

Introduced by Senator SteinbergFebruary 23, 2007

An act to amend Sections 75005, 75076, and 75077 of, and to add Sections 75025.5, 75026.2, 75026.4, 75028.5, 75030.2, 75032.2, 75032.6, 75032.7, 75032.8, 75042, 75043, 75051, 75052, 75056, 75057, 75064, 75067, 75068, 75069, 75070.2, 75076.5, 75078.5, 75079.2, and 75079.4 to, the Public Resources Code, relating to the environment.

LEGISLATIVE COUNSEL'S DIGEST

SB 732, as introduced, Steinberg. Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006.

The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative statute approved by the voters at the November 7, 2006, statewide general election, among other things, makes \$580,000,000 in bond funds available for improving the sustainability and livability of the state's communities through investment in natural resources.

This bill would, for purposes of those provisions, define "corporation" as an investor-owned public utility regulated by the Public Utilities Commission and would define "local public agency" as a local public agency that is a city, county, city and county, special district, corporation, or mutual water company.

This bill would require the various departments that are to implement the provisions of the initiative, among other things, to develop and adopt guidelines and regulations, consult with other entities, conduct studies, and follow certain procedures for establishing a project, or grant or loan program implementing the initiative.

The bill would establish the Forestland Conservation Program to protect the state’s forestlands in a coordinated effort that maintains productive healthy forests and enhances functional habitats on a broad scale for the purpose of implementing the initiative provisions that make bond funds available for the protection and conservation of forests and wildlife habitat. The bill would create the Forestland Conservation Account in the Wildlife Restoration Fund to receive those moneys.

The bill would require, by January 1, 2009, and on or before January 1 of each year thereafter, each state agency expending funds pursuant to the initiative for a project, grant, or loan to report to the Legislature on the recipient and amount of each project, grant, or loan awarded during the previous fiscal year.

The bill would provide that in any case in which the provisions of the bill and the initiative conflict, the initiative shall prevail.

Vote: majority. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: no.

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

- 1 SECTION 1. Section 75005 of the Public Resources Code is
- 2 amended to read:
- 3 75005. As used in this division, the following terms have the
- 4 following meanings:
- 5 (a) “Acquisition” means the acquisition of a fee interest or any
- 6 other interest in real property including easements, leases and
- 7 development rights.
- 8 (b) “Board” means the Wildlife Conservation Board.
- 9 (c) “California Water Plan” means the California Water Plan
- 10 Update Bulletin 160-05 and subsequent revisions and amendments.
- 11 (d) “Corporation” means an investor-owned utility regulated
- 12 by the Public Utilities Commission.
- 13 ~~(d)~~
- 14 (e) “Delta” means the Sacramento-San Joaquin River Delta.
- 15 ~~(e)~~
- 16 (f) “Department” means the Department of Water Resources.
- 17 ~~(f)~~
- 18 (g) “Development” includes, but is not limited to the physical
- 19 improvement of real property including the construction of facilities
- 20 or structures.
- 21 ~~(g)~~

- 1 (h) “Disadvantaged community” means a community with a
2 median household income less than 80% of the statewide average.
3 “Severely disadvantaged community” means a community with a
4 median household income less than 60% of the statewide average.
5 ~~(h)~~
6 (i) “Fund” means the Safe Drinking Water, Water Quality and
7 Supply, Flood Control, River and Coastal Protection Fund of 2006.
8 ~~(i)~~
9 (j) “Interpretation” includes, but is not limited to, a visitor
10 serving amenity that educates and communicates the significance
11 and value of natural, historical, and cultural resources in a way
12 that increases the understanding and enjoyment of these resources
13 and that may utilize the expertise of a naturalist or other specialist
14 skilled at educational interpretation.
15 ~~(j)~~
16 (k) “Local conservation corps” means a program operated by a
17 public agency or nonprofit organization that meets the requirements
18 of Section 14406.
19 (l) “Local public agency” has the same meaning as defined in
20 Section 10533 of the Water Code.
21 ~~(k)~~
22 (m) “Nonprofit organization” means any nonprofit corporation
23 qualified to do business in California, and qualified under Section
24 501(c)(3) of the Internal Revenue Code.
25 ~~(l)~~
26 (n) “Preservation” means rehabilitation, stabilization, restoration,
27 development, and reconstruction, or any combination of those
28 activities.
29 ~~(m)~~
30 (o) “Protection” means those actions necessary to prevent harm
31 or damage to persons, property or natural resources or those actions
32 necessary to allow the continued use and enjoyment of property
33 or natural resources and includes acquisition, development,
34 restoration, preservation and interpretation.
35 ~~(n)~~
36 (p) “Restoration” means the improvement of physical structures
37 or facilities and, in the case of natural systems and landscape
38 features includes, but is not limited to, projects for the control of
39 erosion, the control and elimination of exotic species, prescribed
40 burning, fuel hazard reduction, fencing out threats to existing or

1 restored natural resources, road elimination, and other plant and
2 wildlife habitat improvement to increase the natural system value
3 of the property. Restoration projects shall include the planning,
4 monitoring and reporting necessary to ensure successful
5 implementation of the project objectives.

6 ~~(o)~~

7 (q) “Secretary” means the Secretary of the Resources Agency.

8 ~~(p)~~

9 (r) “State Board” means the State Water Resources Control
10 Board.

11 SEC. 2. Section 75025.5 is added to the Public Resources Code,
12 to read:

13 75025.5. In implementing Section 75025, the State Department
14 of Health Services shall do all of the following:

15 (a) Develop guidelines pursuant to Section 75076.5 in
16 collaboration with the Department of Toxic Substances Control
17 and the state board.

18 (b) In collaboration with the Department of Toxic Substances
19 Control and the state board, develop and adopt regulations
20 governing the repayment of costs that are subsequently recovered
21 from parties responsible for the contamination.

22 SEC. 3. Section 75026.2 is added to the Public Resources Code,
23 to read:

24 75026.2. For purposes of paragraph (5) of subdivision (b) of
25 Section 75026, statewide priorities include:

26 (a) State planning priorities established in Section 65041.1 of
27 the Government Code.

28 (b) State water recycling goals established in Section 13577 of
29 the Water Code.

30 (c) Improving public trust resources above that required by
31 statute, court order, or regulatory order, or for project mitigation.

32 (d) Aiding disadvantaged communities.

33 (e) Addressing persistent and historic environmental
34 contaminants.

35 (f) Other environmental enhancements not otherwise required
36 by statute, court order, or regulatory order, or for project mitigation.

37 (g) Reducing exports of water out of the watershed of origin.

38 (h) Assist in meeting objectives of programs funded pursuant
39 to the Highway Safety, Traffic Reduction, Air Quality, and Port
40 Security Bond Act of 2006 (Chapter 12.49 (commencing with

1 Section 8879.20) of Division 1 of Title 2 of the Government Code),
2 the Housing and Emergency Shelter Trust Fund Act of 2006 (Part
3 12 (commencing with Section 53540) of Division 31 of the Health
4 and Safety Code), or the Kindergarten-University Public Education
5 Facilities Bond Act of 2006 (Part 69 (commencing with Section
6 101000) of the Education Code).

7 SEC. 4. Section 75026.4 is added to the Public Resources Code,
8 to read:

9 75026.4. If the department finds it necessary or desirable to
10 revise or replace the Integrated Regional Water Management
11 Guidelines, it shall do both of the following:

12 (a) Develop new or revised guidelines in consultation with the
13 state board, the California Bay-Delta Authority, and the Department
14 of Fish and Game, and the State Department of Health Services.

15 (b) Develop new or revised guidelines pursuant to Section
16 75076.5.

17 SEC. 5. Section 75028.5 is added to the Public Resources Code,
18 to read:

19 75028.5. Any standards or procedures developed to implement
20 subdivision (a) of Section 75028 shall be developed pursuant to
21 Section 75076.5.

22 SEC. 6. Section 75030.2 is added to the Public Resources Code,
23 to read:

24 75030.2. In implementing this chapter, the department shall
25 give priority to projects and programs that address the needs of
26 disadvantaged communities, to the extent that the priority does
27 not conflict with the other provisions of this chapter.

28 SEC. 7. Section 75032.2 is added to the Public Resources Code,
29 to read:

30 75032.2. Inspections and evaluations pursuant to subdivision
31 (a) of Section 75032 shall include seismic evaluation of those flood
32 control project facilities that are not a part of the state plan for
33 flood control.

34 SEC. 8. Section 75032.6 is added to the Public Resources Code,
35 to read:

36 75032.6. In implementing Section 75032.5, the department
37 shall develop guidelines pursuant to Section 75076.5

38 SEC. 9. Section 75032.7 is added to the Public Resources Code,
39 to read:

1 75032.7. For purposes of complying with the Public Contract
2 Code, expenditures funded pursuant to Sections 75031, 75032,
3 and 75033 shall be deemed to be in response to an emergency.

4 SEC. 10. Section 75032.8 is added to the Public Resources
5 Code, to read:

6 75032.8. Contracts funded pursuant to Sections 75031, 75032,
7 and 75033 shall provide for the payment of extra compensation to
8 the contractor, as a bonus for completion prior to the time specified
9 in the contract. This provision shall be included in the
10 specifications and shall clearly set forth the basis for the payment.

11 SEC. 11. Section 75042 is added to the Public Resources Code,
12 to read:

13 75042. In implementing this chapter, the department, in
14 collaboration with the Army Corps of Engineers and the operators
15 of the flood control and water supply facilities that affect the
16 operation of the state plan for flood control, shall do both of the
17 following:

18 (a) (1) Conduct a study to reduce flood risks throughout the
19 Sacramento River and San Joaquin River watersheds by reoperating
20 the existing flood management and water supply facilities.

21 (2) The study required by this subdivision shall also investigate
22 options to do all of the following:

23 (A) Increase water supply reliability.

24 (B) Improve water quality.

25 (C) Improve fish, wildlife, and habitat protection and restoration.

26 (3) The department shall complete the study on or before July
27 1, 2009, and present a report describing the results of the study to
28 the Legislature.

29 (b) Develop a real-time flood forecasting model, intergrating
30 the operations of flood control facilities that affect the operation
31 of the state plan for flood control. The model shall be capable of
32 both real-time forecasts and simulations for alternative operational
33 scenarios and shall be operational on or before November 1, 2009.

34 SEC. 12. Section 75043 is added to the Public Resources Code,
35 to read:

36 75043. In implementing this chapter, the department shall also,
37 in concert with the lead scientist of the California Bay-Delta
38 Authority and the Independent Science Board, develop two or
39 more hydrology data sets designed to evaluate plausible climate
40 change scenarios. Upon development of the hydrology data sets,

1 the department shall, within one year from the date when those
2 data sets are developed, update the studies developed pursuant to
3 Section 75042 to reflect the climate change hydrology data sets
4 and report the results to the Legislature.

5 SEC. 13. Section 75051 is added to the Public Resources Code,
6 to read:

7 75051. For the purposes of implementing subdivision (a) of
8 Section 75050, the Department of Fish and Game shall develop
9 guidelines to distribute grants pursuant to Section 75076.5. A grant
10 requesting funds for the development of a natural community
11 conservation plan shall be consistent with the Natural Community
12 Conservation Planning Act (Chapter 10 (commencing with Section
13 2800) of Division 3 of the Fish and Game Code).

14 SEC. 14. Section 75052 is added to the Public Resources Code,
15 to read:

16 75052. In implementing subdivision (m) of Section 75050, the
17 state board shall develop guidelines pursuant to Section 75076.5.

18 SEC. 15. Section 75056 is added to the Public Resources Code,
19 to read:

20 75056. (a) The Forestland Conservation Program is hereby
21 established to protect California's forestlands in a coordinated
22 effort that maintains productive healthy forests and enhances
23 functional habitats on a broad scale and for the purposes of
24 implementing Section 75055.

25 (b) The Forestland Conservation Account is hereby created in
26 the Wildlife Restoration Fund. The account shall be administered
27 by the board to carry out the purposes of the Forestland
28 Conservation Program. Moneys available from subdivision (a) of
29 Section 75055 shall be deposited in this account.

30 (c) Moneys in the account may be expended by the board for
31 the acquisition and restoration of property pursuant to the authority
32 granted to the board under Section 1348 of the Fish and Game
33 Code.

34 (d) The board shall develop guidelines in accordance with
35 Section 75076.5 to distribute grants from the account to a state
36 agency, local public agency, or nonprofit organization for the
37 acquisition of conservation easements and fee interests in real
38 property and restoration of forest properties. In developing these
39 guidelines, the board shall consult with state conservancies, the
40 Department of Forestry and Fire Protection, and other public

1 stakeholders. The guidelines shall require a grant agreement to
2 clearly state the purposes of the conservation effort, establish
3 baseline conditions on the property, and include procedures to
4 regularly monitor the property to ensure compliance with the grant
5 agreement. If feasible, the lands purchased or offered easements
6 under the program shall be managed to beneficially reduce or
7 sequester greenhouse gas emissions using policies, protocols, or
8 other relevant information developed by the California Climate
9 Action Registry.

10 (e) A project may receive funds from the account only if the
11 board determines that the project will protect, restore, or enhance
12 a forestland in a manner consistent with one or more of the
13 following objectives:

14 (1) To protect, maintain, or restore native forests, including
15 forests producing wood and related forest products that support
16 sustainable native forest ecosystems.

17 (2) To dedicate the property primarily for forest uses and native
18 forest ecosystems.

19 (3) To provide public recreational access that is compatible with
20 protection of native forest ecosystems or forest-related economic
21 uses of the property.

22 (4) To provide for erosion control in unstable forest areas and
23 the reduction of accelerated sediment transport to forest
24 watercourses.

25 (5) To provide for retention or recruitment of old growth trees
26 and forest stands with late successional functionality.

27 (6) To enhance restoration and maintenance of native fish and
28 wildlife habitat within forested lands.

29 (7) To conserve, restore, and enhance native plant composition.

30 (8) To protect water resources and quality for drinking water
31 and wildlife habitat.

32 SEC. 16. Section 75057 is added to the Public Resources Code,
33 to read:

34 75057. (a) For the purposes of implementing paragraph (4) of
35 subdivision (d) of Section 75055, the board shall develop
36 competitive grant guidelines pursuant to Section 75076.5. Eligible
37 applicants may include cities, counties, nonprofit organizations,
38 resource conservation districts, or county farm bureaus.

39 (b) Eligible projects shall include, but are not limited to,
40 research, development of best management practices, and purchase

1 of educational and training materials that integrate agricultural
2 activities with ecosystem restoration and habitat protection. Projects
3 may also include purchase of demonstration land and fee title
4 purchase of property to implement best management practices.

5 (c) The board shall encourage grant applications for a wide
6 range of agricultural activities representative of the range of
7 agricultural activities in the state.

8 SEC. 17. Section 75064 is added to the Public Resources Code,
9 to read:

10 75064. (a) The Department of Parks and Recreation shall
11 develop guidelines for a competitive grant program to allocate a
12 portion of the moneys available from subdivision (b) of Section
13 75063. The guidelines shall be developed pursuant to Section
14 75076.5.

15 (b) Eligible parties may include public institutions and nonprofit
16 organizations that have missions that meet one or more of the
17 following objectives:

18 (1) To combine the study of natural science with preservation.

19 (2) To serve diverse populations with demonstration and
20 educational programs.

21 (3) To provide collections and programs involving the
22 relationship of Native American cultures to the environment.

23 (4) To research marine wildlife conservation.

24 (c) Eligible projects may include facilities and equipment for
25 nature education and research. Grants shall not be awarded for
26 interpretation or other ongoing activities.

27 SEC. 18. Section 75067 is added to the Public Resources Code,
28 to read:

29 75067. (a) For the purposes of implementing subdivision (a)
30 of Section 75065, an “urban greening project” is defined as a
31 project that provides multiple community benefits including
32 improving energy conservation, improving water and air quality,
33 and reducing water consumption. These projects aim to protect
34 the environment while improving the quality of life for residents.

35 (b) The Resources Agency shall develop a grant program
36 pursuant to Section 75076.5 that provides funds for urban greening
37 projects. The agency may require projects, in order to be eligible
38 for funding, to do one or more of the following:

39 (1) Provide multiple benefits, as both air and water quality
40 improvements.

1 (2) Provide matching funds from nonstate sources.

2 (3) Avoid or mitigate all air quality impacts and greenhouse gas
3 emissions.

4 (c) The Resources Agency shall give priority to providing grants
5 to projects that do one or more of the following:

6 (1) Are incorporated into a regional growth plan in accordance
7 with Section 75069.

8 (2) Serve communities that are economically disadvantaged or
9 underserved.

10 (3) Facilitate joint use of public resources and investment,
11 including, but not limited to, schools.

12 (d) Eligible projects for grants may include any of the following:

13 (1) Installation of permeable surfaces that reduce stormwater
14 runoff, improve water quality, and provide open or recreation
15 space.

16 (2) Vegetation projects that provide cooling for buildings and
17 parking lots.

18 (3) Urban forestry projects pursuant to the California Urban
19 Forestry Act of 1978 (Chapter 2 (commencing with Section
20 4799.06) of Part 2.5 of Division 4).

21 (4) Planning and building urban trails that provide safe routes
22 for both recreation and for travel between residences, schools,
23 commercial centers, and workplaces.

24 SEC. 19. Section 75068 is added to the Public Resources Code,
25 to read:

26 75068. (a) For the purposes of implementing subdivision (b)
27 of Section 75065, and subparagraph (A) of paragraph (1) of
28 subdivision (b) of, and subdivision (d) of, Section 53545 of the
29 Health and Safety Code, it is the intent of the Legislature to
30 distribute funds fairly among all Californians in a process led by
31 the Department of Parks and Recreation.

32 (b) A grant program to distribute these funds, at a minimum,
33 shall do all of the following:

34 (1) Include criteria to enable applicants to illustrate how their
35 project is meeting the intent of the program and funding source.

36 (2) Include mechanisms to allow departmental oversight.

37 (3) Include both public agencies and community-based
38 organizations as eligible applicants.

39 SEC. 20. Section 75069 is added to the Public Resources Code,
40 to read:

1 75069. (a) For the purposes of implementing subdivision (c)
2 of Section 75065, the Resources Agency shall develop guidelines
3 for regional growth plans, in coordination with the Environmental
4 Protection Agency, interested local agencies, and members of the
5 public. Upon adoption, the Resources Agency shall transmit copies
6 of the guidelines to the appropriate policy committees of the
7 Legislature. The regional growth plans shall serve as the preferred
8 growth strategy for the region and the basis for all the land use
9 allocation and regional transportation plans. These regional growth
10 plans shall include measures needed to do all of the following:

- 11 (1) Meet applicable air quality implementation plans.
- 12 (2) Reduce vehicle miles traveled per household and traffic
13 congestion.
- 14 (3) Increase average density for new residential areas to
15 accommodate the expected population increase within the planning
16 region.
- 17 (4) Identify and protect viable wildlife habitat, agricultural areas,
18 scenic areas, and other natural resources.
- 19 (5) Provide parks, recreation areas, and facilities throughout the
20 community.
- 21 (6) Reduce water consumption.

22 (b) The Resources Agency may develop a set of guidelines for
23 metropolitan regions with populations greater than one million
24 people and another set of guidelines for less populous regions.

25 (c) The Resource Agency shall develop a grant program to assist
26 local governments in the development of regional growth plans in
27 accordance with subdivision (c) of Section 75065. The grant
28 program shall have minimum standards that require the proposals,
29 at a minimum, to demonstrate how the agency is doing both of the
30 following:

- 31 (1) Meeting the objectives in subdivision (a).
- 32 (2) Developing the regional growth plan with significant public
33 involvement.

34 SEC. 21. Section 75070.2 is added to the Public Resources
35 Code, to read:

36 75070.2. Before the adoption of any negative declaration or
37 environmental impact report required under Section 75070, the
38 lead agency shall refer the proposed action to a California Native
39 American tribe, which is on the contact list maintained by the

1 Native American Heritage Commission, if that tribe has traditional
2 lands located within the area of the proposed project.

3 SEC. 22. Section 75076 of the Public Resources Code is
4 amended to read:

5 75076. Chapter 3.5 (commencing with Section 11340) of Part
6 1 of Division 3 of Title 2 of the Government Code does not apply
7 to the development and adoption of program guidelines and
8 selection criteria adopted pursuant to this ~~chapter~~ *division*.

9 SEC. 23. Section 75076.5 is added to the Public Resources
10 Code, to read:

11 75076.5. (a) (1) On or before March 15, 2008, each state
12 agency disbursing a grant or loan pursuant to this division shall
13 develop project solicitation and evaluation guidelines. The
14 guidelines may include a limitation on the size of a grant or loan
15 to be awarded.

16 (2) Prior to disbursing a grant, each state agency shall conduct
17 two public meetings to consider public comments prior to finalizing
18 the guidelines. Each state agency shall publish the draft solicitation
19 and evaluation guidelines on its Internet Web site at least 30 days
20 before the public meetings. One meeting shall be conducted at a
21 location in Northern California and one meeting shall be conducted
22 at a location in Southern California. Upon adoption, each state
23 agency shall transmit copies of the guidelines to the fiscal
24 committees and the appropriate policy committees of the
25 Legislature. To the extent feasible, each state agency shall provide
26 outreach to disadvantaged communities to promote access and
27 participation in those meetings.

28 (3) (A) Subject to subparagraph (B), the guidelines may include
29 a requirement for matching funds.

30 (B) A state agency may not require matching funds for the
31 purposes of awarding a grant financed by this division to assist a
32 disadvantaged community.

33 (4) The guidelines shall require a new grant solicitation for each
34 funding cycle. Each funding cycle shall consider only those
35 applications received as a part of the solicitation for that funding
36 cycle.

37 (b) Notwithstanding subdivision (a), a state agency, in lieu of
38 adopting guidelines pursuant to subdivision (a), may use guidelines
39 existing on January 1, 2007, to the extent those guidelines conform
40 to the applicable requirements of this division.

1 SEC. 24. Section 75077 of the Public Resources Code is
2 amended to read:

3 75077. Funds provided pursuant to this ~~chapter~~ *division*, and
4 any appropriation or transfer of those funds, shall not be deemed
5 to be a transfer of funds for the purposes of Chapter 9 (commencing
6 with Section 2780) of Division 3 of the Fish and Game Code.

7 SEC. 25. Section 75078.5 is added to the Public Resources
8 Code, to read:

9 75078.5. On or before January 1, 2009, and on or before
10 January 1 of each year thereafter, each state agency expending
11 funds pursuant to this division for a project, grant, or loan shall
12 report to the Legislature on the recipient and amount of each
13 project, grant, or loan awarded during the previous fiscal year. The
14 information shall include the total amount awarded, categorized
15 by project, grant, or loan, the geographic distribution of a project,
16 grant, or loan awarded under this division, and the intended public
17 and environmental benefit that the award provides. The information
18 shall also include data on the balance of a fund available under
19 this division for expenditures and grants in that fiscal year and
20 future fiscal years.

21 SEC. 26. Section 75079.2 is added to the Public Resources
22 Code, to read:

23 75079.2. It is the intent of the people of California that any
24 public funds made available by this division to investor-owned
25 utilities regulated by the Public Utilities Commission shall be for
26 the benefit of the ratepayers and not the investors pursuant to
27 oversight by the Public Utilities Commission.

28 SEC. 27. Section 75079.4 is added to the Public Resources
29 Code, to read:

30 75079.4. State agencies that are authorized to award a loan or
31 grant financed by this division shall provide technical assistance
32 with regard to the preparation of an application for a loan or grant
33 in a manner that, among other things, addresses the needs of
34 economically disadvantaged communities.

35 SEC. 28. In any case in which any of the provisions of this act,
36 and Division 43 (commencing with Section 75001) of the Public
37 Resources Code conflict, that division shall prevail.

38 SEC. 29. The provisions of this act are severable. If any
39 provision of this act or its application is held invalid, that invalidity

- 1 shall not affect other provisions or applications that can be given
- 2 effect without the invalid provision or application.

O