

AMENDED IN ASSEMBLY AUGUST 26, 2011

AMENDED IN ASSEMBLY JULY 13, 2011

AMENDED IN ASSEMBLY JUNE 22, 2011

AMENDED IN SENATE MAY 31, 2011

AMENDED IN SENATE MAY 2, 2011

AMENDED IN SENATE MARCH 24, 2011

SENATE BILL

No. 436

Introduced by Senator Kehoe

(Principal coauthor: Assembly Member Alejo)

(Coauthor: Assembly Member Chesbro)

February 16, 2011

An act to amend Section 65965 of, ~~to add Section 65969 to, and to add, repeal, and add Sections 65966, 65967, and 65968 of, the~~ *to add Sections 65966 and 65967 to, and to add and repeal Sections 65968 and 65968.01 of, the* Government Code, relating to land use.

LEGISLATIVE COUNSEL'S DIGEST

SB 436, as amended, Kehoe. Land use: mitigation lands: nonprofit organizations.

The Planning and Zoning Law authorizes a state or local public agency, if the agency requires a property owner to transfer to the agency an interest in real property to mitigate an adverse impact upon natural resources caused by permitting the development of a project or facility, to authorize a nonprofit organization to hold title to and manage that interest in real property, provided that the nonprofit organization meets specified requirements.

This bill would revise these provisions and would, ~~until January 1, 2022,~~ authorize a state or local public agency to provide funds to a nonprofit organization to acquire land or easements that satisfy the agency's mitigation obligations, including funds that have been set aside for the long-term management of any lands or easements conveyed to a nonprofit organization, as specified. This bill would, *until January 1, 2022,* require a nonprofit organization that holds funds on behalf of the Department of Fish and Game, *or a special district or nonprofit organization that holds funds on behalf of a state or local agency,* for the long-term management of land to comply with certain requirements, including certification by the department, and oversight by the Controller under specified circumstances. The bill would also state the findings and declarations of the Legislature with respect to the preservation of natural resources through mitigation, and would state that it is in the best interest of the public to allow state and local public agencies and nonprofit organizations to utilize the tools and strategies they need for improving the effectiveness, cost efficiency, and durability of mitigation for California's natural resources.

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. The Legislature finds and declares all of the
2 following:
- 3 (a) State and local laws protect a variety of natural resources,
4 and also require permits to be issued for the development of certain
5 projects or facilities.
- 6 (b) In furtherance of these laws, state or local public agencies
7 may require a project proponent to transfer an interest in real
8 property to mitigate any adverse impact upon natural resources
9 caused by permitting the development of a project or facility.
- 10 (c) It is a widespread practice that funds are set aside for the
11 long-term stewardship of the property protected for mitigation
12 purposes by the project proponent at the time the property is
13 protected.
- 14 (d) Lands and real property interests that are protected to achieve
15 the mitigation may be held by public agencies, special districts,
16 nonprofit organizations, or other entities, including for-profit
17 ~~corporations~~ *entities*.

1 (e) Many state and local agencies work with special districts,
2 nonprofit organizations, and property owners in valuable and
3 cost-effective public-private partnerships to identify properties
4 that meet the mitigation requirements and to hold and provide
5 long-term stewardship of the real property interests.

6 (f) There are tools and strategies available for improving the
7 effectiveness, cost efficiency, and durability of mitigation for
8 California’s natural resources.

9 (g) Identifying mitigation needs on a regional basis may expedite
10 the planning and mitigation processes, as well as ultimately ~~result~~
11 *resulting* in consolidated mitigation areas that can be managed
12 more cost-effectively.

13 (h) It is in the best interest of the public, project proponents,
14 and local communities to ensure that the public benefits of
15 mitigation are achieved and enduring.

16 (i) It is in the best interest of the public to allow public agencies,
17 special districts, nonprofit organizations, and property owners to
18 utilize the tools and strategies they need for improving the
19 effectiveness, cost efficiency, and durability of mitigation for
20 California’s natural resources.

21 (j) It is important that entities that are qualified as to experience,
22 capacity, and knowledge hold and manage property for mitigation
23 purposes and any accompanying funds.

24 (k) There are numerous benefits, including decreased financial
25 risk, creation of efficiencies, and maintaining partnerships, for the
26 real property and associated long-term funding to be held and
27 managed by the same entity.

28 (l) The state recognizes that it is widespread practice for the
29 holder of a mitigation property to also hold and manage the
30 long-term funding dedicated to the property.

31 (m) The state seeks strategies that allow and provide for this
32 practice to continue while providing appropriate standards and
33 public oversight to ensure that the funds endure for the long-term
34 stewardship of the protected property and its associated natural
35 resources.

36 (n) California has a number of strong protections in place to
37 ensure that nonprofit organizations properly manage their charitable
38 resources and assets held in trust. These protections include, but
39 are not limited to, the state’s Nonprofit Corporation Law that
40 identifies the nonprofit governing body’s obligations to protect

1 the assets and mission of the nonprofit, and the provision that the
2 governing body is jointly and severally liable for any failure to do
3 so. In addition, the Attorney General has enforcement rights and
4 obligations regarding noncompliance, mismanagement, or misuse
5 of endowment funds, including the recovery of any endowment
6 funds.

7 (o) The management of endowment funds by California
8 nonprofit organizations is governed by the Uniform Prudent
9 Management of Institutional Funds Act (Part 7 (commencing with
10 Section 18501) of Division 9 of the Probate Code).

11 (p) The Uniform Prudent Management of Institutional Funds
12 Act recognizes the distinction between permanently restricted
13 funds and temporarily restricted funds and imposes requirements
14 for each. Both types of funds are relevant to the management of
15 funds for the long-term stewardship of land.

16 (q) The goal of managing funds held for the long-term
17 stewardship of land is to achieve intergenerational equity as
18 embodied in the Uniform Prudent Management of Institutional
19 Funds Act and extensively cited in the financial literature.
20 Considerable guidance is provided in the act about achieving this
21 objective.

22 (r) While nonprofit organizations must manage endowment
23 funds according to the Uniform Prudent Management of
24 Institutional Funds Act, to the extent feasible and permissible, the
25 same principles and guidelines, including the goal of managing
26 for intergenerational equity, should guide all holders of long-term
27 endowment funds including public agencies and special districts.

28 SEC. 2. Section 65965 of the Government Code is amended
29 to read:

30 65965. For the purposes of this chapter, the following
31 definitions apply:

32 (a) “Accompanying funds” means the funds ~~for the long-term~~
33 ~~stewardship of lands~~ that may be conveyed for the long-term
34 stewardship of a property.

35 (b) “Conservation easement” means a conservation easement
36 created pursuant to Chapter 4 (commencing with Section 815) of
37 Title 2 of Part 2 of Division 2 of the Civil Code.

38 (c) “Department” means the Department of Fish and Game.

39 (d) “Direct protection” means the permanent protection,
40 conservation, and preservation of lands, waters, or natural

1 resources, including, but not limited to, agricultural lands, wildlife
2 habitat, wetlands, endangered species habitat, open-space areas,
3 or outdoor recreational areas.

4 (e) “Mitigation agreement” means a written agreement between
5 a public agency, the project proponent, and the special district,
6 nonprofit organization, *for-profit entity*, or other entity that holds
7 the property. A mitigation agreement ~~shall govern~~ *governs* the
8 long-term stewardship of a property and accompanying funds, and
9 shall specify any reporting requirements or elements, including
10 due dates of reports.

11 (f) “Project proponent” means an individual, business entity,
12 agency, or other entity that is developing a project or facility and
13 is required to mitigate any adverse impact upon natural resources.

14 (g) “Property” means fee title land or any partial interest in real
15 property, including a conservation easement.

16 (h) “Special district” means any special district formed pursuant
17 to Article 3 (commencing with Section 5500) of Chapter 3 of
18 Division 5 or Division 26 (commencing with Section 35100) of
19 the Public Resources Code, *or any resource conservation district*
20 *organized pursuant to Division 9 (commencing with Section 9001)*
21 *of the Public Resources Code.*

22 (i) “Stewardship” encompasses the range of activities involved
23 in controlling, ~~resource and compliance~~ monitoring, and managing
24 for conservation purposes a property, or a conservation or
25 open-space easement, as defined by the terms of the easement, and
26 its attendant resources.

27 *SEC. 3. Section 65966 is added to the Government Code, to*
28 *read:*

29 *65966. (a) Any conservation easement created as a component*
30 *of satisfying a local or state mitigation requirement shall be*
31 *perpetual in duration, whether created pursuant to Section 51075*
32 *of this code or Section 815 of the Civil Code, and shall be deemed*
33 *to be “voluntarily created” and “conveyed” as those terms are*
34 *used in Sections 815.2 and 815.3 of the Civil Code.*

35 *(b) Any local or state agency that requires property to be*
36 *protected pursuant to subdivision (a) or (b) of Section 65967 shall*
37 *identify how the funding needs of the long-term stewardship of the*
38 *property will be met. If funds are set aside at the time the property*
39 *is protected, all of the following shall apply:*

1 (1) *The accompanying funds shall be held, managed, invested,*
2 *and disbursed solely for the long-term stewardship of the specific*
3 *property for which the funds were set aside.*

4 (2) *The accompanying funds shall be calculated to include a*
5 *principal amount that, when managed and invested, will produce*
6 *revenues that are reasonably sufficient to cover the annual*
7 *stewardship costs of the property in perpetuity.*

8 (3) *The principal amount shall be defined and managed as*
9 *permanently restricted funds.*

10 (4) *Any one-time payment, as defined by subdivision (f), and*
11 *earnings from the principal shall be managed as temporarily*
12 *restricted funds.*

13 (5) *The accompanying funds shall be held, managed, invested,*
14 *and disbursed consistent with the Uniform Prudent Management*
15 *of Institutional Funds Act (Part 7 (commencing with Section 18501)*
16 *of Division 9 of the Probate Code).*

17 (c) *If a state or local agency holds the accompanying funds, the*
18 *state or local agency shall do all of the following:*

19 (1) *Hold, manage, and invest the accompanying funds consistent*
20 *with subdivision (b) to the extent allowed by law.*

21 (2) *Disburse funds on a timely basis to meet the stewardship*
22 *expenses of the entity holding the property.*

23 (3) *Utilize accounting standards consistent with standards*
24 *promulgated by the Governmental Accounting Standards Board.*

25 (d) *A special district or a nonprofit organization that holds*
26 *funds pursuant to this chapter, including, but not limited to,*
27 *accompanying funds, moneys to acquire land or easements, or*
28 *moneys for initial stewardship costs, shall provide the local or*
29 *state agency with an annual fiscal report that contains at least the*
30 *same information as required by Internal Revenue Service Form*
31 *990 regarding the funds.*

32 (e) *If a state or local agency authorizes a special district or*
33 *nonprofit organization to hold property pursuant to subdivision*
34 *(a) or (b) of Section 65967, the agency may require an*
35 *administrative endowment from the project proponent, as a*
36 *one-time payment for reasonable costs associated with reviewing*
37 *qualifications, approving holders, and regular oversight of*
38 *compliance and performance. The administrative endowment shall*
39 *be held, managed, and invested to produce an annual revenue*

1 *sufficient to cover the costs of reviewing qualifications, approving*
2 *holders, and ongoing oversight.*

3 *(f) A state or local agency may require a project proponent to*
4 *provide a one-time payment that will provide for the initial*
5 *stewardship costs for up to three years while the endowment begins*
6 *to accumulate investment earnings. The funds for the initial*
7 *stewardship costs are distinct from the funds that may be conveyed*
8 *for long-term stewardship, construction, or other costs. If there*
9 *are funds remaining at the completion of the initial stewardship*
10 *period, the funds shall be conveyed to the project proponent.*

11 *(g) The state or local agency may contract with or designate a*
12 *qualified third party to do any of the following:*

13 *(1) Review the qualifications of a special district or nonprofit*
14 *organization to effectively manage and steward natural land or*
15 *resources pursuant to subdivisions (c) and (d) of Section 65967.*

16 *(2) Review the qualifications of a nonprofit to hold and manage*
17 *the accompanying funds that are set aside for long-term*
18 *stewardship of the property.*

19 *(3) Review reports or other performance indicators to evaluate*
20 *the stewardship of lands, natural resources, or funds, and*
21 *compliance with the mitigation agreement.*

22 *(h) If a property conserved pursuant to subdivision (a) or (b)*
23 *of Section 65967 is condemned, the net proceeds from the*
24 *condemnation of the real property interest set aside for mitigation*
25 *purposes shall be used for the purchase of property that replaces*
26 *the natural resource characteristics the original mitigation was*
27 *intended to protect, or as near as reasonably feasible. Any*
28 *accompanying funds held for the condemned property shall be*
29 *held for the long-term stewardship of the replacement property.*

30 *(i) Unless prohibited by law, no provision in this chapter is*
31 *intended to prohibit for-profit entities from holding or acquiring*
32 *property for mitigation purposes.*

33 *SEC. 4. Section 65967 is added to the Government Code, to*
34 *read:*

35 *65967. (a) If a state or local agency requires a project*
36 *proponent to transfer property to mitigate any adverse impact*
37 *upon natural resources caused by permitting the development of*
38 *a project or facility, the agency may authorize a special district*
39 *or a nonprofit organization to hold title to and manage that*
40 *property.*

1 ***(b) If a state or local agency, in the development of its own***
2 ***project, is required to protect property to mitigate an adverse***
3 ***impact upon natural resources, the agency may do either of the***
4 ***following:***

5 ***(1) Transfer the interest to a special district or to a nonprofit***
6 ***organization that meets the requirements set forth in subdivision***
7 ***(c).***

8 ***(2) Provide funds to a nonprofit organization or special district***
9 ***to acquire land or easements that satisfy the agency’s mitigation***
10 ***obligations.***

11 ***(c) If a state or local agency authorizes a nonprofit organization***
12 ***to hold title to and manage the property, that nonprofit***
13 ***organization shall meet all of the following requirements:***

14 ***(1) The nonprofit organization shall be exempt from taxation***
15 ***as an organization described in Section 501(c)(3) of the Internal***
16 ***Revenue Code.***

17 ***(2) The nonprofit organization shall be qualified to do business***
18 ***in this state.***

19 ***(3) The nonprofit organization shall be a “qualified***
20 ***organization” as defined in Section 170(h)(3) of the Internal***
21 ***Revenue Code.***

22 ***(4) The nonprofit organization shall have as its principal***
23 ***purpose and activity the direct protection or stewardship of land,***
24 ***water, or natural resources, including, but not limited to,***
25 ***agricultural lands, wildlife habitat, wetlands, endangered species***
26 ***habitat, open-space areas, and outdoor recreational areas.***

27 ***(d) A state or local agency shall exercise due diligence in***
28 ***reviewing the qualifications of a special district or nonprofit***
29 ***organization to effectively manage and steward land, water, or***
30 ***natural resources, as well as the accompanying funds. The local***
31 ***agency may adopt guidelines to assist it in that review process,***
32 ***which may include, but are not limited to, the use of or reliance***
33 ***upon guidelines, standards, or accreditation established by a***
34 ***qualified entity that are in widespread state or national use.***

35 ***(e) The state or local agency may require the special district or***
36 ***nonprofit organization to submit a report not more than once every***
37 ***12 months and for the number of years specified in the mitigation***
38 ***agreement that details the stewardship and condition of the***
39 ***property and any other requirements pursuant to the mitigation***
40 ***agreement for the property.***

1 (f) *The recorded instrument that places the title of the property*
2 *with a special district, nonprofit organization, or for-profit entity,*
3 *pursuant to subdivision (a) or (b) shall include a provision that if*
4 *the state or local agency or its successor agency reasonably*
5 *determines that the property is not being held, monitored, or*
6 *stewarded for conservation purposes in the manner specified in*
7 *that instrument or in the mitigation agreement, the property shall*
8 *revert to the state or local agency, or to another public agency,*
9 *special district, or nonprofit organization pursuant to subdivisions*
10 *(c) and (d) and subject to approval by the state or local agency.*
11 *If a state or local agency determines that a property must revert,*
12 *it shall work with the parties to the mitigation agreement, or other*
13 *affected entities, to ensure that any contracts, permits, funding, or*
14 *other obligations and responsibilities are met.*

15 *SEC. 5. Section 65968 is added to the Government Code, to*
16 *read:*

17 *65968. (a) If a local agency authorizes a special district or*
18 *nonprofit organization to hold the property pursuant to subdivision*
19 *(a) or (b) of Section 65967, the agency may allow the*
20 *accompanying funds to be held by the same special district or*
21 *nonprofit organization that holds the property pursuant to this*
22 *section. Except for the local agency or as prohibited by law, no*
23 *other special district, nonprofit organization, or entity may hold*
24 *the accompanying funds if the property is held by a special district*
25 *or nonprofit organization.*

26 *(b) The special district or nonprofit organization shall hold,*
27 *manage, invest, and disburse the funds in furtherance of the*
28 *long-term stewardship of the property for which the funds were*
29 *set aside.*

30 *(c) The local agency shall determine that the holder of*
31 *accompanying funds meets all of the following requirements:*

32 *(1) The holder has the capacity to effectively manage the*
33 *mitigation funds.*

34 *(2) The holder has the capacity to achieve reasonable rates of*
35 *return on the investment of those funds similar to those of other*
36 *prudent investors.*

37 *(3) The holder utilizes generally accepted accounting practices*
38 *as promulgated by either of the following:*

39 *(A) The Financial Accounting Standards Board for nonprofit*
40 *organizations.*

1 (B) *The Governmental Accounting Standards Board for public*
2 *agencies, to the extent those practices do not conflict with any*
3 *requirement for special districts in Article 2 (commencing with*
4 *Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5 of*
5 *the Government Code.*

6 (4) *The holder will be able to ensure that funds are accounted*
7 *for, and tied to, a specific property.*

8 (5) *If the holder is a nonprofit organization, it has an investment*
9 *policy that is consistent with the Uniform Prudent Management*
10 *of Institutional Funds Act (Part 7 (commencing with Section 18501)*
11 *of Division 9 of the Probate Code).*

12 (d) *The mitigation agreement that authorizes the funds to be*
13 *conveyed to a special district or nonprofit organization pursuant*
14 *to subdivision (a) shall include a provision that requires the*
15 *accompanying funds held by a special district or a nonprofit*
16 *organization to revert to the local agency, or to a successor*
17 *organization identified by the agency and subject to subdivision*
18 *(c), if any of the following occurs:*

19 (1) *The special district or nonprofit organization ceases to exist.*

20 (2) *The special district or nonprofit organization is dissolved.*

21 (3) *The special district or nonprofit organization becomes*
22 *bankrupt or insolvent.*

23 (4) *The local agency reasonably determines that the*
24 *accompanying funds held by the special district or nonprofit*
25 *organization, or its successor entity, are not being held, managed,*
26 *invested, or disbursed for conservation purposes and consistent*
27 *with the mitigation agreement and legal requirements. Any reverted*
28 *funds shall continue to be held, managed, and disbursed only for*
29 *long-term stewardship and benefit of the specific property for*
30 *which they were set aside. If the funds revert from the special*
31 *district or nonprofit organization, the special district or nonprofit*
32 *organization may choose to relinquish the property. If the property*
33 *is relinquished, the local agency shall accept title to the property*
34 *or identify an approved special district or nonprofit organization*
35 *to accept title to the property.*

36 (e) *Subject to subdivision (d), any accompanying funds that are*
37 *conveyed to and held by a special district or nonprofit organization*
38 *pursuant to this section shall continue to be held by the entity if*
39 *this section is repealed and those funds are conveyed prior to the*
40 *date this section is repealed.*

1 (f) *This section shall remain in effect only until January 1, 2022,*
2 *and as of that date is repealed, unless a later enacted statute, that*
3 *is enacted before January 1, 2022, deletes or extends that date.*

4 SEC. 6. *Section 65968.01 is added to the Government Code,*
5 *to read:*

6 65968.01. (a) *Notwithstanding Section 13014 of the Fish and*
7 *Game Code, if a state agency authorizes a special district or*
8 *nonprofit organization to hold the property pursuant to subdivision*
9 *(a) or (b) of Section 65967, the agency may allow the*
10 *accompanying funds to be held by the same special district or*
11 *nonprofit organization that holds the property pursuant to this*
12 *section. Except for the state agency or as prohibited by law, no*
13 *other special district, nonprofit organization, or entity may hold*
14 *the accompanying funds if the property is held by a special district*
15 *or nonprofit organization.*

16 (b) *The special district or nonprofit organization shall hold,*
17 *manage, invest, and disburse the funds only in furtherance of the*
18 *long-term stewardship of the property for which the funds were*
19 *set aside.*

20 (c) *The state agency shall determine that the holder of*
21 *accompanying funds meets all of the following requirements:*

22 (1) *The holder has the capacity to effectively manage the*
23 *mitigation funds.*

24 (2) *The holder has the capacity to achieve reasonable rates of*
25 *return on the investment of those funds similar to those of other*
26 *prudent investors.*

27 (3) *The holder utilizes generally accepted accounting practices*
28 *as promulgated by either of the following:*

29 (A) *The Financial Accounting Standards Board for nonprofit*
30 *organizations.*

31 (B) *The Governmental Accounting Standards Board for public*
32 *agencies, to the extent those practices do not conflict with any*
33 *requirement for special districts in Article 2 (commencing with*
34 *Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5 of*
35 *the Government Code.*

36 (4) *The holder will be able to ensure that funds are accounted*
37 *for, and tied to, a specific property.*

38 (5) *If the holder is a nonprofit organization, it has an investment*
39 *policy that is consistent with the Uniform Prudent Management*

1 of Institutional Funds Act (Part 7 (commencing with Section 18501)
2 of Division 9 of the Probate Code).

3 (d) The mitigation agreement that authorizes the funds to be
4 conveyed to a special district or nonprofit organization pursuant
5 to subdivision (a) shall include a provision that requires the
6 accompanying funds held by a special district or a nonprofit
7 organization to revert to the state agency, or to a successor
8 organization identified by the agency and subject to subdivision
9 (c), if any of the following occurs:

10 (1) The special district or nonprofit organization ceases to exist.

11 (2) The special district or nonprofit organization is dissolved.

12 (3) The special district or nonprofit organization becomes
13 bankrupt or insolvent.

14 (4) The state agency reasonably determines that the
15 accompanying funds held by the special district or nonprofit
16 organization, or its successor entity, are not being held, managed,
17 invested, or disbursed for conservation purposes and consistent
18 with the mitigation agreement and legal requirements. Any reverted
19 funds shall continue to be held, managed, and disbursed only for
20 long-term stewardship and benefit of the specific property for
21 which they were set aside. If the funds revert from the special
22 district or nonprofit organization, the special district or nonprofit
23 organization may choose to relinquish the property. If the property
24 is relinquished, the state agency shall accept title to the property
25 or identify an approved special district or nonprofit organization
26 to accept title to the property.

27 (e) Subject to subdivision (d), any accompanying funds that are
28 conveyed to and held by a special district or nonprofit organization
29 pursuant to this section shall continue to be held by the entity if
30 this section is repealed and if those funds are conveyed prior to
31 the date this section is repealed.

32 (f) If the state agency is the department and it chooses to
33 authorize special districts or nonprofits to hold the accompanying
34 funds pursuant to subdivision (a), the following conditions
35 additionally apply:

36 (1) A special district or nonprofit organization shall not hold
37 funds unless it is certified by the department. The department shall
38 adopt regulations for a process to certify special districts or
39 nonprofit organizations to hold accompanying funds. The
40 department shall not certify more than 10 special districts or

1 nonprofit organizations to hold accompanying funds under this
2 section.

3 (2) The department shall contract with any of the following
4 entities to evaluate qualifications for holding accompanying funds
5 and to provide regular oversight of financial management of the
6 accompanying funds:

7 (A) The Controller.

8 (B) The Office of State Audits and Evaluations in the Department
9 of Finance.

10 (C) An independent, qualified person or firm experienced with
11 financial evaluation and oversight.

12 (3) A special district or nonprofit organization that holds
13 accompanying funds for the long-term stewardship of land may
14 be subject to oversight by any of the entities in paragraph (2) of
15 subdivision (f). The entity may annually review independent audit
16 or financial statements, tax filings, or any other documents or
17 reports determined necessary to verify the sound financial
18 management of funds held by a special district or nonprofit
19 organization.

20 (4) All reasonable costs incurred by the department or the entity
21 under this subdivision shall be paid by the administrative
22 endowment established pursuant to subdivision (e) of Section
23 65966.

24 (g) This section shall not apply retroactively to endowment
25 funds held by the state in the Pooled Money Investment Account
26 as of January 1, 2012.

27 (h) This section shall remain in effect only until January 1, 2022,
28 and as of that date is repealed, unless a later enacted statute, that
29 is enacted before January 1, 2022, deletes or extends that date.

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**All matter omitted in this version of the bill
appears in the bill as amended in the
Assembly, July 13, 2011. (JR11)**