

Assembly Bill No. 1338

CHAPTER 760

An act to add Section 12841.3 to the Food and Agricultural Code, to amend Section 12892 of the Government Code, to amend Section 85.2 of the Harbors and Navigation Code, to amend Sections 13138, 13146.1, 13146.2, 25173.6, 25174, 39625.1, and 39626 of, to add Sections 43022.5 and 44274.7 to, and to add Article 8.6 (commencing with Section 25395.35) to Chapter 6.8 of Division 20 of, the Health and Safety Code, to amend Sections 3258, 6217.3, 30620, and 37036 of, and to add Sections 30620.1 and 30620.2 to, the Public Resources Code, to add Section 326.5 to, and to add and repeal Section 343 of, the Public Utilities Code, and to amend Sections 12561, 13385.1, and 79441 of the Water Code, relating to public resources, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 30, 2008. Filed with
Secretary of State September 30, 2008.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1338, Committee on Budget. Public resources.

(1) Existing law requires every person who sells for use in this state a pesticide product that has been registered by the Director of Pesticide Regulation to pay to the director applicable assessments, except as specified. Existing law requires the revenue collected from these assessments to be deposited in the Department of Pesticide Regulation Fund with an amount equal to the revenue derived from 7.6 mills per dollar of sales for all pesticide sales for use in this state to be distributed to the counties as reimbursements for costs incurred in the administration and enforcement of pesticide regulations.

This bill would require the Director of Pesticide Regulation to pay from that revenue in the fund an amount not to exceed the revenue derived from 0.5 mill per dollar of sales for all pesticide sales for use in this state to counties in nonattainment areas to assist those counties in the administration and enforcement of restrictions on the use of field fumigants, as specified. The bill would specify how those funds are to be apportioned based on certain criteria. By authorizing money in the Department of Pesticide Regulation Fund to be used for a new purpose, the bill would make an appropriation.

(2) Existing law requires specified state agencies to prepare and submit to the Secretary for Environmental Protection, in a standardized format as determined by the California Environmental Protection Agency (Cal-EPA), specified information relating to the state agency's greenhouse gas (GHG) emissions, including a list of measures adopted and implemented by the

agency to meet any GHG emission reduction targets, as defined, and a status report on GHG emissions reduced as a result of these measures. The Cal-EPA is required to provide that information on its Internet Web site in the form of a state agency greenhouse gas emission reduction report card.

This bill would require the Cal-EPA to include an estimate of the department's own greenhouse gas emissions and an explanation of changes in the emissions as compared to the previous year's emissions. The bill would require the Cal-EPA, on or before January 10 of each year, to submit to the Legislature a comprehensive budget display, including funding proposals and base funding in the proposed Governor's Budget for state agencies implementing climate solutions to meet the greenhouse gas emission reduction targets established pursuant to the California Global Warming Solutions Act of 2006. The budget display would also be required to include a 5-year work plan summary for each department showing how staff and contracting resources will be allocated to achieve specified deliverables.

(3) Existing law requires all money in the Harbors and Watercraft Revolving Fund to be available, upon appropriation, to the Department of Boating and Waterways, the Department of Parks and Recreation, and the State Water Resources Control Board for, among other things, boating-related facility development, boating safety programs, and regulatory activities.

This bill would make money in the Harbors and Watercraft Revolving Fund available, upon appropriation, to the Department of Fish and Game and the Department of Food and Agriculture for activities addressing boating-related spread of invasive species.

(4) Existing law requires the State Fire Marshal to charge state agencies, departments, and programs for fire and life safety building code inspections rendered by the State Fire Marshal. Existing law requires the Controller, at the request of the State Fire Marshal, to transfer the amount of the charges for services rendered from the agency's appropriation to the appropriation for the support of the State Fire Marshal's office.

This bill would additionally require the State Fire Marshal to charge local agencies and private entities for fire and life safety building code inspections and related fire and life safety activities rendered by the State Fire Marshal. The State Fire Marshal would be required to charge local government and private entities for the amount sufficient to recover the costs of the services provided.

(5) Existing law requires the State Fire Marshal, or his or her authorized representative, to inspect every jail or place of detention for persons charged with or convicted of a crime, except as specified.

This bill would authorize the State Fire Marshal to charge and collect a fee for that inspection from the local government, as specified.

(6) Existing law requires the State Fire Marshal, the chief of any city or county fire department or district providing fire protection services, and their authorized representatives, to enforce in their respective areas building standards relating to fire and panic safety adopted by the State Fire Marshal and published in the State Building Standards Code and other regulations

that have been formally adopted by the State Fire Marshal for the prevention of fire or for the protection of life and property against fire or panic. Existing law authorizes the State Fire Marshal to enforce the building standards and other regulations of the State Fire Marshal in areas outside of corporate cities and districts providing fire protection services and in corporate cities and districts providing fire protection services upon request of the chief fire official or the governing body.

Existing law requires every city or county fire department or district providing fire protection services that is required to enforce building standards adopted by the State Fire Marshal and other regulations of the State Fire Marshal to annually inspect all structures, as specified, for compliance with those building standards and regulations. Existing law authorizes a city, county, or district that inspects a structure pursuant to that provision to charge and collect a fee for the inspection from the owner of the structure in an amount, as determined by the city, county, or district, sufficient to pay its costs of that inspection.

This bill would authorize a city, county, or district that inspects a structure to also charge a fee for related fire and life safety activities. This bill would additionally authorize a State Fire Marshal who inspects a structure for compliance with building standards and regulations to charge and collect a fee for the inspection and related fire and life safety activities from the owner of the structure in an amount, as determined by the State Fire Marshal, sufficient to pay the costs of that inspection and related fire and life safety activities.

The bill would provide that the Legislature finds that any costs that may result from these provisions are not unique to local agencies or school districts and there is no mandate contained in these provisions that will result in costs incurred by a local agency or school district for a new program or higher level of service which require reimbursement pursuant to specified constitutional and statutory provisions.

(7) The Environmental Cleanup and Fee Reform Act of 1997, creates the Toxic Substances Control Account in the General Fund. Specified charges imposed on corporations handling hazardous materials are required to be deposited in that account. Under existing law, the funds in the Toxic Substances Control Account may be appropriated to the Department of Toxic Substances Control for specified purposes, including the payment of the costs of removal and remedial action incurred by the state in response to a release of hazardous substances. The funds may also be appropriated to the office of the Attorney General for the support of the Toxic Substance Enforcement Program in the office of the Attorney General, in carrying out provisions authorizing the recovery of the state's expenses in responding to, and overseeing, releases of hazardous substances. Existing law prohibits these expenditures from being subject to an interagency or interdepartmental agreement.

This bill would instead authorize the funds in the Toxic Substances Control Account to be appropriated to the department, for allocation to the office of the Attorney General, pursuant to an interagency agreement or similar

mechanism and would delete the prohibition regarding subjecting the expenditure of those funds to an interagency or interdepartmental agreement. The bill would additionally authorize the funds in the account to be appropriated to the department for funding the California Environmental Contaminant Biomonitoring Program, and the funds would be authorized to be appropriated by the Legislature to the Office of Environmental Health Hazard Assessment and the State Department of Public Health, for the purposes of carrying out their duties under the California Environmental Contaminant Biomonitoring Program.

(8) Existing law requires that the revenues from specified fees and charges imposed upon the management of hazardous waste be deposited in the Hazardous Waste Control Account in the General Fund and the money in that account is available, upon appropriation by the Legislature, to the Department of Toxic Substances Control for, among other things, the regulation of hazardous waste. The funds are also available for appropriation to the office of the Attorney General for the support of the Toxic Substance Enforcement Program in the office of the Attorney General, to carry out the purposes of the hazardous waste control laws. Existing law requires that the expenditures from the Hazardous Waste Control Account for support of state agencies other than the department be subject to an interagency or interdepartmental agreement between the department and the state agency, but prohibits expenditures of funds appropriated to the office of the Attorney General for the support of the Toxic Substances Enforcement Program from being subject to an interagency or interdepartmental agreement.

This bill would instead authorize the funds in the Hazardous Waste Control Account to be appropriated by the Legislature to the department for allocation to the office of the Attorney General for those purposes, and would delete the prohibition regarding subjecting those expenditures to an interagency or interdepartmental agreement.

The bill would also delete obsolete provisions.

(9) Existing law, the Carpenter-Presley-Tanner Hazardous Substance Account Act, imposes liability for hazardous substance removal or remedial actions and requires the Department of Toxic Substances Control to adopt, by regulation, criteria for the selection and for the priority ranking of hazardous substance release sites for removal or remedial action under the act. The act requires that various funds be deposited in the Toxic Substances Control Account in the General Fund, including money received by the federal government pursuant to the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended (CERCLA). The act authorizes the department to expend the funds in the account, upon appropriation by the Legislature, to pay for, among other things, removal and remedial actions related to the release of hazardous substances.

Existing law provides for the creation of the Federal Trust Fund for the deposit of federal moneys.

The federal Small Business Liability Relief and Brownfields Revitalization Act (brownfield law) of 2002 amended various provisions of CERCLA to,

among other things, provide financial assistance for grants and loans to fund brownfield remediation.

This bill would create the Revolving Loans Fund in the State Treasury and would continuously appropriate the moneys in that fund to the department. The bill would require that certain moneys be deposited in the fund, including moneys transferred to the fund from the Federal Trust Fund that are received pursuant to the brownfield law. The bill would require the department to expend the moneys in the Revolving Loans Fund only for the purposes authorized by the federal brownfield law, including providing financial assistance to provide loans and issue subgrants for response actions to eligible brownfield sites, as defined.

(10) Existing law, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B at the November 7, 2006, general election, authorizes the issuance of general obligation bonds for various transportation-related purposes, including reducing emissions and improving air quality in trade corridors. The State Air Resources Board is required to allocate the funds to be used for air quality purposes pursuant to specified requirements. No project can be funded unless the project is sponsored by an applicant, which is defined as a local public entity involved in the movement of freight through trade corridors of the state or involved in air quality improvements associated with goods movement.

This bill would provide that for the purposes of administering a loan or loan guarantee program only, an applicant may include any state agency. The bill would make a conforming change.

(11) Existing law grants primary authority for the control of air pollution from vehicular sources to the State Air Resources Board. Existing law requires the state board, in conjunction with the State Energy Resources Conservation and Development Commission, to develop and administer a program to provide grants to encourage the purchase or lease of a new zero-emission vehicle.

This bill would require the state board to select projects for zero-emission vehicle leases or purchases and zero-emission vehicle infrastructure for the purpose of implementing any program to encourage the use of zero-emission vehicles through a competitive grant process that includes a public bidding process.

(12) Existing law establishes the Air Quality Improvement Program, administered by the State Air Resources Board, to fund, upon appropriation by the Legislature, air quality improvement projects related to fuel and vehicle technologies. The program is limited to competitive grants. Projects required to be undertaken pursuant to state or federal law or district rules or regulations are not eligible for funding.

Existing law creates the Air Quality Improvement Fund and provides that moneys in the fund may be used, upon appropriation by the Legislature, to implement the Air Quality Improvement Program.

This bill would, notwithstanding these provisions, require the state board to expend funds appropriated by the Legislature to it from the Air Quality

Improvement Fund in the Budget Act of 2008, not used to implement the Air Quality Improvement Program, to provide financial assistance to owners and operators of on-road heavy-duty diesel-fueled motor vehicles for costs associated with early compliance with specified regulations, thereby making an appropriation. Funds would be required to be expended for low interest or zero interest loans or grants. The state board would be required to report to the Legislature on the implementation of these provisions.

(13) Existing law prohibits the Division of Oil, Gas, and Geothermal Resources in the Department of Conservation from expending, through the 2009–10 fiscal year, more than \$1,000,000 in any one fiscal year for the purpose of hazardous or idle-deserted wells. The division is prohibited from expending, commencing with the 2010–11 fiscal year, more than \$500,000 in any one fiscal year for the purpose of hazardous or idle-deserted wells.

This bill, instead, would authorize the division to expend, commencing on July 1, 2008, up to \$2,000,000 in any one fiscal year through the 2011–12 fiscal year, and up to \$1,000,000 commencing with the 2012–13 fiscal year. The Department of Conservation, on October 1, 2011, would be required to report to the Legislature on the number of orphan wells remaining, the estimated costs of abandoning the orphan wells, and a timeline for future orphan well abandonment with a specific schedule of goals.

(14) The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (bond act), an initiative bond act that was approved by the voters at the November 7, 2006, statewide general election, among other things, makes \$180,000,000 in bond funds available to the Department of Fish and Game (department) for bay-delta and coastal fishery restoration projects. Of those funds, up to \$45,000,000 is available for appropriation for coastal salmon and steelhead fishery restoration projects that support the development and implementation of species recovery plans and strategies for salmonid species listed as threatened or endangered under state or federal law.

Existing law appropriates \$5,293,000 of the \$45,000,000 available from the bond act to the department for the purposes of coastal salmon and steelhead fishery restoration projects, including the Coastal Salmonid Monitoring Plan. Under existing law, the department is permitted to allocate not more than \$2,520,000 for the purposes of the Coastal Salmonid Monitoring Plan.

Existing law requires a specified process to be applied to the expenditure of these funds, except funds allocated by the department to the Coastal Salmonid Monitoring Plan.

This bill would instead, exempt from these procedures the expenditure of funds annually appropriated for the Coastal Salmonid Monitoring Plan and would make conforming changes.

(15) The California Coastal Act establishes the Coastal Access Account in the State Coastal Conservancy Fund. The act requires that the money in the account be available, upon appropriation by the Legislature in the annual Budget Act, to the State Coastal Conservancy for grants to public agencies and private nonprofit entities or organizations for the development,

maintenance, and operation of new or existing facilities that provide public access to the shoreline of the sea, as specified. The act also requires that any coastal development permit fees collected by the commission be deposited into the fund.

This bill would instead require that those fees be deposited into the Coastal Act Services Fund, which the bill would create in the State Treasury, to be administered by the commission. The bill would require that the moneys in the fund, upon appropriation by the Legislature in the annual Budget Act, be expended by the commission in accordance with specified provisions of the act to enforce the act and to provide services to local government, permit applicants, public agencies, and the public participating in the implementation of the act, as specified.

The bill would also require the transfer of \$500,000, adjusted annually as specified, from the Coastal Act Services Fund to the Coastal Access Account, which the bill would create in the fund for grants to provide public access to sea shorelines.

(16) Existing law, the Natural Heritage Preservation Tax Credit Act of 2000, requires the Wildlife Conservation Board to implement a program under which a donor of qualified property, upon approval of the board, may receive a tax credit for a portion of the value of property that is donated to a department, as defined, a local government, or a nonprofit organization designated by a local government or a department, in order to protect wildlife habitat, open space, and agricultural land. The act establishes the Natural Heritage Preservation Tax Credit Reimbursement Account in the General Fund to receive bond fund moneys from a local government or a department that is authorized to expend the moneys to acquire property under the act. Upon appropriation, the moneys in the account are required to be used to reimburse the General Fund for tax credits claimed, under the act.

This bill would appropriate the sum of \$5,870,782 for transfer from the Natural Heritage Preservation Tax Credit Reimbursement Account to the General Fund, and would eliminate the requirement that funds from the account be transferred to the General Fund upon appropriation. The bill would instead require the Controller to transfer moneys received in the account to the General Fund, within 60 days of receipt of the funds and notification to the Legislature.

(17) Under existing law, the Public Utilities Commission (PUC) has regulatory authority over public utilities and can establish its own procedures, subject to statutory limitations or directions and constitutional requirements of due process. In a proposed decision in a rulemaking, the PUC has proposed the establishment of a California Institute for Climate Solutions (CICS).

This bill would prohibit the PUC from executing an order to establish the CICS and from adopting or executing any similar order or decision establishing a research program for climate change unless expressly authorized by statute. The bill would provide that it does not constitute a change in, but is declaratory of, existing law.

(18) Existing law requires the PUC to publish the complete text of each of its orders and decisions within a reasonable time, not to exceed one year after issuance. The PUC also implements and maintains various programs relating to the energy needs of the state.

This bill would require the PUC, by January 10 of each year, to report to the Joint Legislative Budget Committee and appropriate fiscal and policy committees of the Legislature, on all sources and amounts of funding and actual and proposed expenditures related to specified entities or programs established by the commission.

(19) Existing law creates the Electricity Oversight Board to fulfill various responsibilities, including overseeing the Independent System Operator and the Power Exchange, and to investigate any matter relating to the wholesale market for electricity to ensure that the interests of California's citizens and consumers are served, protected, and represented. The board has the power to sue and be sued, and is required to appoint an attorney to advise the board and to represent the board in any state or federal proceeding or action.

This bill would, until January 1, 2010, require the Attorney General to represent the Department of Finance and to succeed to all rights, claims, powers, and entitlements of the Electricity Oversight Board in any litigation or settlement to obtain ratepayer recovery for the effects of the 2000–02 energy crisis. The bill would prohibit the Attorney General from expending the proceeds of any of settlements of those claims, except as specified.

(20) Existing law continuously appropriates General Fund moneys to the Colorado River Management Account for the purpose of implementing the California Plan developed by the Colorado River Board of California. The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative bond act approved by the voters at the November 7, 2006, statewide general election, authorizes the issuance of bonds in the amount of \$5,388,000,000 for the purposes of financing a safe drinking water, water quality and supply, flood control, and resource protection program, including \$100,000,000 in interregional and unallocated funds made available to the Department of Water Resources, subject to appropriation by the Legislature, for specified projects that implement an integrated regional water management plan or its equivalent, to be expended directly, or be granted by the department to address, multiregional needs or issues of statewide significance.

This bill would delete that continuous appropriation. The bill would recognize that an appropriation may be made in the annual Budget Act, in lieu of those General Fund moneys, of those interregional and unallocated bond funds, or another state funding source, for the same purposes as the deleted appropriation.

(21) Under existing law, the Porter-Cologne Water Quality Control Act, the State Water Resources Control Board and the California regional water quality control boards exercise the regulatory functions of the state in the field of water quality. Under the act, persons who fail to file, in a timely manner, a prescribed discharge monitoring report are subject to a mandatory minimum penalty of \$3,000 under specified circumstances. Funds derived

from the imposition of that penalty are deposited in the Waste Discharge Permit Fund for expenditure, upon appropriation by the Legislature, by the state board to respond to significant water pollution problems.

This bill would make an appropriation by requiring those penalties to be deposited in the continuously appropriated State Water Pollution Cleanup and Abatement Account of the State Water Quality Control Fund for that described purpose.

(22) Existing law, the California Bay-Delta Authority Act, establishes in the Resources Agency the California Bay-Delta Authority. The act requires the authority and the implementing agencies to carry out programs, projects, and activities necessary to implement the Bay-Delta Program, defined to mean those projects, programs, commitments, and other actions that address the goals and objectives of the CALFED Bay-Delta Programmatic Record of Decision, dated August 28, 2000, or as it may be amended. The act requires the authority to develop policies and make decisions at program milestones, and to provide direction to achieve balanced implementation, integration, and continuous improvement in all program elements. The act assigns each implementing agency the responsibility for implementing one or more program elements, including the watershed program element.

This bill would include the Department of Conservation among the agencies that are the implementing agencies for the watershed program element.

(23) Under existing law, the Department of Water Resources operates the State Water Project and exercises other functions relating to the state's water resources.

This bill would require the department to use 8 specified limited-term positions exclusively for conducting studies on options for conservation and restoration of the Sacramento-San Joaquin River Delta, consistent with the recommendations of the Delta Blue Ribbon Task Force. The bill also would prohibit those positions from being used for environmental studies, or documentation, except for specified studies required pursuant to the California Environmental Quality Act.

(24) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that the Legislature finds that with regard to certain provisions there is no mandate contained in the bill that will result in costs incurred by a local agency or school district for a new program or higher level of service which require reimbursement pursuant to these constitutional and statutory provisions.

(25) This bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 12841.3 is added to the Food and Agricultural Code, to read:

12841.3. (a) Notwithstanding Sections 2282, 12784, and 12841, the director shall pay from the revenue collected from the mill assessment in the Department of Pesticide Regulation Fund an amount not to exceed the revenue derived from 0.5 mill (\$0.0005) per dollar of sales for all pesticide sales for use in this state to counties in nonattainment areas to assist those counties in the administration and enforcement of restrictions on the use of field fumigants pursuant to Chapter 3 (commencing with Section 14001) and the regulations issued pursuant to it. These funds shall be in addition to the funds distributed pursuant to Section 12841 and shall be distributed to the counties in accordance with the criteria set forth in subdivisions (c) and (d).

(b) As used in this section, “nonattainment area” means an area designated in Section 81.305 of Title 40 of the Code of Federal Regulations for the purpose of air quality planning within the chart titled “California - Ozone (1-Hour Standard).”

(c) The funds available for payment pursuant to subdivision (a) shall be apportioned based on the following criteria:

(1) A minimum of fifty thousand dollars (\$50,000) shall be apportioned to each county in a nonattainment area.

(2) The remaining amount shall be apportioned to the counties based on fumigant related workload, which may include, but is not limited to, both of the following:

(3) The number of restricted use material permits issued for fumigants.

(4) The number of field fumigant applications in each county to the total for all counties within all nonattainment areas during the previous fiscal year.

(d) Only counties within a nonattainment area for which the Department of Pesticide Regulation has established a fumigant emission limit pursuant to Chapter 3 (commencing with Section 14001), and the regulations issued pursuant to it, in the current or the previous fiscal year shall receive payment of the amount apportioned pursuant to the criteria set forth in subdivision (c).

SEC. 2. Section 12892 of the Government Code is amended to read:

12892. (a) On or before October 1 of each year, each state agency shall prepare and submit to the secretary in a standardized format as determined by the agency all of the following:

(1) A list of those measures that have been adopted and implemented by the state agency to meet GHG emission reduction targets and a status report on actual GHG emissions reduced as a result of these measures.

(2) A list and timetable for adoption of any additional measures needed to meet GHG emission reduction targets.

(3) An estimate of the department’s own greenhouse gas emissions, as well as an explanation of any increase or decrease compared to the previous year’s emissions.

(b) In order to reduce paperwork and workload, information required to be submitted pursuant to this section may be submitted in a standardized electronic format as determined by the agency.

(c) On or before January 1 of each year, the agency shall compile and organize the information submitted pursuant to this section into a clear, standardized format, and shall provide that information on the agency’s Internet Web site in the form of a state agency greenhouse gas emission reduction report card.

(d) The report card shall compare the actions taken and proposed to be taken by individual state agencies and their projected annual GHG emission reductions against the state agency GHG emission reduction targets and statewide GHG emission reduction limits.

(e) Where appropriate, the report card shall include a statement regarding the independent audits required by Section 12893.

(f) In conjunction with the Governor’s Budget submitted pursuant to subdivision (a) of Section 12 of Article IV of the California Constitution, on or before January 10 of each year, the agency shall submit to the Legislature a comprehensive budget display that includes both of the following:

(1) Funding proposals and base funding in the proposed Governor’s Budget for state agencies implementing climate solutions to meet the greenhouse gas emissions reduction targets as specified in the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code).

(2) A five-year work plan summary for each department included in the comprehensive budget display that shows how staff and contracting resources will be allocated to achieve specified climate solution deliverables.

SEC. 3. Section 85.2 of the Harbors and Navigation Code is amended to read:

85.2. (a) All moneys in the Harbors and Watercraft Revolving Fund are available, upon appropriation by the Legislature, for expenditure by the department for boating facilities development, boating safety, and boating regulation programs, and for the purposes of Section 656.4, including refunds, and for expenditure for construction of small craft harbor and boating facilities planned, designed, and constructed by the department, as specified in subdivision (c) of Section 50, at sites owned or under the control of the state.

(b) (1) The money in the fund is also available, upon appropriation by the Legislature, to the Department of Parks and Recreation for the operation and maintenance of units of the state park system that have boating-related activities. Funds appropriated to the Department of Parks and Recreation may also be used for boating safety and enforcement programs for waters under its jurisdiction.

(2) The Department of Parks and Recreation shall submit to the Legislature, on or before January 1 of each year, a report describing the allocation and expenditure of funds made available to the Department of Parks and Recreation from the Harbors and Watercraft Revolving Fund and from the Motor Vehicle Fuel Account in the Transportation Tax Fund attributable to taxes imposed on the distribution of motor vehicle fuel used or usable in propelling vessels during the previous fiscal year. The report shall list the special project or use, project location, amount of money allocated or expended, the source of funds allocated or expended, and the relation of the project or use to boating activities.

(c) The money in the fund shall also be available, upon appropriation by the Legislature, to the State Water Resources Control Board for boating-related water quality regulatory activities.

(d) The money in the fund is also available, upon appropriation by the Legislature, to the Department of Fish and Game for activities addressing the boating-related spread of invasive species.

(e) The money in the fund is also available, upon appropriation by the Legislature, to the Department of Food and Agriculture for activities addressing the boating-related spread of invasive species.

SEC. 4. Section 13138 of the Health and Safety Code is amended to read:

13138. (a) For state agencies, local agencies, or private entities that are charged for the costs of fire and life safety building code inspections and related fire and life safety activities rendered by the State Fire Marshal, such as plan review, construction consulting, fire watch, and investigation, the State Fire Marshal shall charge an amount sufficient to recover the costs incurred for the fire and life safety building code inspections and those related fire and life safety activities.

(b) Upon the request of the State Fire Marshal, in the form prescribed by the Controller, the Controller shall transfer the amount of the charges for services rendered from the agency's appropriation to the appropriation for the support of the State Fire Marshal's office. The State Fire Marshal shall charge local agencies and private entities for the amount sufficient to recover the costs of the services provided.

(c) A state agency that has a dispute regarding charges for fire and life safety building code inspections provided by the State Fire Marshal shall notify the State Fire Marshal, in writing, of the dispute and the basis therefor. The State Fire Marshal shall immediately provide a credit to the state agency in the subsequent billing or billings for the amount of the charges in dispute. No further transfer of funds shall occur with respect to the services for which charges are disputed until the dispute is resolved by the State Fire Marshal, subject to the approval of the Department of Finance.

SEC. 5. Section 13146.1 of the Health and Safety Code is amended to read:

13146.1. (a) Notwithstanding the provisions of Section 13146, the State Fire Marshal, or the State Fire Marshal's authorized representative, shall inspect every jail or place of detention for persons charged with or convicted

of a crime, unless the chief of any city or county fire department or fire protection district, or that chief's authorized representative, indicates in writing to the State Fire Marshal that inspections of jails or places of detention, therein, shall be conducted by the chief, or the chief's authorized representative and submits the reports as required in subdivision (c).

(b) The inspections shall be made at least once every two years for the purpose of enforcing the regulations adopted by the State Fire Marshal, pursuant to Section 13143, and the minimum standards pertaining to fire and life safety adopted by the Board of Corrections, pursuant to Section 6030 of the Penal Code.

(c) Reports of the inspections shall be submitted to the official in charge of the facility, the local governing body, the State Fire Marshal, and the Board of Corrections within 30 days of the inspections.

(d) The State Fire Marshal, or his or her authorized representative, who performs an inspection pursuant to subdivision (a) may charge and collect a fee for the inspection from the local government. Any fee collected pursuant to this subdivision shall be in an amount, as determined by the State Fire Marshal, sufficient to pay the costs of that inspection or those related fire and life safety activities.

SEC. 6. Section 13146.2 of the Health and Safety Code is amended to read:

13146.2. (a) Every city or county fire department or district providing fire protection services required by Sections 13145 and 13146 to enforce building standards adopted by the State Fire Marshal and other regulations of the State Fire Marshal shall, annually, inspect all structures subject to subdivision (b) of Section 17921, except dwellings, for compliance with building standards and other regulations of the State Fire Marshal.

(b) A city, county, or district that inspects a structure pursuant to subdivision (a) may charge and collect a fee for the inspection from the owner of the structure in an amount, as determined by the city, county, or district, sufficient to pay the costs of that inspection. A city, county, or district that provides related fire and life safety activities may charge and collect a fee for the inspection from the owner of the structure in an amount, as determined by the city, county, or district, sufficient to pay the costs of that inspection.

(c) The State Fire Marshal, or his or her authorized representative, who inspects a structure subject to subdivision (b) of Section 17921, except dwellings, for compliance with building standards and other regulations of the State Fire Marshal, may charge and collect a fee for the inspection from the owner of the structure. The State Fire Marshal may also charge and collect a fee from the owner of the structure for related fire and life safety activities, such as plan review, construction consulting, fire watch, and investigation. Any fee collected pursuant to this subdivision shall be in an amount, as determined by the State Fire Marshal, sufficient to pay the costs of that inspection or those related fire and life safety activities.

SEC. 7. Section 25173.6 of the Health and Safety Code is amended to read:

25173.6. (a) There is in the General Fund the Toxic Substances Control Account, which shall be administered by the director. In addition to any other money that may be appropriated by the Legislature to the Toxic Substances Control Account, all of the following shall be deposited in the account:

- (1) The fees collected pursuant to Section 25205.6.
 - (2) The fees collected pursuant to Section 25187.2, to the extent that those fees are for oversight of a removal or remedial action taken under Chapter 6.8 (commencing with Section 25300) or Chapter 6.85 (commencing with Section 25396).
 - (3) Fines or penalties collected pursuant to this chapter, Chapter 6.8 (commencing with Section 25300) or Chapter 6.85 (commencing with Section 25396), except as directed otherwise by Section 25192.
 - (4) Interest earned upon money deposited in the Toxic Substances Control Account.
 - (5) All money recovered pursuant to Section 25360, except any amount recovered on or before June 30, 2006, that was paid from the Hazardous Substance Cleanup Fund.
 - (6) All money recovered pursuant to Section 25380.
 - (7) Reimbursements for funds expended from the Toxic Substances Control Account for services provided by the department, including, but not limited to, reimbursements required pursuant to Sections 25201.9 and 25343.
 - (8) Money received from the federal government pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9601 et seq.).
 - (9) Money received from responsible parties for remedial action or removal at a specific site, except as otherwise provided by law.
- (b) The funds deposited in the Toxic Substances Control Account may be appropriated to the department for the following purposes:
- (1) The administration and implementation of the following:
 - (A) Chapter 6.8 (commencing with Section 25300), except that funds shall not be expended from the Toxic Substances Control Account for purposes of Section 25354.5.
 - (B) Chapter 6.85 (commencing with Section 25396).
 - (C) Article 10 (commencing with Section 7710) of Chapter 1 of Division 4 of the Public Utilities Code, to the extent the department has been delegated responsibilities by the secretary for implementing that article.
 - (2) The administration of the following units within the department:
 - (A) The Human and Ecological Risk Division.
 - (B) The Hazardous Materials Laboratory.
 - (C) The Office of Pollution Prevention and Technology Development.
 - (3) For allocation to the Office of Environmental Health Hazard Assessment, pursuant to an interagency agreement, to assist the department as needed in administering the programs described in subparagraphs (A) and (B) of paragraph (1).

(4) For allocation to the State Board of Equalization to pay refunds of fees collected pursuant to Section 43054 of the Revenue and Taxation Code.

(5) For the state share mandated pursuant to paragraph (3) of subsection (c) of Section 104 of the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9604(c)(3)).

(6) For the purchase by the state, or by a local agency with the prior approval of the director, of hazardous substance response equipment and other preparations for response to a release of hazardous substances. However, all equipment shall be purchased in a cost-effective manner after consideration of the adequacy of existing equipment owned by the state or the local agency, and the availability of equipment owned by private contractors.

(7) For payment of all costs of removal and remedial action incurred by the state, or by any local agency with the approval of the director, in response to a release or threatened release of a hazardous substance, to the extent the costs are not reimbursed by the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9601 et seq.).

(8) For payment of all costs of actions taken pursuant to subdivision (b) of Section 25358.3, to the extent that these costs are not paid by the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9601 et seq.).

(9) For all costs incurred by the department in cooperation with the Agency for Toxic Substances and Disease Registry established pursuant to subsection (i) of Section 104 of the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9604(i)) and all costs of health effects studies undertaken regarding specific sites or specific substances at specific sites. Funds appropriated for this purpose shall not exceed five hundred thousand dollars (\$500,000) in any single fiscal year. However, these actions shall not duplicate reasonably available federal actions and studies.

(10) For repayment of the principal of, and interest on, bonds sold pursuant to Article 7.5 (commencing with Section 25385) of Chapter 6.8.

(11) For the reasonable and necessary administrative costs and expenses of the Hazardous Substance Cleanup Arbitration Panel created pursuant to Section 25356.2.

(12) Direct site remediation costs.

(13) For the department's expenses for staff to perform oversight of investigations, characterizations, removals, remediations, or long-term operation and maintenance.

(14) For the administration and collection of the fees imposed pursuant to Section 25205.6.

(15) For allocation to the office of the Attorney General, pursuant to an interagency agreement or similar mechanism, for the support of the Toxic Substance Enforcement Program in the office of the Attorney General, in

carrying out the purposes of Chapter 6.8 (commencing with Section 25300) and Chapter 6.85 (commencing with Section 25396).

(16) For funding the California Environmental Contaminant Biomonitoring Program established pursuant to Chapter 8 (commencing with Section 105440) of Part 5 of Division 103.

(c) The funds deposited in the Toxic Substances Control Account may be appropriated by the Legislature to the Office of Environmental Health Hazard Assessment and the State Department of Public Health for the purposes of carrying out their duties pursuant to the California Environmental Contaminant Biomonitoring Program (Chapter 8 (commencing with Section 105440) of Part 5 of Division 103).

(d) The director shall expend federal funds in the Toxic Substances Control Account consistent with the requirements specified in Section 114 of the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9614), upon appropriation by the Legislature, for the purposes for which they were provided to the state.

(e) Money in the Toxic Substances Control Account shall not be expended to conduct removal or remedial actions if any significant portion of the hazardous substances to be removed or remedied originated from a source outside the state.

(f) The Director of Finance, upon request of the director, may make a loan from the General Fund to the Toxic Substances Control Account to meet cash needs. The loan shall be subject to the repayment provisions of Section 16351 of the Government Code and the interest provisions of Section 16314 of the Government Code.

(g) The Toxic Substances Control Account established pursuant to subdivision (a) is the successor fund of all of the following:

(1) The Hazardous Substance Account established pursuant to Section 25330, as that section read on June 30, 2006.

(2) The Hazardous Substance Clearing Account established pursuant to Section 25334, as that section read on June 30, 2006.

(3) The Hazardous Substance Cleanup Fund established pursuant to Section 25385.3, as that section read on June 30, 2006.

(4) The Superfund Bond Trust Fund established pursuant to Section 25385.8, as that section read on June 30, 2006.

(h) On and after July 1, 2006, all assets, liabilities, and surplus of the accounts and funds listed in subdivision (g), shall be transferred to, and become a part of, the Toxic Substances Control Account, as provided by Section 16346 of the Government Code. All existing appropriations from these accounts, to the extent encumbered, shall continue to be available for the same purposes and periods from the Toxic Substances Control Account.

(i) The department, on or before February 1 of each year, shall report to the Governor and the Legislature on the prior fiscal year's expenditure of funds within the Toxic Substances Control Account for the purposes specified in subdivision (b).

SEC. 8. Section 25174 of the Health and Safety Code is amended to read:

25174. (a) There is in the General Fund the Hazardous Waste Control Account, which shall be administered by the director. In addition to any other money that may be deposited in the Hazardous Waste Control Account, pursuant to statute, all of the following amounts shall be deposited in the account:

(1) The fees collected pursuant to Sections 25174.1, 25205.2, 25205.5, 25205.15, and 25205.16.

(2) The fees collected pursuant to Section 25187.2, to the extent that those fees are for the oversight of corrective action taken under this chapter.

(3) Any interest earned upon the money deposited in the Hazardous Waste Control Account.

(4) Any money received from the federal government pursuant to the federal act.

(5) Any reimbursements for funds expended from the Hazardous Waste Control Account for services provided by the department pursuant to this chapter, including, but not limited to, the reimbursements required pursuant to Sections 25201.9 and 25205.7.

(b) The funds deposited in the Hazardous Waste Control Account may be appropriated by the Legislature, for expenditure as follows:

(1) To the department for the administration and implementation of this chapter.

(2) To the department for allocation to the State Board of Equalization to pay refunds of fees collected pursuant to Sections 43051 and 43053 of the Revenue and Taxation Code and for the administration and collection of the fees imposed pursuant to Article 9.1 (commencing with Section 25205.1) that are deposited into the Hazardous Waste Control Account.

(3) To the department for the costs of performance or review of analyses of past, present, or potential environmental public health effects related to toxic substances, including extremely hazardous waste, as defined in Section 25115, and hazardous waste, as defined in Section 25117.

(4) (A) To the department for allocation to the office of the Attorney General for the support of the Toxic Substance Enforcement Program in the office of the Attorney General, in carrying out the purposes of this chapter.

(B) On or before October 1 of each year, the Attorney General shall report to the Legislature on the expenditure of any funds allocated to the office of the Attorney General for the preceding fiscal year pursuant to this paragraph and paragraph (15) of subdivision (b) of Section 25173.6. The report shall include all of the following:

(i) A description of cases resolved by the office of the Attorney General through settlement or court order, including the monetary benefit to the department and the state.

(ii) A description of injunctions or other court orders benefiting the people of the state.

(iii) A description of any cases in which the Attorney General's Toxic Substance Enforcement Program is representing the department or the state against claims by defendants or responsible parties.

(iv) A description of other pending litigation handled by the Attorney General's Toxic Substance Enforcement Program.

(C) Nothing in subparagraph (C) shall require the Attorney General to report on any confidential or investigatory matter.

(5) To the department for administration and implementation of Chapter 6.11 (commencing with Section 25404).

(c) (1) Expenditures from the Hazardous Waste Control Account for support of state agencies other than the department shall, upon appropriation by the Legislature to the department, be subject to an interagency agreement or similar mechanism between the department and the state agency receiving the support.

(2) The department shall, at the time of the release of the annual Governor's Budget, describe the budgetary amounts proposed to be allocated to the State Board of Equalization, as specified in paragraph (2) of subdivision (b) and in paragraph (3) of subdivision (b) of Section 25173.6, for the upcoming fiscal year.

(3) It is the intent of the Legislature that moneys appropriated in the annual Budget Act each year for the purpose of reimbursing the State Board of Equalization, a private party, or other public agency, for the administration and collection of the fees imposed pursuant to Article 9.1 (commencing with Section 25205.1) and deposited in the Hazardous Waste Control Account, shall not exceed the costs incurred by the State Board of Equalization, the private party, or other public agency, for the administration and collection of those fees.

(d) With respect to expenditures for the purposes of paragraphs (1) and (3) of subdivision (b) and paragraphs (1) and (2) of subdivision (b) of Section 25173.6, the department shall, at the time of the release of the annual Governor's Budget, also make available the budgetary amounts and allocations of staff resources of the department proposed for the following activities:

(1) The department shall identify, by permit type, the projected allocations of budgets and staff resources for hazardous waste facilities permits, including standardized permits, closure plans, and postclosure permits.

(2) The department shall identify, with regard to surveillance and enforcement activities, the projected allocations of budgets and staff resources for the following types of regulated facilities and activities:

(A) Hazardous waste facilities operating under a permit or grant of interim status issued by the department, and generator activities conducted at those facilities. This information shall be reported by permit type.

(B) Transporters.

(C) Response to complaints.

(3) The department shall identify the projected allocations of budgets and staff resources for both of the following activities:

(A) The registration of hazardous waste transporters.

(B) The operation and maintenance of the hazardous waste manifest system.

(4) The department shall identify, with regard to site mitigation and corrective action, the projected allocations of budgets and staff resources for the oversight and implementation of the following activities:

(A) Investigations and removal and remedial actions at military bases.

(B) Voluntary investigations and removal and remedial actions.

(C) State match and operation and maintenance costs, by site, at joint state and federally funded National Priority List Sites.

(D) Investigation, removal and remedial actions, and operation and maintenance at the Stringfellow Hazardous Waste Site.

(E) Investigation, removal and remedial actions, and operation and maintenance at the Casmalia Hazardous Waste Site.

(F) Investigations and removal and remedial actions at nonmilitary, responsible party lead National Priority List Sites.

(G) Preremedial activities under the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. Sec. 9601 et seq.).

(H) Investigations, removal and remedial actions, and operation and maintenance at state-only orphan sites.

(I) Investigations and removal and remedial actions at nonmilitary, non-National Priority List responsible party lead sites.

(J) Investigations, removal and remedial actions, and operation and maintenance at Expedited Remedial Action Program sites pursuant to Chapter 6.85 (commencing with Section 25396).

(K) Corrective actions at hazardous waste facilities.

(5) The department shall identify, with regard to the regulation of hazardous waste, the projected allocation of budgets and staff resources for the following activities:

(A) Determinations pertaining to the classification of hazardous wastes.

(B) Determinations for variances made pursuant to Section 25143.

(C) Other determinations and responses to public inquiries made by the department regarding the regulation of hazardous waste and hazardous substances.

(6) The department shall identify projected allocations of budgets and staff resources needed to do all of the following:

(A) Identify, remove, store, and dispose of, suspected hazardous substances or hazardous materials associated with the investigation of clandestine drug laboratories.

(B) Respond to emergencies pursuant to Section 25354.

(C) Create, support, maintain, and implement the railroad accident prevention and immediate deployment plan developed pursuant to Section 7718 of the Public Utilities Code.

(7) The department shall identify projected allocations of budgets and staff resources for the administration and implementation of the unified hazardous waste and hazardous materials regulatory program established pursuant to Chapter 6.11 (commencing with Section 25404).

(8) The department shall identify the total cumulative expenditures of the Regulatory Structure Update and Site Mitigation Update projects since their inception, and shall identify the total projected allocations of budgets and staff resources that are needed to continue these projects.

(9) The department shall identify the total projected allocations of budgets and staff resources that are necessary for all other activities proposed to be conducted by the department.

(e) Notwithstanding this chapter, or Part 22 (commencing with Section 43001) of Division 2 of the Revenue and Taxation Code, for any fees, surcharges, fines, penalties, and funds that are required to be deposited into the Hazardous Waste Control Account or the Toxic Substances Control Account, the department, with the approval of the Secretary for Environmental Protection, may take any of the following actions:

(1) Assume responsibility for, or enter into a contract with a private party or with another public agency, other than the State Board of Equalization, for the collection of any fees, surcharges, fines, penalties and funds described in subdivision (a) or otherwise described in this chapter or Chapter 6.8 (commencing with Section 25300), for deposit into the Hazardous Waste Control Account or the Toxic Substances Control Account.

(2) Administer, or by mutual agreement, contract with a private party or another public agency, for the making of those determinations and the performance of functions that would otherwise be the responsibility of the State Board of Equalization pursuant to this chapter, Chapter 6.8 (commencing with Section 25300), or Part 22 (commencing with Section 43001) of Division 2 of the Revenue and Taxation Code, if those activities and functions for which the State Board of Equalization would otherwise be responsible become the responsibility of the department or, by mutual agreement, the contractor selected by the department.

(f) If, pursuant to subdivision (e), the department, or a private party or another public agency, pursuant to a contract with the department, performs the determinations and functions that would otherwise be the responsibility of the State Board of Equalization, the department shall be responsible for ensuring that persons who are subject to the fees specified in subdivision (e) have equivalent rights to public notice and comment, and procedural and substantive rights of appeal, as afforded by the procedures of the State Board of Equalization pursuant to Part 22 (commencing with Section 43001) of Division 2 of the Revenue and Taxation Code. Final responsibility for the administrative adjustment of fee rates and the administrative appeal of any fees or penalty assessments made pursuant to this section may only be assigned by the department to a public agency.

(g) If, pursuant to subdivision (e), the department, or a private party or another public agency, pursuant to a contract with the department, performs the determinations and functions that would otherwise be the responsibility of the State Board of Equalization, the department shall have equivalent authority to make collections and enforce judgments as provided to the State Board of Equalization pursuant to Part 22 (commencing with Section 43001) of Division 2 of the Revenue and Taxation Code. Unpaid amounts, including

penalties and interest, shall be a perfected and enforceable state tax lien in accordance with Section 43413 of the Revenue and Taxation Code.

(h) The department, with the concurrence of the Secretary for Environmental Protection, shall determine which administrative functions should be retained by the State Board of Equalization, administered by the department, or assigned to another public agency or private party pursuant to subdivisions (e), (f), and (g).

(i) The department may adopt regulations to implement subdivisions (e) to (h), inclusive.

(j) The Director of Finance, upon request of the director, may make a loan from the General Fund to the Hazardous Waste Control Account to meet cash needs. The loan shall be subject to the repayment provisions of Section 16351 of the Government Code and the interest provisions of Section 16314 of the Government Code.

(k) The department shall establish, within the Hazardous Waste Control Account, a reserve of at least one million dollars (\$1,000,000) each year to ensure that all programs funded by the Hazardous Waste Control Account will not be adversely affected by any revenue shortfalls.

SEC. 9. Article 8.6 (commencing with Section 25395.35) is added to Chapter 6.8 of Division 20 of the Health and Safety Code, to read:

Article 8.6. Revolving Loans Fund

25395.35. Unless the context otherwise requires, the following definitions govern the construction of this article:

(a) “Brownfield site” has the same meaning as defined in Section 9601 of Title 42 of the United States Code.

(b) “Brownfield law” means the Small Business Liability Relief and Brownfields Revitalization Act of 2002 (Public Law 107-117) as amending the federal act.

(c) “Federal Trust Fund” means the Federal Trust Fund established pursuant to Section 16360 of the Government Code.

(d) “Fund” means the Revolving Loans Fund established pursuant to this article.

25395.36. (a) The Revolving Loans Fund is hereby created in the State Treasury. Notwithstanding Section 13340 of the Government Code, all moneys in the fund shall be continuously appropriated, without regard to fiscal year, to the department for expenditure in accordance with this chapter. The department is the state agency responsible for administering the fund.

(b) All of the following moneys shall be deposited in the fund:

(1) Notwithstanding Section 25173.6, moneys received pursuant to the brownfield law and transferred to the fund from the Federal Trust Fund.

(2) The amounts collected for loan services.

(3) Interest payments.

(4) Principal repayments.

(5) Notwithstanding Section 16475 of the Government Code, any interest earned upon the moneys deposited in the fund.

(c) The department may expend the moneys in the fund only for the purposes authorized by the brownfield law, as specified in subsection (k) of Section 9604 of Title 42 of the United States Code, including providing financial assistance for both of the following:

(1) Issuing loans for response actions to eligible brownfield sites.

(2) Making subgrants for response actions to eligible brownfield sites.

(d) Any repayment of fund moneys, including interest payments, and all interest earned on, or accruing to, any moneys in the fund, that are deposited in the fund, as provided in subdivision (b), shall be available, in perpetuity, for expenditure for the purposes and uses authorized by the brownfield law.

SEC. 10. Section 39625.1 of the Health and Safety Code is amended to read:

39625.1. As used in this chapter, the following terms have the following meanings:

(a) “Applicant” means any local public entity involved in the movement of freight through trade corridors of the state or involved in air quality improvements associated with goods movement. For the purposes of administering a loan or loan guarantee program only, an applicant may include any state agency.

(b) “Emission” or “emissions” means emissions including, but not limited to, diesel particulate matter, oxides of nitrogen, oxides of sulfur, and reactive organic gases.

(c) “Emission sources” means one of the following categories of sources of air pollution associated with the movement of freight through California’s trade corridors: heavy-duty trucks, locomotives, commercial harbor craft, ocean-going vessels related to freight, and cargo-handling equipment.

(d) “Goods movement facility” means airports, seaports, land ports of entry, freight distribution warehouses and logistic centers, freight rail systems, and highways that have a high volume of truck traffic related to the movement of goods, as determined by the state board.

(e) “Trade corridors” means any of the following areas: the Los Angeles/Inland Empire region, the Central Valley region, the Bay Area region, and the San Diego/border region.

SEC. 11. Section 39626 of the Health and Safety Code is amended to read:

39626. (a) (1) The state board shall develop guidelines by December 31, 2007, consistent with the requirements of this chapter, to implement Section 39625.5, in consultation with stakeholders, including, but not limited to, local air quality management and air pollution control districts, metropolitan planning organizations, port authorities, shipping lines, railroad companies, trucking companies, harbor craft owners, freight distributors, terminal operators, local port community advisory groups, community interest groups, and airports. The guidelines shall, at a minimum, include all of the following:

(A) An application process for the funds, and any limits on administrative costs for the recipient agency, including an administrative cost limit of up to 5 percent.

(B) A requirement for a contribution of a specified percentage of funds leveraged from other sources or in-kind contributions toward the project.

(C) Project selection criteria.

(D) The method by which the state board will consider the air basin's status in maintaining and achieving state and federal ambient air quality standards and the public health risk associated with goods movement-related emissions and toxic air contaminants.

(E) Accountability and auditing requirements to ensure that expenditure of bond proceeds, less administrative costs, meets quantifiable emission reduction objectives in a timely manner, and to ensure that the emission reductions will continue in California for the project lifetime.

(F) Requirements for agreements between applicants and recipients of funds executed by the state board related to the identification of project implementation milestones and project completion that ensure that if a recipient fails to accomplish project milestones within a specified time period, the state board may modify or terminate the agreement and seek other remedies as it deems necessary.

(2) Prior to the adoption of the guidelines, the state board shall hold no less than one public workshop in northern California, one public workshop in the Central Valley, and one public workshop in southern California.

(b) For each fiscal year in which funds are appropriated for the purposes of this chapter, the state board shall issue a notice of funding availability no later than November 30. For the 2007–08 fiscal year, if funds are appropriated for the purposes of this chapter, the state board shall issue a notice of funding upon adoption of the guidelines described in subdivision (a).

(c) (1) After applications have been submitted and reviewed for consistency with the requirements of this chapter and the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, the state board shall compile and release to the public a preliminary list of all projects that the state board is considering for funding and provide adequate opportunity for public input and comment.

(2) The state board shall hold no less than one public workshop in northern California, one public workshop in the Central Valley, and one public workshop in southern California to discuss the preliminary list. This requirement shall not apply to the funds appropriated in the 2007–08 fiscal year.

(3) After the requirements of paragraphs (1) and (2) are met, the state board shall adopt a final list of projects that will receive funding at a regularly scheduled public hearing.

(d) Nothing in this chapter authorizes the state board to program funds not appropriated by the Legislature.

SEC. 12. Section 43022.5 is added to the Health and Safety Code, to read:

43022.5. The state board shall select projects for zero-emission vehicle leases or purchases and zero-emission vehicle infrastructure for the purpose of implementing any program to encourage the use of zero-emission vehicles through a competitive grant process that includes a public bidding process.

SEC. 13. Section 44274.7 is added to the Health and Safety Code, to read:

44274.7. (a) Notwithstanding any other provision of this chapter, funds appropriated by the Legislature to the state board from the Air Quality Improvement Fund in the Budget Act of 2008, not used to implement the Air Quality Improvement Program, shall be expended by the state board to provide financial assistance to owners and operators of on-road heavy-duty diesel-fueled motor vehicles for costs associated with early compliance with both of the following regulations:

(1) Regulations to reduce emissions of diesel particulate matter, oxides of nitrogen, and other criteria pollutants, and greenhouse gases from in-use heavy-duty diesel-fueled vehicles.

(2) Regulations to reduce greenhouse gas emissions from heavy-duty tractors and 53-foot box-type trailers that transport freight on state highways.

(b) Funds shall be expended for low- or zero-interest loans or grants.

(c) Priority for funding shall be provided to both of the following:

(1) Owners of less than three on-road heavy-duty diesel-fueled motor vehicles and to those owners and operators most heavily impacted by the regulations described in subdivision (a) who demonstrate financial hardship as determined by the state board.

(2) On-road heavy-duty diesel-fueled motor vehicles that are used for short-haul trucking, including short-haul trucking that crosses state or federal borders where there are significant air pollution impacts in the state.

(d) The state board may contract with the Treasurer for assistance in expending funds through programs implemented by the Treasurer.

(e) The state board shall maximize use of the funds described in this section with other funds that may be available for on-road heavy-duty diesel-fueled motor vehicle pollution reduction, including, but not limited to, the Goods Movement Emission Reduction Program (Chapter 3.2 (commencing with Section 39625) of Part 2) and the Carl Moyer Memorial Air Quality Standards Attainment Program (Chapter 9 (commencing with Section 44275)).

(f) By January 1, 2010, and each January 1 thereafter until all funds are expended, the state board shall report to the Legislature on the implementation of this section, including, but not limited to, the types of financial assistance provided.

SEC. 14. Section 3258 of the Public Resources Code is amended to read:

3258. (a) The division shall not make expenditures pursuant to this article that exceed the following sum in any one fiscal year:

(1) Two million dollars (\$2,000,000) commencing on July 1, 2008, for the 2008–09 fiscal year, and continuing for three fiscal years thereafter.

(2) One million dollars (\$1,000,000), commencing with the 2012–13 fiscal year.

(b) On October 1, 2011, the department shall report to the Legislature on the number of orphan wells remaining, the estimated costs of abandoning those orphan wells, and a timeline for future orphan well abandonment with a specific schedule of goals.

SEC. 15. Section 6217.3 of the Public Resources Code is amended to read:

6217.3. (a) The Legislature finds and declares all of the following:

(1) The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative approved by the voters at the November 7, 2006, statewide general election, makes available the sum of one hundred eighty million dollars (\$180,000,000) in bond funds for bay-delta and coastal fishery restoration projects.

(2) Of the funds made available, up to forty-five million dollars (\$45,000,000) is available for coastal salmon and steelhead fishery restoration projects that support the development and implementation of species recovery plans and strategies for salmonid species listed as threatened or endangered under state or federal law.

(b) From the forty-five million dollars (\$45,000,000) available for coastal salmon and steelhead fishery restoration projects pursuant to subdivision (a) of Section 75050, five million two hundred ninety-three thousand dollars (\$5,293,000) is appropriated to the Department of Fish and Game for the purposes of coastal salmon and steelhead fishery restoration projects, including the Coastal Salmonid Monitoring Plan. The Department of Fish and Game shall not allocate more than two million five hundred twenty thousand dollars (\$2,520,000) of these funds for the Coastal Salmonid Monitoring Plan.

(c) (1) Except for the funds annually appropriated for the Coastal Salmonid Monitoring Plan, and as provided in paragraph (3), the process governing the expenditure of funds described in Section 6217.1 shall be applied to the expenditure of funds available for coastal salmon and steelhead fishery restoration projects pursuant to subdivision (a) of Section 75050 that are allocated by the Department of Fish and Game pursuant to subdivision (b).

(2) The funds annually allocated to the Coastal Salmonid Monitoring Plan are exempt from the requirements of Section 6217.1.

(3) If there is a conflict between a provision of this section and a provision of Division 43 (commencing with Section 75001), the provision of Division 43 shall govern.

SEC. 16. Section 30620 of the Public Resources Code is amended to read:

30620. (a) By January 30, 1977, the commission shall, consistent with this chapter, prepare interim procedures for the submission, review, and appeal of coastal development permit applications and of claims of exemption. These procedures shall include, but are not limited to, all of the following:

(1) Application and appeal forms.

(2) Reasonable provisions for notification to the commission and other interested persons of any action taken by a local government pursuant to this chapter, in sufficient detail to ensure that a preliminary review of that action for conformity with this chapter can be made.

(3) Interpretive guidelines designed to assist local governments, the commission, and persons subject to this chapter in determining how the policies of this division shall be applied in the coastal zone prior to the certification of local coastal programs. However, the guidelines shall not supersede, enlarge, or diminish the powers or authority of the commission or any other public agency.

(b) Not later than May 1, 1977, the commission shall, after public hearing, adopt permanent procedures that include the components specified in subdivision (a) and shall transmit a copy of those procedures to each local government within the coastal zone and make them readily available to the public. The commission may thereafter, from time to time, and, except in cases of emergency, after public hearing, modify or adopt additional procedures or guidelines that the commission determines to be necessary to better carry out the purposes of this division.

(c) (1) The commission may require a reasonable filing fee and the reimbursement of expenses for the processing by the commission of any application for a coastal development permit under this division and, except for local coastal program submittals, for any other filing, including, but not limited to, a request for revocation, categorical exclusion, or boundary adjustment, submitted for review by the commission.

(2) Any coastal development permit fees collected by the commission under paragraph (1) shall be deposited in the Coastal Act Services Fund established pursuant to Section 30620.1. This paragraph does not authorize an increase in fees or create any new authority on the part of the commission.

(d) With respect to an appeal of an action taken by a local government pursuant to Section 30602 or 30603, the executive director shall, within five working days of receipt of an appeal from a person other than a member of the commission or a public agency, determine whether the appeal is patently frivolous. If the executive director determines that an appeal is patently frivolous, the appeal shall not be filed unless a filing fee in the amount of three hundred dollars (\$300) is deposited with the commission within five working days of the receipt of the executive director's determination. If the commission subsequently finds that the appeal raises a substantial issue, the filing fee shall be refunded.

SEC. 17. Section 30620.1 is added to the Public Resources Code, to read:

30620.1. (a) The Coastal Act Services Fund is hereby created in the State Treasury, to be administered by the commission. The moneys in the fund, upon appropriation by the Legislature in the annual Budget Act, shall be expended by the commission in accordance with this chapter to enforce the California Coastal Act and to provide services to local government, permit applicants, public agencies, and the public participating in the implementation of this division.

(b) Five hundred thousand dollars (\$500,000), adjusted annually by the application of the California Consumer Price Index for Urban Consumers as determined by the Department of Industrial Relations pursuant to Section 2212 of the Revenue and Taxation Code, shall be transferred annually from the Coastal Act Services Fund to the Coastal Access Account established pursuant to Section 30620.2.

SEC. 18. Section 30620.2 is added to the Public Resources Code, to read:

30620.2. The Coastal Access Account is hereby created in the State Coastal Conservancy Fund. The money in the account shall be available, upon appropriation by the Legislature in the annual Budget Act, to the State Coastal Conservancy for grants to public agencies and private nonprofit entities or organizations for the development, maintenance, and operation of new or existing facilities that provide public access to the shoreline of the sea, as defined in Section 30115. Any grant funds that are not expended for those purposes shall revert to the account.

SEC. 19. Section 37036 of the Public Resources Code is amended to read:

37036. (a) The Natural Heritage Preservation Tax Credit Reimbursement Account is established in the General Fund to receive moneys paid pursuant to this chapter.

(b) Moneys in the Natural Heritage Preservation Tax Credit Reimbursement Account shall be used only to reimburse the General Fund as determined by the departments pursuant to paragraph (1) of subdivision (b) of Section 37034.

(c) Upon receipt of funds in the Natural Heritage Preservation Tax Credit Reimbursement Account and notification to the Legislature, the Controller shall transfer, within 60 days of the notification, the balance of the Natural Heritage Preservation Tax Credit Reimbursement Account to the General Fund.

(d) The moneys in the Natural Heritage Preservation Tax Credit Reimbursement Account may not be loaned to another fund and may not accrue interest.

SEC. 20. Section 326.5 is added to the Public Utilities Code, to read:

326.5. By January 10, 2009, and by January 10 of each year thereafter, the commission shall report to the Joint Legislative Budget Committee and appropriate fiscal and policy committees of the Legislature, on all sources and amounts of funding and actual and proposed expenditures, both in the two prior fiscal years and for the proposed fiscal year, including any costs to ratepayers, related to both of the following:

(a) Entities or programs established by the commission by order, decision, motion, settlement, or other action, including, but not limited to, the California Clean Energy Fund, the California Emerging Technology Fund, and the Pacific Forest and Watershed Lands Stewardship Council. The report shall contain descriptions of relevant issues, including, but not limited to, all of the following:

(1) Any governance structure established for an entity or program.

(2) Any staff or employees hired by or for the entity or program and their salaries and expenses.

(3) Any staff or employees transferred or loaned internally or interdepartmentally for the entity or program and their salaries and expenses.

(4) Any contracts entered into by the entity or program, the funding sources for those contracts, and the legislative authority under which the commission entered into the contract.

(5) The public process and oversight governing the entity or program's activities.

(b) Entities or programs established by the commission, other than those expressly authorized by statute, under the following sections:

(1) Section 379.6.

(2) Section 399.8.

(3) Section 739.1.

(4) Section 2790.

(5) Section 2851.

SEC. 21. Section 343 is added to the Public Utilities Code, to read:

343. (a) The Attorney General shall represent the Department of Finance and shall succeed to, and may exercise, all rights, claims, powers, and entitlements of the Electricity Oversight Board in any litigation or settlement to obtain ratepayer recovery for the effects of the 2000–02 energy crisis. Nothing in this section requires the Attorney General to litigate any claim, or take any other action, as successor to the Electricity Oversight Board.

(b) The Attorney General shall not distribute or expend the proceeds of any settlements of claims described in subdivision (a), except in accordance with Article 9.5 (commencing with Section 16428.1) of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code and Division 27 (commencing with Section 80000) of the Water Code.

(c) The Attorney General shall not distribute or expend the proceeds of any settlements of claims allocated to the Electricity Oversight Board.

(d) This section shall remain in effect only until January 1, 2010, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2010, deletes or extends that date.

SEC. 22. Section 12561 of the Water Code is amended to read:

12561. There is hereby created the Colorado River Management Account in the General Fund. Moneys in the account are available, upon appropriation by the Legislature, for use in accordance with this chapter.

SEC. 23. Section 13385.1 of the Water Code is amended to read:

13385.1. (a) (1) For the purposes of subdivision (h) of Section 13385, a "serious violation" also means a failure to file a discharge monitoring report required pursuant to Section 13383 for each complete period of 30 days following the deadline for submitting the report, if the report is designed to ensure compliance with limitations contained in waste discharge requirements that contain effluent limitations.

(2) Paragraph (1) applies only to violations that occur on or after January 1, 2004.

(b) (1) Notwithstanding any other provision of law, moneys collected pursuant to this section for a failure to timely file a report, as described in subdivision (a), shall be deposited in the State Water Pollution Cleanup and Abatement Account.

(2) Notwithstanding Section 13340 of the Government Code, the funds described in paragraph (1) are continuously appropriated, without regard to fiscal years, to the state board for expenditure by the state board to assist regional boards, and other public agencies with authority to clean up waste or abate the effects of the waste, in responding to significant water pollution problems.

(c) For the purposes of this section, paragraph (2) of subdivision (f) of Section 13385, and subdivisions (h), (i), and (j) of Section 13385 only, “effluent limitation” means a numeric restriction or a numerically expressed narrative restriction, on the quantity, discharge rate, concentration, or toxicity units of a pollutant or pollutants that may be discharged from an authorized location. An effluent limitation may be final or interim, and may be expressed as a prohibition. An effluent limitation, for those purposes, does not include a receiving water limitation, a compliance schedule, or a best management practice.

SEC. 24. Section 79441 of the Water Code is amended to read:

79441. (a) The department, the Department of Fish and Game, and the United States Army Corps of Engineers are the implementing agencies for the levee program element.

(b) The state board, the United States Environmental Protection Agency, and the State Department of Health Services are the implementing agencies for the water quality program element.

(c) The Department of Fish and Game, the United States Fish and Wildlife Service, and the United States National Marine Fisheries Service are the implementing agencies for the ecosystem restoration program element. If interests in land, water, or other real property are acquired, those interests shall be acquired from willing sellers by means of entering into voluntary agreements.

(d) The department and the United States Bureau of Reclamation are the implementing agencies for the water supply reliability, storage, and conveyance elements of the program.

(e) The department, the state board, and the United States Bureau of Reclamation are the implementing agencies for the water use efficiency and water transfer program elements.

(f) The Resources Agency, the state board, the department, the Department of Fish and Game, the Department of Conservation, the United States Natural Resources Conservation Service, the United States Environmental Protection Agency, and the United States Fish and Wildlife Service are the implementing agencies for the watershed program element.

(g) The Resources Agency is the implementing agency for the science program element.

(h) The department, the Department of Fish and Game, the United States Bureau of Reclamation, the United States Fish and Wildlife Service, and

the United States National Marine Fisheries Service are the implementing agencies for the environmental water account program element.

SEC. 25. (a) Of the positions funded by Item No. 3860-510-0502 of Section 2.00 of the 2008–09 Budget Act, the Department of Water Resources shall use eight limited-term positions funded by that item exclusively for conducting studies on options for conservation and restoration of the Sacramento-San Joaquin River Delta, including water conveyance, consistent with the recommendations of the Delta Blue Ribbon Task Force established pursuant to Executive Order No. S-17-06.

(b) The eight positions described in subdivision (a) shall not be used to perform environmental studies, or documentation, except for studies required pursuant to the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) for the plan prepared pursuant to the planning agreement for the Bay Delta Conservation Plan, dated October 6, 2006.

SEC. 26. In order to meet California's obligation under Chapter 7 (commencing with Section 12560) of Part 5 of Division 6 of the Water Code, as added by Chapter 813 of the Statutes of 1998, and to preserve General Fund resources, on and after July 1, 2008, moneys to fund the purposes of that chapter may be obtained by appropriating in the annual Budget Act, in lieu of General Fund moneys, moneys provided from the sale of general obligation bonds pursuant to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Division 43 (commencing with Section 75001) of the Public Resources Code) and made available to the Department of Water Resources for allocation pursuant to paragraph (12) of subdivision (a) of Section 75027 of the Public Resources Code, subject to appropriation by the Legislature, or another state funding source.

SEC. 27. (a) The Public Utilities Commission shall not execute an order, or collect any rate revenues, in Rulemaking 07-09-008 (Order Instituting Rulemaking to establish the California Institute for Climate Solutions), and shall not adopt or execute any similar order or decision establishing a research program for climate change unless expressly authorized to do so by statute.

(b) This section does not constitute a change in, but is declaratory of, existing law.

SEC. 28. Due to the insufficient resources available to the Electricity Oversight Board as a result of reductions in the Budget Act of 2007, it is the intent of the Legislature that the Attorney General settle pending lawsuits, claims, and petitions filed by the Electricity Oversight Board as a result of the 2000–02 energy crisis.

SEC. 29. The sum of five million eight hundred seventy thousand seven hundred eighty-two dollars (\$5,870,782) is hereby appropriated for transfer from the Natural Heritage Preservation Tax Credit Reimbursement Account to the General Fund.

SEC. 30. The Legislature finds and declares both of the following:

(a) Any costs that may result from Sections 4, 5, and 6 of this act are not unique to local agencies or school districts.

(b) There is no mandate contained in Section 4, 5, or 6 of this act that will result in costs incurred by a local agency or school district for a new program or higher level of service which require reimbursement pursuant to Section 6 of Article XIII B of the California Constitution and Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

SEC. 31. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to make the necessary statutory changes to implement the Budget Act of 2008 at the earliest time possible, it is necessary that this act take effect immediately.