERALD. The gentleman's time has expired.

We'll now go to the gentleman from California, Mr. Correa.

Mr. CORREA. Thank you, Mr. Chair.

I also want to thank and welcome our witnesses here today. It is a very important issue for California, as well as the rest of the country.

I'm a life-long Californian. I know the Santa Ana winds. They're hot, dry, strong, unpredictable, and unforgiving. Just heard Mr. Lieu talk about 100 mile an hour winds. This time, this area, it was the perfect storm.

Hurricane strength winds, along with prolonged droughts, in Southern California made just fighting these fires impossible, led to devastation, loss of property, and terribly loss of life. Natural disasters are plaguing every State; floods, hurricanes, and fires. Insurance companies are leaving many States, not just California.

Texas led the Nation when it came to natural disasters. From 2004–2024, there were \$179 billion-plus natural disasters in Texas; North Carolina had 82; Virginia had 80; Wisconsin had 49; Wyoming had 31; Florida had 61; and California had 31. These disasters occur in every State and their frequency is increasing. These disasters, these perfect storms I would say, occur more and more.

Last May in Texas, a storm with hurricane-force winds knocked out power to over a million homes and businesses. In Florida and North Carolina, Hurricane Helene caused historic flooding and tremendous damage.

Catastrophic wildfires have occurred across the Nation, including the Germann Road Fire in Wisconsin and the Great Smoky Mountains wildfire in Gatlinburg, Tennessee. Insurers are fleeing these States. In Florida and Louisiana, many insurers have either left or gone bankrupt.

In Texas, North Carolina, and many other States, you're seeing tremendous rate increases. In Texas, which experienced \$16 billion weather-related events in 2023, five major insurers have ended or limited their coverage. Florida, Louisiana, and North Carolina all have reported nonrenewal rates greater than that in California in 2023. Nationwide, nonrenewal rates have jumped up 30 percent from 2018–2022.

What we're trying to say is this is not a California crisis. This is a national crisis. We're California. Everybody likes to bash us. We are the center of the universe, that I'd say. We're the center of high tech, biotech, and we are the center of the entertainment industry.

By the way, we're the No. 5 economy in the world. I hope that doesn't bring us any tariffs. We're also home to 70 percent of the venture capital in the U.S., and, of course, home to 40 million people.

Let's be clear. Disaster aid should never be preconditioned on political agendas. All of us have voted for aid for other States when they needed it, and we do learn from every disaster in California.

Right now, California has dedicated billions of dollars, nearly doubling the amount we spent in 2019, to address the causes of for-

est fires. CAL FIRE and others have worked on over a million acres to reduce these activities that would lead to fires.

California, we're doing our job. It's just the situations that have been impossible.

We're all Americans, and I hope all of us remember that when it comes to disaster relief. When one American suffers, the rest of us need to show up and help. That's what we do best.

Mr. Chair, I'm out of time. I yield.

Mr. FITZGERALD. The gentleman yields back.

I now recognize the gentlewoman from Wyoming, Ms. Hageman.

Ms. HAGEMAN. Thank you, Mr. Chair.

Climate change and global warming are the scapegoats for the Democrats and radical environmentalists to deflect attention from their failed policies and the destruction caused by their own actions.

In 2001, under Bill Clinton, the Forest Service adopted the Roadless Rule, which was designed to deny access, management, and use to 58.5 million acres of national forest service lands. We warned at the time that this rule would cause catastrophic forest fires, reduce the amount of water available for communities for farming and other uses, and also result in catastrophic pine beetle outbreaks, which is, in fact, exactly what has occurred. Every single one of the things that we described would happen has, in fact, happened, and California has suffered maybe more than many of the States.

Recently, the gentleman who ran the Forest Service under Joe Biden actually admitted in a hearing that the Roadless Rule was one of the primary roadblocks to proper an effective forest range management. To say that the government is always trying to fix its last solution, I don't think you need to look any further than the Roadless Rule.

California has essentially the same water infrastructure in place today with 40 million people that it had in the 1960s with 16 million people. When we talk about putting conditions on the kind of relief that is going to be necessary to help to rebuild California, it must include additional water infrastructure and fire mitigation methods to avoid having these kinds of catastrophes happen ever again.

I have an article that I have just recently pulled up. It stated that Newsom vetoed a bill to enhance fire mitigation so he could grab the land for affordable housing. This was a bill that was introduced in 2020, SB182. It was authored by then State Senator Hannah-Beth Jackson, a Democrat from Santa Barbara, whose district had just suffered the Thomas Fire. This bill sought to increase local planning requirements and guidelines for permitting development in certain fire hazard severity zones.

What happened to that bill? It passed through both the Senate and the House. It was actually a very good bill. What happened? Mr. Newsom vetoed it. Why did he veto it? Because it did not comport with his idea of getting rid of single-family homes and pushing people into multifamily homes.

In his letter, veto letter, he actually stated, "Wildfire resilience must become a more consistent part of land use and development decisions." "However"—whenever a politician uses the word "how-

ever,” you know they’re going in the opposite direction, don’t you? “However, it must be done while meeting our housing needs.”

For him, he wanted the money and the attention and the policy to focus on multifamily homes, not in protecting and hardening the resources available for the existing homes.

So, call me a bit skeptical when I hear the folks on the other side jump up and down and scream and yell about the fact that they’ve been doing everything necessary to try to harden and try to address these catastrophes when the exact opposite is, in fact, true.

These catastrophes that we have seen over the last couple of months did not need to happen. This is not about climate change. This is not about global warming. This is about bad land use decisions, bad policies, and restrictions on being able to actually make the kinds of changes that must be made.

Mr. Ring, while you were being questioned earlier, you mentioned the need for ESA reform and penalties for frivolous lawsuits, but I don’t think that you had sufficient time to explain what you were referring to. Would you please explain what you were talking about?

Mr. RING. Well, Steve talked about this as well, and it applies to almost any kind of development or land use decision in California. There are laws, and it’s not just CEQA, it’s the California Air Quality Management. The CARB is an agency, and the Coastal Commission, which came up. There’s countless laws and regulations that provide grounds for lawsuits.

One of the things that might be a very meaningful reform to CEQA would be to take away standing to third-party attorneys that truly have used CEQA as a business model and restrict CEQA lawsuits to district attorneys and the State Attorney General.

By the way, when CEQA was signed by Governor Reagan in 1970, it was a two-page document that could be filed within weeks. Now, it’s an 800-page document that takes years.

Mr. FITZGERALD. Mr. Ring, the gentleman’s time has expired. Thank you.

Ms. HAGEMAN. Thank you for your testimony.

Mr. FITZGERALD. We’re now going to go to Mr. Correa for a UC.

Mr. CORREA. Mr. Chair, I would like to submit some documents for the record.

Mr. FITZGERALD. Yes, without objection.

Mr. CORREA. First, Progressive Insurance becomes the latest insurer to flee Texas, October 19, 2024.

Second, 15 States Facing Eminent Insurance Crisis, October 4, 2024.

Third, the insurance crisis that started in Florida and California is now spreading. Your State could be next, July 2, 2024.

Fourth, California isn’t the only place where insurers are dropping homeowners, January 18, 2025.

Fifth, letter from Congressman Costa to Secretary Hegseth, dated February 1, 2025, concerning unplanned water releases.

Sixth, a letter from the Members of the California delegation to the Chair Fitzgerald, and Ranking Member Nadler, dated February 5, 2025, supporting Californian’s insurance regulation.

Thank you.

Mr. FITZGERALD. Without objection.

Mr. FITZGERALD. The Chair now recognizes the gentlewoman from Vermont, Ms. Balint.

Ms. BALINT. Thank you, Mr. Chair.

The scale of this disaster is really almost impossible to comprehend. We've got 29 people who are dead. We've got 16,000 structures that were destroyed, so many Californians injured. While these devastating fires were raging on, Republicans' first reaction was to blame the wildfires on, quote, "DEI."

I'd like every witness to answer this simple question yes or no, starting with Mr. Greenhut. Do you believe that people in Los Angeles died because the fire chief is a lesbian? Yes or no?

Mr. GREENHUT. No.

Ms. BALINT. No. OK.

Mr. Ring, do you believe people in Los Angeles died because the fire chief is a lesbian?

Mr. RING. No.

Ms. BALINT. Great.

Mr.—I don't know because your name is now upside down.

Mr. Hilton, do you believe that people in Los Angeles died because the fire chief is a lesbian?

Mr. HILTON. No.

Ms. BALINT. Mr. Frievalt, do you believe that the people of Los Angeles died because the fire chief is a lesbian?

Mr. FRIEVALT. No.

Ms. BALINT. Great. So, glad we established that.

I want to remind everyone that while fires raged through Main Street and Palisades, Elon Musk said that DEI means people die, in reference to the Los Angeles Fire Department's response. My House colleagues seem to agree.

This here is a tweet from Representative Marjorie Taylor Greene posted on her official social media. It says, "How is your DEI mayor of Los Angeles working out for you?"

It's become crystal clear that the phrase "DEI" is used in place of much more offensive terms to talk about people of color, to talk about women, or queer people in this country. It's sickening and they are literally saying this while people are dying.

So, obviously, this has nothing to do with the families who lost everything. It does not do anything for the communities that were destroyed. It's an absolutely wrong way to deal with, when you have a natural disaster. I know because the last two summers in Vermont we've had catastrophic flooding.

What people need at this moment is leadership. Americans need us to get the resources that they need out to them immediately. America does not need a President that is hell-bent on dismantling our Federal emergency management system or conditioning aid to California to profit off a community's devastation.

All this talk of DEI is a complete and utter distraction from the fact that we need a plan, an actual plan to help the people of California who lost everything.

At this point, I'm going to yield back the balance of my time to the gentlelady from California, Ms. Kamlager-Dove.

Ms. KAMLAGER-DOVE. Thank you, Congresswoman, for yielding me your time. Thank you, Mr. Chair, for allowing me to be here.

I love California, and I don't like people shading my State, but sometimes funding disparities and a national election out of the fifth largest economy in the world, California, can roil a person's feelings about our State as a whole. These frail emotions should not debilitate a leader's execution of their job serving all the American people.

California fires and the consequence of overregulations is a gross title misnomer.

Mr. FRIEVALT, I have a few yes or no questions for you. Would you agree that the Eaton Fire happened in Altadena, an unincorporated portion of Los Angeles County? Yes or no?

Mr. FRIEVALT. Yes.

Ms. KAMLAGER-DOVE. OK. Is it safe to say that L.A. County has more relaxed zoning ordinances and building regulations than the city of Los Angeles?

Mr. FRIEVALT. I do not have enough knowledge to give you a yes or no answer.

Ms. KAMLAGER-DOVE. The answer is yes.

Would you agree that permissive building codes—the notion of permissive building codes are antithetical to overregulation?

Mr. FRIEVALT. The details in that question are too foreign for me to answer yes or no.

Ms. KAMLAGER-DOVE. It's a very simple question.

Permissive building codes do not equal overregulation.

Mr. FRIEVALT. I can't answer the question.

Ms. KAMLAGER-DOVE. All right. I'm going to answer that for you. Yes. Because at the end of the day, I would say, and I don't know if you would agree, that the entire framing of this hearing is actually based on a false premise. Yes or no?

Mr. FRIEVALT. I believe we're approaching the discussion from a legacy standpoint. We're looking backward in the discussions and the questions when we need to be looking forward.

Ms. KAMLAGER-DOVE. We do. Instead of blaming California for overregulation, we should be talking about ways to help the thousands of people who lost their lives in these fires, including some of my own family members.

With that, I yield back.

Mr. FITZGERALD. The gentlelady's time has expired and yields back.

I now recognize the Chair of the Committee, Mr. Jordan.

Chair JORDAN. Thank you, Mr. Chair.

Mr. Hilton, you said in your testimony the speed, scale, and destructiveness of the fires was the direct result of Democrat policies. I want to know why.

I assume those policies are why they stopped logging in California, why they stopped clearing controlled burns, and other things that's been mentioned by all the experts and some of our colleagues. Why would they stop those things if they were working?

Mr. HILTON. The answer is that, as we discussed earlier, there's an ideology in play, which is extreme, and it avoids the kind of commonsense action that had been taken for years, and that is what is at the heart of the fuel load. That is the key concept here.

Of course, it's true that there are winds, but it's not true to say that these Santa Ana winds were unprecedented. They were their

highest in 14 years, but not unprecedented. When we hear about Los Angeles, of course, I agree about the points that were made in relation to the fire chief, but there is an important—if we could use a different—take one letter from the acronym DEI and just take the “I” and start a different word with it, “incompetence.”

Because you did see a total lack of coordination between the city firefighting force, the county, and other leadership. You saw a massive delay in getting equipment to that forest fire, which could have made a big difference in containing it. Forty-four minutes before anyone was there. You had the warnings of this disaster on January 2nd of severe winds; on January 3rd, life threatening winds; on January 4th, the mayor leaves the country. You saw a totally unprecedented set of incompetent responses in preparation.

The policy failures we’ve outlined them. The brush clearance was stopped, and so the fuel load was higher, and that meant it spread. This conflagration spread so much quicker than it needs to have been.

A point that Mr. Nadler made about the reservoir. We need to address this. He talked about a small reservoir. No, it was 117 million gallons. It was built in the 1960s precisely for the purpose of dealing with wildfires. That’s why it was built.

It was offline for one year. Why was it offline for a year? Because it was action to comply with Federal regulation about the covers, a small tear in the cover, and they emptied the reservoir for a year.

These are serious points. I hear all the time we mustn’t politicize, mustn’t make it political. I agree with that. It is about policy. It is about policy choices that were made that led to the scale and severity and impact of that.

On insurance as well. I heard this talk about Florida. No, it’s a different reason you had a crisis in Florida with insurance. It’s about scam and frivolous lawsuits which have been addressed by the Governor.

In California, one of the reasons that insurance costs are so high is because it costs four or five times as much to build the exact same floor plan for a building in California as it does in neighboring States. Why? Because of the building codes, because of the CEQA legislation.

Exactly as my colleague was saying, we need to end the private right of action under CEQA. That would make a huge difference. You can help with that. We are all here to stop this kind of thing happening again, and there are practical commonsense things we can do, which all of us have laid out.

Chair JORDAN. I’m going to yield my time to the gentleman from California, the remainder of my time.

Mr. KILEY. Thank you very much.

In response to the gentlewoman from Vermont, I think the issue here is, for example, there was one firefighter turned whistleblower who said that L.A. will only purchase from vendors that support DEI, resulting in the fire department having to go with a vendor that will have to pay twice as much or the shipment may take twice as long because of that requirement.

So, I think the point is that a public safety organization should be singularly focused on public safety, and this is not the place for ideology or social engineering.

Mr. Hilton, one of the things that was appalling to many of us in the middle of the fires was that our Governor Gavin Newsom, set up a political website that was devoted to promoting himself and defending his record and trying to deflect blame and a rapid response organization designed to attack people and call any criticism of his record misinformation.

I do think it's important to set the record straight. This is a story from *Capital Public Radio* from a few years ago. Now, is *Cap Radio*, is that the local *FOX News* affiliate or something?

Mr. HILTON. I don't think it is.

Mr. KILEY. Yes. It's the *NPR* affiliate, right?

Mr. HILTON. It's *NPR*.

Mr. KILEY. Not known to be a right-leaning conservative outlet.

Here's the headline: "Newsom misled the public about wildfire prevention efforts ahead of the worst fire season on record." An investigation from *Cap Radio* and *NPR*'s California newsroom found the Governor has misrepresented his accomplishments and even disinvested in wildfire prevention. The investigation found Newsom overstated by an astounding 690 percent the number of acres treated with fuel breaks and prescribed burns in the very forestry projects he said, "needed to be prioritized to protect the State's most vulnerable communities."

If it's true that fuel management and fuel reduction projects are so unimportant, as we're hearing from the other side today, then why did the Governor feel the need to lie about it?

I yield back.

Mr. FITZGERALD. The gentleman yields back.

I now recognize the gentleman from Illinois, Mr. Garcia.

Mr. GARCIA. Thank you, Mr. Chair, and to all the witnesses here today.

Now, in my opinion, the topic of this hearing is missing the point. What we should be focusing on is (1) how to help now, and (2) how to address the root causes of drought and intensifying fires to prevent this from happening again. Instead, we've seen officials in the Trump Administration are talking about DEI instead of how we're going to help people. My colleague, Representative Balint, has already made that point. We're talking about how to cut disaster aid instead of letting FEMA do its job, which is literally to help people after disasters.

I'd like to hear from Mr. Frievalt, our witness who's a retired fire chief. Please, a yes or no answer. The question won't be that difficult.

Yes or no, is DEI making firefighters less effective?

Mr. FRIEVALT. No.

Mr. GARCIA. Thank you. That's all right.

Contrary to Elon Musk's claims that the L.A. firefighters did not prioritize DEI over saving lives. That is a lie, and it is a slap in the face to dedicated professionals and volunteers across the country who undergo rigorous training and risk their lives to save others.

It was offensive when President Trump used DEI to blame air traffic controllers, and it's offensive here too. Despite Trump's lies about FEMA, the Agency continues to help disaster-impacted communities during times of great need.

So, again, I'd like to ask a question to Mr. Frievalt. Mr. Frievalt, yes or no, is climate change worsening disasters?

Mr. FRIEVALT. From the fire perspective, the one element of climate change I can speak to is vapor pressure deficit.

Mr. GARCIA. Is that a yes in that respect?

Mr. FRIEVALT. That part is making it more severe, yes.

Mr. GARCIA. Thank you, sir.

As climate change worsens, disasters across the country, and as FEMA disaster declarations rise, districts across the country, represented Members across the political spectrum are at risk. In fact, in two Illinois counties from my district that it runs through, Cook County and DuPage County, we've had no fewer than five disasters declared since 2019. Two of those disasters, both flooding-related, hit my district real hard, and many of my constituents were able to receive FEMA's assistance for repairs and losses.

Without further ado, Mr. Chair, I would like to yield my time to my friend from California, Mr. Swalwell.

Mr. SWALWELL. Thank you, Mr. Garcia.

I've toured the Altadena area. I visited the Palisades. I've had disasters in my own district, fire and flood. Every person in those disasters and experiences told me the same thing. They just want the government to help them. They just want the government to help them.

That's what a woman told me when she stood on a pile of ashes in the Palisades and brought gloves and a large garbage bag and searched for any memento for her child, and walked away with a tin bowl that her daughter uses in her make-believe kitchen. She's not worried about the red team or the blue team. She's not worried about did DEI cause this or not. She just wants the government to help them.

My colleagues, including Mr. Issa, we walked Altadena last week together. We heard the fire chief say these were 80 mile per hour winds. He said it would have taken every fire engine in California to stop the devastation that occurred in California.

I just ask my colleagues. Let's work together on this. Let's be in the solutions business. Don't use DEI as an alibi. Because when the President blames DEI on an air disaster and blames DEI on a fire disaster, what that tells me is DEI to you stands for "didn't even investigate." That's what it means to fire victims in California as well. We're in the solutions business here.

Chief Frievalt, I'd like for you to just tell us, as we move forward, as we look at code and zoning, what can we do to better protect against unseasonable winds in this new era that we're in?

Mr. FRIEVALT. I return back to my opening statements on the three concurrent integrated actions. I don't believe you were here, but essentially prioritize selective management of combustible fuels immediately adjacent to wildland-urban interface communities, retroactively harden existing structures in rural communities through evidence-based mitigations with defensible space, and require evidence-based mitigations to be included in part of the actuarial pricing of the insurance rate setting.

Mr. SWALWELL. Thank you.

Thank you, Mr. Garcia.

I yield back.

Mr. FITZGERALD. The gentleman yields back.

I now go to the Congressman from California, Mr. Issa.

Mr. ISSA. Thank you, Mr. Chair.

Hello, Mr. Hilton. I'm going to direct my questions toward you, but I'm going to first thank my friend and colleague, Mr. Swalwell. Because we were there together. We did stand together. We heard the same chiefs say the same thing.

The problem is he mentioned something that absolutely is true. Those people, the firefighters and the residents of Altadena, could not have stopped that fire. It was not going to happen with 80 mile an hour sustained winds. Whether there was unlimited water or not, it would have gone sideways. It wouldn't have gone down if they dropped it. We heard that together.

We also heard a question from one of our mayors who asked, looking up at the hill where we were told the fire began—and they actually had camera footage of it beginning—could you have stopped it? No. Exactly as Mr. Swalwell said. Then he asked, “well, but if it had been cleared, would this have happened?” He said, “absolutely not.”

So, we have two truisms. One is no amount of water, no amount of fire equipment in the State in any way, shape, or form could have stopped the sustained 80 mile an hour wind with an unlimited amount of fuel that had built up over 30 years, never having been cleared under California law.

Followup questions, Mr. Hilton. The mayor, mayor of Vista asked the question, “Why wasn't it cleared?” He said, “we can't get the authority.” He said, “on the other side of the mountain on more Federal land, some of it has been, but we have not been able to get a controlled burn on that in 30 years.”

I'm going to ask you just one more followup. I'll give you one more followup question and then I'll explain it to you. Amazingly, we asked, “is this fire—could it happen again?” He said, “oh, after what happened there, it couldn't happen again for a decade because it's been cleared.”

Mr. HILTON. Yes.

Mr. ISSA. Mr. Hilton, is that what you're trying to achieve? Is that what you're bringing to us, is the commonsense question of why didn't we clear it, and when are we going to clear similar hill-sides so that people not suffer again?

Mr. HILTON. Exactly. It is the best or most simple, common sense preventative measure we can take. Here it is. This is the California Air Resources Board, 2000, their new smoke management guidelines which prevented the clearance. Those hills haven't been cleared for 25 years. How's the smoke now? It's just so counter-productive. I'm not saying it's ill-intentioned, but the consequences have been deadly and devastating.

As I mentioned earlier, the Santa Monica Mountain Conservancy, stopping people, saying you're going to be fined if you take responsible action to clear the brush. As I said earlier, it's our firefighters who end up having to clear the brush after the event. That's what they're doing when they say we're containing the fire. They're using bulldozers and axes to stop the perimeter from spreading. Why don't we do it before? Then we can prevent this loss of life.

I agree with Mr. Swalwell. We need solutions. I totally agree. That's why my organization, Golden Together published a document, "Rescue, Reform, Rebuild," with specific recommendations for how we can stop it happening again.

Even on the question of firefighting, we can learn from other countries who do this better using technology to spot fires much early, so they can be extinguished earlier, so they don't spread and turn into these kinds of—

Mr. ISSA. If I can call on my colleague, Mr. Swalwell, again. Last month, I introduced H.R. 71, and, oddly enough, what you see behind me is the amount of pages of green tape wrapped bureaucracy we would eliminate if H.R. 731 passes. Yes, that's five feet of single-line printing that we would eliminate. That's what we're trying to do, and I would hope that my colleague would look at the bill, join me in cutting through some of that red tape.

I want to leave with one thing. We have a lot to do together. Hopefully this hearing is going to cause people to realize that we can't blame just the water reservoir. We can't blame not enough firemen. We certainly can't blame the homeowners. We have to blame the fact that we created an event that was going to happen sooner or later. It happened to happen there.

Mr. Hilton, what you brought to us today, and all of you, is the reality that this will happen again the next time there's a spark and a sustained wind in California and fuel that has not been taken away for more than 30 years.

So, I'm hoping that we learn from this. I'm hoping that my colleagues and I can work together on the points that we can agree on. I want to thank the witnesses for bringing up the fact that this was preventable. The problem was your government.

Thank you. I yield back.

Mr. FITZGERALD. The gentleman yields back.

I now recognize the gentlewoman from California, Ms. Lofgren.

Ms. LOFGREN. Thank you, Mr. Chair.

I was also able to visit the scene of the fire last week with my colleague Mr. Issa and Swalwell. It was just tragic. The devastation is hard to comprehend, and the people, thousands and thousands of people who lost everything, it's really tragic.

We need to work together to make sure that we do our very best to prevent something like that from ever happening again.

I do think it's important that we have the facts in front of us. For example, under the State's leadership, the number of CAL FIRE personnel nearly doubled from 2019 to the present. The State has now invested \$2 billion in managing and reducing fuel load in forests. In fact, the prescribed fire activity has more than doubled from 2021–2023.

I'd like to ask unanimous consent to put a fact sheet into the record, Mr. Chair.

Mr. FITZGERALD. Without objection.

Ms. LOFGREN. I understand that the R Street has connections to ensure—there have been representatives from insurance companies, nothing illegal or wrong about that, but what's being proposed is really in the insurance area something that is, I don't think, workable.

Florida tried it and it didn't work. The premiums are two and a half times as high in Florida as they are in California, but there is a problem with insurance in California and across the United States that we don't have an answer to.

I would ask unanimous consent to put that information in the record, Mr. Chair.

Mr. FITZGERALD. Without objection.

Ms. LOFGREN. I would just like to note, looking at the mountains in back of the fire in Altadena you talk about forest, that wasn't a forest. It was chaparral. It was scrub.

One of the things that happens in California is we go from the rivers to the drought. In 2023, Los Angeles County got 200 percent of average rainfall. It just soaked the place, and the vegetation took off. The next year, 2024, was the second driest year in history in L.A. County. So, all that vegetation that got spurred by the rain dried to a tinder. It was a tinder box.

One of the things that the fire chief told us when we visited last week is they want to do prescribed burns when it's wet. It's just about to rain, because they don't want—in New Mexico, they had a conflagration because a prescribed burn took off. It hasn't done that kind of rain in L.A., except for this week, from last April. There was no rain at all. They couldn't do a prescribed burn on those hillsides. They're too steep to put bulldozers in. That's impossible.

So, I'm just wondering, Mr. Frievalt, as a fire chief, what do you do in a situation like that?

I grew up with the mission that only you can prevent forest fires, right. Smokey the Bear told us that. We didn't realize when we did that we were building up this fuel load that needed to—it's a tinder box. It needs to be removed. It's going to take a while to sort through the accumulation of that fire.

What do you do in a situation like Altadena where you have that chaparral, it's dry as a tinder, and it's not wet? You can't burn it. What do you do, Mr. Frievalt?

Mr. FRIEVALT. This is why I keep coming back to needing to rethink the problem. This is not a wildfire problem. When we have embers that will travel miles, fire breaks won't accomplish what you're looking for. We will have fires and ignitions and the conditions we have now long before any of the policy discussions we're going to have—the current ones we're having are going to have an effect.

We must, as fast as possible, deal with the ignitability of the structures in these fire-dependent landscapes. If this is really about dropping losses of property and life in those settings, if that's what we're setting out to do, with laser focus we have to mitigate those structures and do it at a density that will keep the structures from becoming a fuel tide.

You've heard it from everybody. Those conditions, you cannot stop the fire spread. Those conditions are going to get worse. They're not going to plateau. This discussion about fire breaks and the idea of treating millions of acres, we need to get there.

To your point, it's called prescribed fires for a reason. There's a prescription, which means there are parameters that you do them in. If you don't do them in the right way, you do have things like

the Peshtigo Fire or the Hermits Peak Fire. So, you absolutely need to harden structures first.

Mr. FITZGERALD. The gentlewoman's time has expired.

I now recognize the gentleman from Washington, Mr. Baumgartner.

Mr. BAUMGARTNER. Well, thank you, Mr. Chair, and to the Members of the Committee and to our distinguished panelists here.

I was able to visit the fires last week. Saw that immense destruction. I also have some personal background here. My father was 40 years a professor of forestry. My uncle was a smoke jumper. My other uncle laid out more timber sales than anyone in Oregon history. I worked two summers on fire science research teams, and, frankly, we have way too much fuel load in our Western forest given 100 years of fire suppression.

I'd like to get the solutions, so I'm going to show a short video from some folks in Northeast Washington that can go in and do the kind of forest management that we need to reduce these fuel loads. This is from Vaagen Timber. What they do is they can take very small diameter trees and still get some value out of them and clean out the forest.

This is what the solution would look like. If we could play the video.

[Video shown.]

Mr. BAUMGARTNER. Thank you.

This is the solution that we need to implement in many of our forests in the Western U.S.

My question, perhaps to Mr. Ring here, would be, what would it take for California to be able to implement these commonsense forest policies to rebalance our forest for a healthy forest?

Mr. RING. Well, we'd have to bring back the timber industry. We'd have to have a way to bring back, for example, 130 mills. We're in California. You need to be within 60 miles of a forest to have an economical mill, and we're down to 30 mills. That's an example of something where there needs to be some revolving loan funds, for example, to help the timber industry get back up to speed.

We need to allow logging into national forests, which is very hard. Fifty-seven percent of California's forests' marketable timber is in national forest.

We also have to recognize that private companies thin the forests far more efficiently. I talked with firefighters as well, Congressman Lieu, and the firefighters that I talked with said that CAL FIRE typically has so many people on the job and does forest clearing with so many rules and command and control and so forth that they are at about—well, he gave me an example, one of the firefighters. There was 28 people doing half the work that a three-man crew on an adjacent property was able to do from a private company.

Mr. FITZGERALD. Thank you, Mr. Ring.

I'm going to ask unanimous consent to enter into the record the statement from NAMIC. Without objection.

We now go to the gentleman from Georgia, Mr. Johnson, for five minutes.

Mr. JOHNSON. Thank you, Mr. Chair.

It's good to be with you all today. Thank you for your testimony.

On January 24th, President Trump announced that he wanted to dismantle FEMA, saying, quote, "I think we're going to recommend that FEMA go away."

Now, what FEMA does is help people before, during, and after disasters, and they've got a track record of effectiveness.

Now, Mr. Hilton, yes or no, do you agree with President Trump that we should get rid of FEMA?

Mr. HILTON. I don't think that question is relevant to this hearing, frankly. We're talking about the role of overregulation leading to the wildfires.

Mr. JOHNSON. No, no, no, no, no. Listen, I'm the one—hold on, sir. Hold on, sir. I'm the one that asks the questions.

Mr. HILTON. Sir, I'm responding by saying I don't think it's relevant to the hearing.

Mr. JOHNSON. Well, if you don't want to answer the question, that's something different, and I understand why you would not.

Mr. HILTON. I just think we should focus our time on something—

Mr. JOHNSON. You're probably afraid to answer the question.

Let me ask you, Mr. Ring. Do you agree that FEMA should be eliminated?

Mr. RING. Reform, not eliminate, no.

Mr. JOHNSON. What about you, Mr. Greenhut?

Mr. GREENHUT. I don't have any opinion on FEMA. That's not why I'm here.

Mr. JOHNSON. OK. Well, I can understand why you wouldn't want to opine on it either. You're probably afraid also.

Mr. GREENHUT. I'm not afraid. I just don't like to take opinions on things that I haven't studied.

Mr. JOHNSON. You're not afraid of crossing Donald Trump?

Mr. GREENHUT. I'm not here on a partisan basis. I'm not even a Republican.

Mr. JOHNSON. Well, you still don't want to cross swords with Donald Trump. I understand. A lot of our witnesses feel the same way that you do and for good reason.

Now, let me ask you this question, Mr. Frievalt. Last week, in his esteemed wisdom, President Trump ordered the release of billions of gallons of water from two dams in the California Central Valley in a different basin than Los Angeles sits. His reason was to enable Los Angeles to have more water to put out the fires.

Now, neither of those dams would supply water to Los Angeles. Isn't that correct?

Mr. FRIEVALT. That is my understanding.

Mr. JOHNSON. There's no way to move water from one basin to the next, correct?

Mr. FRIEVALT. That is my understanding.

Mr. JOHNSON. Instead of releasing water that goes to fight the fires in Los Angeles from San Francisco, those billions of gallons of water that President Trump ordered the Corps of Engineers to release just went to waste, correct?

Mr. FRIEVALT. I do not know the final outcome of the water or the water system at that level.

Mr. JOHNSON. Well, it went on into the ocean. The plan had been for that water to enable farmers in the Central Valley to be able to water their crops during the upcoming season of growth. Isn't that right?

Mr. FRIEVALT. I'm sorry. Restate the last part of the question.

Mr. JOHNSON. In other words, the water that President Trump wasted, putting it in the Pacific Ocean, was meant for farmers in the Central Valley to use in this current growing season to water their crops, correct?

Mr. HILTON. Would you like me to help you with this question, sir?

Mr. JOHNSON. No.

Mr. HILTON. Because I can give you the answers you're looking for.

Mr. JOHNSON. I'm not interested in talking—

Mr. HILTON. You're not interested in actual answers?

Mr. JOHNSON. Since you are afraid to answer my questions.

Mr. HILTON. I'm just about to answer your question if you'll let me.

Mr. JOHNSON. I'm the one asking the questions. You're the one that should be answering them, but you've already refused to do so.

Mr. HILTON. I'm trying to, but you're not letting me.

Mr. JOHNSON. I'm not asking you about this one, though. Mr. Frievalt I'm talking to.

Mr. Frievalt?

Mr. HILTON. He said he's not focused on it. I can help you with it, if you'll only ask me.

Mr. FRIEVALT. Let me answer, sir.

Mr. JOHNSON. Sir, if you would just be quiet, that would be helpful.

Mr. Frievalt?

Mr. FRIEVALT. I do not understand the operational benefit to the L.A. fires and the release of the water.

Mr. JOHNSON. Yes. It was a ridiculous decision, reckless, and unhelpful.

Mr. Frievalt, you have 40 years of experience in the fire service. The other witnesses said that, "California's air quality regulations stopped the controlled burns that would have prevented the fires." Given Southern California's chaparral-dominated ecosystems, those kinds of controlled burns would have actually put them at greater risk of uncontrolled fires. Isn't that correct?

Mr. FITZGERALD. The gentleman's time has expired.

Mr. JOHNSON. The Chair is not going to afford me the same leeway that it has afforded other Members of the panel to go over their time?

Mr. FITZGERALD. The witness can answer the question.

Mr. JOHNSON. Thank you, sir.

Mr. FRIEVALT. I believe the question was did the air quality management rules impede the ability to do prescribed fires. Is that the question?

Mr. JOHNSON. Yes, would those controlled burns have actually put the community at greater risk of uncontrolled fires?

Mr. FRIEVALT. Prescribed fires conducted outside of prescription can cause greater risk. Prescribed fires done within prescription can be a tremendous benefit.

Mr. FITZGERALD. All right. The gentleman's time has expired.

I recognize the gentleman from Virginia, Mr. Cline.

Mr. CLINE. Thank you.

I want to ask Mr. Greenhut. California's home insurance market is being held hostage by insurance commissioners and a judicial system that punishes insurers for attempting to price insurance based on risk. For example, in 2014, State Farm requested a rate increase of 6.9 percent, which was opposed by the insurance commissioner and an advocacy group. Initially, State Farm was told that instead of a rate increase, they were to retrospectively reduce rates by seven percent and rebate their customers \$100 million in excess premiums.

After years of litigation, the courts ruled that State Farm didn't have to pay back the excessive premiums, but they were ordered to pay 2.2 million to the consumer group for their legal fees. My understanding is this is allowing outside intervenors, as it were, to challenge proposed insurance rate increases and being paid expenses for doing so.

Is it reasonable to expect insurance companies to operate in an environment that required them to pay off their challengers even when they win in court?

Mr. GREENHUT. Well, imagine this started in 2016, and it was resolved, what, a year or two ago. The whole system—and it was designed by the consumer organization, and they get paid intervenor fees for, supposedly, standing up for consumers. That whole process took several years.

Imagine going, if you have a business, and you propose a rate increase, and then the government says, no, you have to decrease rates by X amount. Then you get launched into this long court battle. Even after you win the court battle, which State Farm did—and it was a pretty strong verdict in their favor—they still had to pay these intervenors around a couple million dollars.

Now, under Prop 103, there are things that the State could do without going back to the initiative process to look more closely at how these intervenors are paid and make sure that they contribute substantially to the process. A lot of this is language in Prop 103. We need to enforce that language as it exists.

There are things that could be done about that intervenor process without going back to the ballot.

Mr. CLINE. It sounds like, once again, California way of thinking. To that end, let me yield the remainder of my time to my colleague from California, Mr. Kiley.

Mr. KILEY. Thank you very much.

One of the problems with making climate change the sole focus of these discussions is that it leads to a sense of fatalism, like there's nothing we can do, or it leads to measures that are absurdly misaligned to the nature of the problem.

So, for example, in 2020, in the midst of the worst fire season of California history, just unimaginable suffering, the Governor, Gavin Newsom, came up with a grand solution, which was to ban gas-powered cars. This is actually what he did. His reasoning was,

the cars cause emissions, which cause climate change, which cause the fires; therefore, we just need to ban the cars. In fact, followed up with a ban on trucks, on trains, even on lawnmowers and leaf blowers.

So, Mr. Ring, in your opinion, what is the most effective strategy when it comes to fire prevention? Is it banning cars and leaf blowers or is it reducing fuel through things like prescribed burns and strategic tree removal?

Mr. RING. Well, the answer to me is obvious. You're not going to have any sort of short-term impact certainly or even long-term impact if the rest of the world doesn't do the same thing with respect to whatever the theories may hold with respect to greenhouse gas and climate change.

What you can do is bring back logging, bring back grazing, and also mechanical thinning, which would be effective in the chaparral and out on the steep hillsides. You can do mechanical thinning, and you can do grazing. There's equipment that can do that nowadays. Of course, grazing, they've been able to do that for millennia.

Bringing back logging, thinning, grazing, and prescribed burns is the solution. A lot of that can be done commercially, which would actually generate tax revenue and good jobs instead of costing hundreds of billions of dollars.

Mr. KILEY. By the way, which is more effective at reducing or limiting emissions, those sorts of fire prevention measures or banning certain consumer goods?

Mr. RING. Well, I banning consumer goods has almost no impact on emissions compared to being able to properly manage our forests and wildlands.

Mr. KILEY. In fact, wasn't there a study showing—and, Mr. Greenhut, I think you can speak to this—that in the 2020 fires, the emissions that were let out there was twice as much as any savings California had for, what was it, the previous 16—

Mr. GREENHUT. Sixteen years. We're undermining any gains we're making in every wildfire.

Mr. KILEY. That's right.

I'll just close by pointing to an example that was brought up earlier. My district was hit by one of the most devastating fires in State history where hundreds of people lost their homes in Grizzly Flats. That fire might not have happened or been as severe as it had been if it had not for delays through CEQA and NEPA with a forest management project that had dragged on for years and years and years.

On the other hand, the fire was limited from going into South Tahoe because of the categorical exclusion that Mr. McClintock spoke of in the Christmas Valley. You had the fire that might not have started if we had done our job properly. Because we had this narrow form of relief, at least we were able to stop it from spreading even further.

I think that that is the recipe for how we can reform these policies and restore some common sense going forward.

I yield back.

Mr. FITZGERALD. The gentleman yields back.

That concludes today's hearing. We thank our witnesses for appearing before the Committee today.

Without objection, all members will have five legislative days to submit additional written questions for the witnesses or additional materials for the record.

Without objection, the hearing is adjourned.

[Whereupon, at 12:09 p.m., the Subcommittee was adjourned.]

All materials submitted for the record by Members of the Subcommittee on the Administrative State, Regulatory Reform, and Antitrust can be found at: <https://docs.house.gov/Committee/Calendar/ByEvent.aspx?EventID=117864>.

