

**STAFF REPORT
INFORMATIONAL
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A Statewide

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**LEGISLATIVE REPORT PROVIDING INFORMATION AND A STATUS UPDATE
CONCERNING STATE LEGISLATION RELEVANT TO THE COMMISSION**

SUMMARY:

On January 6, 2020, the Legislature reconvened for the second year of a 2-year legislative session. The Legislature and Administration have an ambitious agenda this year, as they do most years. While climate resiliency and sea-level rise preparedness, wildfire prevention, and clean energy are key priorities, the Governor made clear during his February state-of-the-state address that the homelessness crisis and affordable housing, at this moment, are the paramount priorities. In fact, in an unprecedented action, the Governor dedicated almost the entirety of his address to the crisis of homelessness and critical housing issues.

Legislators introduced 1,606 new bills by the February 21, 2020 bill introduction deadline. Many bills are still in what is known as spot form, which means they either declare legislative intent or are a placeholder for future substantive language. So even more new substantive content will come forth in the coming months when legislators amend the spot bills. Staff did not include spot or intent bills in the below list of legislation, but will monitor these bills in the coming months and update the Commission at its April meeting. Below is a list of bills introduced to date that may be of interest to the Commission. Staff will continue to review, analyze, and monitor these bills and update the Commission as appropriate.

Climate Resilience/Wildfire Prevention/Drought Preparation/Safe Drinking Water/Flood Protection Bond

Three bills would put a bond on the November 2020 ballot to fund climate resilience, reduce wildlife risk, provide safe drinking water, and protect our water supply from climate risks. The Governor's proposed 2020-21 budget includes a \$4.75 billion Climate Resilience Bond. Legislative leaders and the Newsom Administration are still negotiating the size and substance of the bond. The existing bills, which are described below, will likely be merged into one by June or early July (before the Legislature goes into summer recess).

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SB 45 (Allen), the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020, would authorize the sale of a \$5.51 billion in general obligation bonds subject to voter approval. Bond funds would be used for projects related to wildfire prevention, safe drinking water, drought preparation, and flood protection. The proposed bond includes \$970 million to protect coastal lands, oceans, bays, waters, natural resources, and wildlife from the impacts of sea-level rise, ocean acidification, and other impacts of climate change. Local assistance projects that address sea-level rise and help coastal communities and coastal watersheds increase resilience to the impacts of climate change are prioritized. One million dollars would be available to restore coastal land for public uses on surplus land for formerly fossil-fueled power plants. SB 45 passed the Senate on January 29, 2020, on a 29-6 vote and is now in the Assembly for further consideration.

AB 352 (Eduardo Garcia), the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020, would authorize the sale of \$3.92 billion in general obligation bonds subject to voter approval. Bond funds would be used for projects related to wildfire prevention, safe drinking water, drought preparation, and flood protection. The proposed bond includes \$215 million to protect coastal lands, oceans, bays, waters, natural resources, and wildlife from climate risks. It also includes \$230 million for climate resilience, workforce development, and education. AB 352 is in the Senate Environmental Quality Committee.

AB 1298 (Mullin), the Climate Resiliency, Fire Risk Reduction, Recycling, Groundwater and Drinking Water Supply, Clean Beaches, and Jobs Infrastructure Bond Act of 2020, would authorize the sale of an unspecified amount in general obligation bonds subject to voter approval. Bond funds would be used for projects related to climate resiliency, fire risk reduction, recycling, groundwater and drinking water supply, and clean beaches and oceans. AB 1298 is in the Assembly Water, Parks and Wildlife Committee.

Climate Change/Sea-Level Rise

AB 2441 (Rivas) Climate change: Safeguarding California Plan

The Safeguarding California Plan is the State's climate adaptation strategy. Existing law requires the Natural Resources Agency to update the plan from time to time. As part of the update, existing law requires the Natural Resources Agency to coordinate with other agencies to identify a lead agency or group of agencies to lead adaptation efforts in each sector. Existing law requires agencies to work to maximize specified objectives. This bill would include, as objectives to be maximized, building resilient communities by developing projects that

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incorporate cool surface materials, investing in communities to develop community-specific climate resilience plans and establishing community resilience centers to mitigate impacts of local climate risks.

AB 2619 (Stone) Coastal resources: Program for Coastal Resilience, Adaptation, and Access

This bill creates and funds a Program for Coastal Resilience, Adaptation, and Access. It authorizes the California Coastal Commission, the Natural Resources Agency, the Ocean Protection Council, the Department of Parks and Recreation, the State Coastal Conservancy, and the State Lands Commission to expend Program money to take actions consistent with the guidelines and recommendations in the Fourth Climate Change Assessment and the Safeguarding California Plan.

The Commission collects revenue from oil and gas extraction activities on state tidelands and some legislatively granted lands—most of which is deposited into the General Fund. This bill would redirect 30 percent of that revenue to a new Coastal Resilience, Adaptation, Access, and Access Program to fund the State's sea-level rise and coastal adaptation work. The Commission supported a similar bill last year (AB 552, Stone) that was held in the Senate Appropriations Committee ([Staff Report 93, June 2019](#)).

AB 2951 (Chiu) Harbor and port districts: energy management plan

This bill would require that harbor and port districts that prepare energy management plans assess the capacity of the district to advance the State's greenhouse gas reduction targets by facilitating the development, construction, and creation of a supply chain for eligible renewable energy resources.

AB 2954 (Rivas) California Global Warming Solutions Act of 2006: climate goal: natural and working lands

This bill would require the Air Resources Board in collaboration with the California Environmental Protection Agency, the Natural Resources Agency, the Office of Planning and Research, and other relevant departments, to identify an overall climate goal for the State's natural and working lands to sequester carbon and reduce atmospheric greenhouse gas emissions. The bill would require the Board, in collaboration with the same agencies and departments to, among other things, identify practices, policy incentives, and potential reductions in barriers that would help achieve the climate goal for integration into the next update to the scoping plan that immediately follows the identification of the climate goal and, by

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January 2022, recommend to the Legislature policy incentives to help reach the climate goal.

SB 1100 (Atkins) Coastal resources: sea-level rise

This bill would require that the California Coastal Commission's local coastal program procedures include recommendations and guidelines to identify, assess, minimize, and mitigate sea-level rise within each local coastal program. The bill would require the Coastal Commission to take into account the effects of sea-level rise in coastal resource planning and management policies and activities and would require state and regional agencies to identify, assess, and, to the extent feasible and consistent with their statutory authorities, minimize and mitigate the impacts of sea-level rise. The bill also makes legislative findings and declarations that statewide goals for the coastal zone include anticipating, assessing, planning for, and, to the extent feasible, minimizing and mitigating the adverse environmental and economic effects of sea-level rise within the coastal zone.

This bill would create a five-member California Sea-Level Rise State and Regional Support Collaborative to provide state and regional information to the public and support to local, regional, and other state agencies for the identification, assessment, and, where feasible, the mitigation of sea-level rise. The bill would require, upon appropriation, that the collaborative expend up to \$100 million annually from bond funds and other sources to provide grants to local governments to update local and regional land use plans to take into account sea-level rise and for directly related investments to implement those plans.

Existing law establishes the Environmental Justice Small Grant Program within the California Environmental Protection Agency to provide grants to community groups in areas adversely affected by environmental pollution and hazards and that are involved in work to address environmental justice issues. Existing law authorizes the Secretary to expend up to \$1.5 million per year for this grant program. This bill would instead authorize the Secretary to expend up to \$2 million a year and would require up to \$500,000 of that money to be for grants to organizations working to address and mitigate the effects of sea-level rise in disadvantaged communities.

SB 1258 (Stern) California Climate Technology and Infrastructure Financing Act

This bill would enact the California Climate Technology and Infrastructure Financing Act to require the Infrastructure and Economic Development Bank, in

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consultation with certain agencies, to administer the Climate Catalyst Revolving Fund, which the bill would establish to provide financial assistance to eligible climate catalyst projects. The bill would require the Bank to administer the climate catalyst loan program and would establish the Climate Catalyst Revolving Fund for these purposes.

SB 1320 (Stern) Climate change: California Climate Change Assessment

This bill would require the Governor's Office of Planning and Research to develop a California Climate Change Assessment, in coordination with the Natural Resources Agency, the State Energy Commission, and the Strategic Growth Council, and in consultation with other partner public agencies that the Office designates. The bill would require the Office to conduct and publish the assessment every 2 years. The assessment would analyze and report on the impacts and risks of climate change and identify potential solutions to inform legislative policy. The bill would require the assessment to include sector-specific liability projections that assess the impacts of climate change under varied emissions scenarios for the years 2025, 2030, 2050, and 2100.

SB 1323 (Skinner) Carbon sequestration: state goals: natural and working lands: registry of projects

This bill would require that the Natural Resources Agency, in coordination with the California Environmental Protection Agency and the Air Resources Board, establish carbon sequestration goals for natural and working lands. The bill would require the Board to include specified carbon dioxide removal targets as part of its scoping plan. This bill would also require that the Governor's Office of Planning and Research maintain a Carbon Sequestration and Climate Resiliency registry.

SB 1362 (Stern) Carbon neutrality: comprehensive strategy

This bill would require the Air Resources Board to adopt a comprehensive strategy to achieve carbon neutrality by December 2045. The bill would require the Board, before adopting the strategy, to conduct three public workshops in consultation with the Natural Resources Agency and incorporate peer-reviewed data and models.

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California Environmental Protection Act (CEQA)

SB 995 (Atkins) Environmental quality: Jobs and Economic Improvement Through Environmental Leadership Act of 2011

The Jobs and Economic Improvement Through Environmental Leadership Act of 2011 authorized the Governor, until January 1, 2020, to certify projects that meet certain requirements for streamlining benefits related to CEQA compliance and judicial review streamlining. If a lead agency fails to approve a project certified by the Governor before January 1, 2021, the certification expires and is invalid. SB 995 would extend the Governor's authority to certify a project to January 1, 2024, and would provide that the certification expires and is invalid if the lead agency fails to approve a certified project before January 1, 2025.

Granted Lands

AB 2103 (O'Donnell) San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy: territory: Dominguez Channel watershed and Santa Catalina Island

Existing law establishes the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy in the Natural Resources Agency. This bill would make the Dominguez Channel watershed and Santa Catalina Island part of the Conservancy's territory. Santa Catalina Island includes the City of Avalon. The City of Avalon is a trustee of certain sovereign Public Trust lands within its city limits that were granted to it by the Legislature, including lands within the City's harbor. The City holds this sovereign land in trust for the benefit of the people of the State of California subject to the California Constitution, common law Public Trust Doctrine, and the City's legislative granting statutes.

Plastic Pollution/Marine Debris

Two bills, SB 54 (Allen) and AB 1080 (Gonzales), would require California to reduce its use of single-use plastics and packaging by 75 percent within the next decade. Both bills were introduced in 2019 and made into 2-year bills when the authors placed them on their respective senate and assembly inactive files toward the end of session.

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Oil and Gas

AB 1441 (Levine) oil and gas; development

There is a provision in existing law, a finding enacted in 1961, that the people of California have a direct and primary interest in assuring the production of optimum quantities of oil and gas from state-owned lands and that a minimum of oil and gas be left wasted and unrecovered in these lands. AB 1441 deletes that finding. This bill also revises the purposes of the State's Oil and Gas Supervisor to remove references encouraging oil production.

AB 2687 (O'Donnell) Oil revenue: Oil Trust Fund

The State's contractual liability for the abandonment of the Long Beach oil operations is estimated at \$905 million. There is a trust fund in the State Treasury, the Oil Trust Fund, that has \$300 million set aside for the State's share of liability. Existing law caps the Fund at \$300 million. This bill removes the cap, resuming monthly deposits of \$2 million from Long Beach oil operation revenues until the Fund reaches a balance that will cover the State's projected abandonment liabilities. The Commission supported a similar bill last year (AB 926, O'Donnell) that was held in the Senate Appropriations Committee ([Staff Report 69, April 2019](#)). Item 62 on the Commission's February agenda recommends that the Commission sponsor this legislation ([Staff Report 62, February 2020](#)).

Environmental Justice

AB 345 (Muratsuchi) Natural resources: environmental justice: oil and gas: regulation of operations

This bill would require the Secretary of the Natural Resources Agency to create an environmental justice program within the Agency. The bill, contingent on funding, would require the Secretary to establish a grant-based reimbursement program to enable environmental justice and community groups to meaningfully participate in rulemaking and other regulatory processes at departments and entities within the Agency. This bill would also require the Geologic Energy Management Division in the Department of Conservation to adopt regulations to protect public health and safety near oil and gas extraction facilities. The regulations would include safety requirements and the establishment of a minimum setback distance between oil and gas activities and sensitive receptors such as schools, childcare facilities, playgrounds, residences, hospitals, and health clinics based on health, scientific, and other data, and would require the Department to consider a setback distance of 2,500 feet at schools, playgrounds,

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and public facilities where children are present, and a range of other protective measures, including enhanced monitoring and maintenance requirements.

AB 2577 (Chiu) Environmental protection: vulnerable population: identification

This bill would require the Governor's Office of Planning and Research and the Strategic Growth Council to identify vulnerable populations using geographic, socioeconomic, public health, social determinants of health, environmental, and climate exposure criteria. The bill would require the Office and Council, in identifying the vulnerable populations, to undertake a robust participatory process that engages members of disadvantaged communities and other populations at significant risk from climate change impacts.

Other Bills

AB 2000 (Kamlager) Baldwin Hills Conservancy: urban watersheds conservancy expansion

The State Lands Commission's Executive Officer or her designee is a nonvoting member of the Baldwin Hills Conservancy Board. This bill would expand the area the Conservancy covers to include the southern Ballona Creek Watershed, expand the voting membership of the Board from 13 to 19, and delete a 2026 sunset. It would also ~~add~~ remove the Department of Conservation as a nonvoting member, change the Conservancy's duties, and require that the area is managed in a manner that optimizes climate resilience.

AB 2809 (Mullin) San Francisco Bay Conservation and Development Commission

The State Lands Commission is a voting member of the San Francisco Bay Conservation and Development Commission (BCDC). This bill would require BCDC to create and implement procedures to provide a managerial review of staff decisions in enforcement cases, timelines for resolving enforcement cases, and a penalty matrix for assessing fines and civil penalties. It would also allow BCDC to record notices of violation on properties that have been subject to enforcement actions. Other provisions include requiring BCDC to complete its Suisun Marsh preservation and protection review by July 2021 and precluding BCDC from using bay fill cleanup and abatement fund revenue to fund staff salaries or enforcement actions.

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AB 3028 (Bloom) State parks: Will Rogers State Beach and Dockweiler State Beach: County of Los Angeles: grants in trust of state beaches

This bill would, upon adoption of a resolution of acceptance by the Board of Supervisors of the County of Los Angeles, require the director of the California Department of Parks and Recreation to grant to the County of Los Angeles, in trust for the people of the State of California, and subject to specified conditions, all of the rights, title, and interest of the state in Will Rogers State Beach and Dockweiler State Beach. The bill would condition that grant on the condition that the county use, operate, and maintain the beaches for public access, recreation, and beach purposes in perpetuity. The Pacific Ocean adjacent to Will Rogers State beach is ungranted sovereign land. The State, through the State Lands Commission, has entered into agreements with the Department of Parks and Recreation for land within the Will Rogers State Beach. Will Rogers State Beach covers roughly 3 miles of the shoreline while Dockweiler State Beach covers roughly 7 miles.

AB 2839 (Eduardo Garcia) California Deserts Conservancy: establishment

This bill would establish the California Deserts Conservancy in the Natural Resources Agency to undertake conservation activities in the California desert to protect, conserve, and restore this region's natural, cultural, archaeological, historical, and physical resources. The bill would require the Conservancy to be governed by a 13-member board of directors and would create a funding structure.

AB 3030 (Kalra) Resource conservation: land and ocean conservation goal

Existing law declares it to be the policy of the State that the protection and management of natural and working lands is an important strategy in meeting greenhouse gas reduction goals, and requires all state agencies, departments, boards, and commissions to consider this policy when revising, adopting, or establishing policies, regulations, expenditures, or grant criteria relating to the protection and management of natural and working lands. This bill would declare it to be statewide goal to conserve at least 30 percent of the land and 30 percent of the ocean within the State by 2030.

AB 3200 (Friedman) State Coastal Conservancy: report: Lower Cost Coastal Accommodations Program

Legislation was enacted in 2017 that requires the State Coastal Conservancy to develop and implement a Lower Cost Coastal Accommodations Program to improve the availability of lower cost accommodations along the coast. This bill

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would require the State Coastal Conservancy to report to the Legislature and Governor about the Conservancy's progress in implementing the Lower Cost Coastal Accommodations Program.

SB 1301 (Hueso) Tijuana River Valley: binational watershed management plan

This bill would express the intent of the Legislature to enact legislation that would provide a framework for the governments of the State of Baja, California, and the Republic of Mexico to develop a binational watershed management plan for the Tijuana River Valley. The management plan is intended to gather stakeholders to assess the needs of the Tijuana River Valley and collaborate to develop an ecosystem-based strategy to conserve, restore, and protect the Tijuana River Valley and enhance watershed health while addressing transboundary flows of pollution across the border through goals, timelines, and potential action items.

State Budget

On January 10, Governor Gavin Newsom released his 2020-21 proposed budget. The budget includes a \$12.4 billion climate budget over 5 years. This includes a \$4.75 billion climate resilience bond and a new climate catalyst revolving loan fund. Additional details about the climate budget are below.

Tijuana River—\$35 million for pollution control devices to address transboundary flows in the Tijuana River, which is intended to complement the money Senator Feinstein secured for border infrastructure and pollution control improvements.

Geologic Energy Management Division in the Department of Conservation—additional resources for increased regulatory oversight, enforcement, and bonding level evaluations. The budget includes a \$24.3 million special fund and 128 new positions, phased in over 3 fiscal years, to strengthen field enforcement of existing laws and regulations, validate adequate bonding levels for operators to limit state financial liability, and improve public transparency of regulatory activities.

Environmental Justice—\$360,000 to the Natural Resources Agency to establish the positions of Assistant Secretary for Environmental Justice and Assistant Secretary for Tribal Affairs to support and expand the Agency's effort to institutionalize environmental justice and tribal consultation practices into its program planning, development and implementation.

Climate resiliency—\$12 billion over the next 5 years to address the effects of climate change and promote resiliency. This includes a climate resilience bond,

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cap-and-trade expenditures to continue the transition to a carbon-neutral economy, and a climate catalyst fund to promote the deployment of innovative new technologies. The proposed bond includes \$500 million to reduce risks from sea-level rise and changing ocean conditions, with funding allocated to coastal wetland restoration, nature-based solutions, and demonstration projects to protect critical infrastructure. There is also \$250 million for community resilience.

DEADLINES:

The California Legislature has a legislative calendar that contains deadlines for when certain actions must occur. Below are key deadlines for 2020.

- April 2 – Spring Recess begins upon adjournment.
- April 24 – Last day for policy committees to hear and report to fiscal committees bills introduced in their house.
- May 29 – Last day for each house to pass bills introduced in that house.
- July 2 – Last day for policy committees to meet and report bills. Summer recess begins upon adjournment.
- August 3 – Legislature reconvenes.
- August 31 – Last day for each house to pass bills.
- September 30 – Last day for the Governor to sign or veto bills.