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California State Senate

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SENATOR JIM NIELSEN

FOURTH SENATE DISTRICT

REPUBLICAN CAUCUS WHIP



February 1, 2013

The Honorable Edmund G. Brown, Jr. Governor of California State Capitol Sacramento, CA 95814

Dear Governor Brown:

Recent news reports about the budgeting practices of state departments are undeniably disturbing, from the hidden slush funds at the State Parks to the blatant diverting of CAL FIRE settlement monies collected from businesses.

It has come to our attention that the State Attorney General authorized the transfer of \$3.6 million in CAL FIRE's settlement monies to an outside organization since 2005. This subterfuge money has been spent on a wide array of questionable expenditures that has nothing to do with reimbursing the state for firefighting costs, including \$33,000 at a luxury resort in Pismo Beach and the purchase of 600 digital cameras.

While millions of taxpayers' dollars have been hidden in this secret fund, cash-strapped local fire safe councils are scrambling to find money to provide preventive services such as fuel reduction and forest thinning. In the Northstate, the Shasta County Fire Safe Council, for example, is looking at selling firewood just to remain solvent in order to meet local service needs.

According to the budget you submitted to the Legislature, CAL FIRE will not be using the State Responsibility Area (SRA) fire tax revenue solely on fire prevention as was its stated statutory purpose; but on administration and other bureaucratic costs which will not provide the promised prevention benefit to SRA taxpayers.

In the 2013-14 budget, CAL FIRE asked for permission to use part of the approximately \$90 million collected from the SRA tax to pay for 10 permanent staff positions to support the Civil Cost-Recovery Program, the very program from which the hidden funds derived. This will take away \$1.7 million from fire prevention purposes. While we still believe this tax is illegal, at a minimum the money should be used for its stated purpose – preventing wildfires.

It is clear that the state has not been judicious in its use of taxpayer dollars. The state must stop these outrageous duplicitous tactics. To ensure the public's trust, it is imperative that you make a request of the United States Attorney for the Eastern District of California to have this investigation referred to his office.

Public perception as well as the public's trust in the ability of CAL FIRE (as with most state agencies) to provide basic public safety and fire prevention has already been severely tarnished. Reports of hidden slush funds have led us to this conclusion: that we must restore the public's trust by repealing the tax, returning the monies that have already been collected and conducting an audit of the way in which CAL FIRE utilizes the taxpayers' money.

Such situations are not unique. They are historic, pervasive and endemic in many state agencies. It is time for concerted action to weed this abuse and possibly illegal activity from the fields of California government.

Respectfully and with regards,

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Assembly Republican Leader

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Senate Republican Leader

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Cc: Senate President pro Tempore Darrell Steinberg Assembly Speaker John A. Pérez