



Sasha Renée Pérez

REPRESENTING SENATE DISTRICT 25

Senate Bill 782 (Pérez) Enhanced Infrastructure Financing District

Summary

SB 782 establishes a streamlined mechanism for cities and counties to create a disaster relief financing district, bypassing the traditional, more complex, infrastructure financing plan process. It enables local governments to adopt a resolution that allocates tax revenue efficiently to fund disaster recovery projects, focusing on areas with severe disaster damage and future risk mitigation.

Background

In January of this year, 14 destructive wildfires – namely the Eaton and Palisades Fire – ravaged the Los Angeles metropolitan region and San Diego County. These fires claimed at least 31 lives, forced over 200,000 residents to evacuate, scorched over 57,000 acres of land, and destroyed more than 18,000 homes and structures.¹ Nearly 5,000 of the structures destroyed were buildings that required commercial insurance coverage. Moreover, 1,863 businesses employing an estimated 9,610 workers that generated \$1.4 billion in annual sales were impacted by the wildfires.

Problem

Traditional infrastructure financing methods can be cumbersome and time-consuming, hindering the rapid response necessary during major disasters. The urgency and scale of the disaster underscored the critical need for a financing method that could quickly mobilize resources to repair, rehabilitate, and bolster community resiliency. There are also insufficient mechanisms for rapid and transparent public engagement during emergencies, along with funding structures that do not adequately support both immediate repair and future disaster risk mitigation. The January 2025 wildfires in Los Angeles County revealed these shortcomings firsthand, as communities struggled with delays in

resource allocation and a lack of timely support to rebuild and prepare for future incidents.

Solution

SB 782 provides the opportunity for locals to adopt a disaster relief financing district to finance community rebuilding by adopting a resolution that:

1. Defines the district's boundaries;
2. Identify designated "project areas" that will benefit from targeted recovery funding;
3. Specify the types of public facilities and development projects to be financed;
4. Outline the district's overall objectives;
5. Outline the incremental tax revenue from the city, county, and other affected taxing entities earmarked for allocation.

It also enhances public engagement by:

1. Requiring a public meeting- to consider the resolution of intention and establish the district.
2. Public notice for these meetings must be posted online at least 10 days in advance.
3. Following resolution adoption, a designated official must collaborate with all affected taxing entities to prepare an infrastructure financing plan, which will be made publically available.
4. Once the board is established at least two members of the board must be a resident or own a business within the boundaries of the district.

SB 782 ensures that district revenue is strictly limited to projects that repair, rehabilitate, or replace disaster-damaged infrastructure, and initiatives that mitigate future disaster risks. This includes economic recovery projects, resiliency

¹ <https://www.cbsnews.com/losangeles/news/eaton-fire-death-toll-rises/#:~:text=The%20department%20uses%20a%20variety,result%20of%20the%20Palisades%20Fire.>

enhancements, small business recovery, and workforce development programs.

Sponsors:

County of Los Angeles

Support

CDP Rural Caucus

City of Los Angeles

Contact

Alison Kostusak

Alison.Kostusak@sen.ca.gov

916-651 -4025