



**For Immediate Release**  
**January 23, 2014**  
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## **Runner Calls on Governor to Eliminate Fire Fee**

SACRAMENTO – George Runner today urged Governor Jerry Brown to restore full funding to CAL-FIRE and eliminate the confusing and controversial Fire Prevention Fee in the revised version of his 2014-15 budget proposal.

“The Fire Prevention Fee was established during a time of crisis, when the state faced multi-billion budget deficits,” said Runner. “Those budget deficits are gone, but the fire fee remains, much to the chagrin of hundreds of thousands of rural property owners throughout California.”

The Board of Equalization is required by law to mail “Fire Prevention Fee” bills on behalf of CAL-FIRE to nearly 800,000 Californians each year. In the 2012-13 fiscal year, the Board of Equalization and CAL-FIRE spent a combined total of more than \$17 million to collect only \$75 million from Fire Fee payers.

“The fire fee continues to place more burdens and costs on CAL-FIRE and the State Board of Equalization while providing no additional fire protection for Californians – even with the state’s increased firefighting expenses this year due to dry weather and drought. The fiscally responsible thing to do is eliminate it.”

Restoring CAL-FIRE’s full funding, using existing revenue, will save the state the costs of continuing to administer, collect, litigate, and likely refund the inefficient fire fee.

Elected in November 2010, George Runner represents more than nine million Californians as a member of the State Board of Equalization. Runner keeps taxpayers informed of the latest fire tax news and information at [calfirefee.com](http://calfirefee.com).

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FULL TEXT OF RUNNER LETTER

January 23, 2014

Dear Governor Brown,

I am writing to urge you to restore full funding to CAL-FIRE and eliminate the Fire Prevention Fee in the revised version of your 2014-15 budget proposal.

As you know, the Fire Prevention Fee (ABx1 29, 2011) was established during a time of crisis. The state faced multi-billion budget deficits and adopted the law in an attempt to backfill \$89 million in funding cuts to CAL-FIRE.

Those budget deficits are gone, but the fire fee remains, much to the chagrin of hundreds of thousands of rural property owners throughout California—including many seniors on fixed incomes.

The law has proven extremely difficult and costly for the Board of Equalization to administer.

Each year the Board is required to mail nearly 800,000 bills on behalf of CAL-FIRE to Californians who own “habitable structures” in the State Responsibility Area (SRA).

In the 2012-13 fiscal year, the Board of Equalization spent more than \$8 million and CAL-FIRE more than \$9 million to administer the fire fee. That’s more than \$17 million in new expenses for the state for just one year’s billings. That does not make good fiscal sense.

A comparison is helpful for perspective. The Board of Equalization collects only \$75 million from the 800,000 new fire fee payers. The Board of Equalization collects approximately **\$20 billion** from nearly one million sales tax permit holders (traditional retailers). The fire fee is an inherently bad tax, not just because it is not cost-efficient to collect, but because of the unnecessary burden it places on taxpayers. If we were to redirect the staff currently working on the fire fee to, for example, unpaid taxes from the illegal underground economy, the state would benefit far greater.

Given questions about the law’s constitutionality, the State of California is also facing mounting legal costs and growing exposure as a class action lawsuit brought by fee payers moves forward. Should the courts strike down the fee California will need to provide refunds to property owners.

From the beginning, the process of collecting the Fire Prevention Fee has been lengthy and expensive, proving it is an inefficient method for funding CAL-FIRE. It continues to place more burdens and costs on CAL-FIRE and the State Board of Equalization while providing no additional fire protection for Californians.

Rather than continue to force this burden on rural Californians, a responsible budget will restore CAL-FIRE’s full funding using existing revenue. This will save the state the costs of continuing to administer, collect, litigate, and likely refund the inefficient fire fee.

Thank you for your consideration. Should you have any questions, please do not hesitate to contact me.

Sincerely,

GEORGE RUNNER

Cc: Cynthia Bridges, Executive Director, State Board of Equalization  
Michael Cohen, Director, California Department of Finance  
David J. Gau, Deputy Director, Property and Special Taxes Department  
Ken Pimlott, Director, California Department of Forestry and Fire Protection

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