

AMENDED IN ASSEMBLY MAY 23, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2150**

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**Introduced by Assembly Member Rendon**

February 20, 2014

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An act to amend Sections 541.5 and 5010.7 of, to add Section 535.4 to, and to add Chapter 14 (commencing with Section 5880) to Division 5 of, the Public Resources Code, relating to the Department of Parks and Recreation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2150, as amended, Rendon. Department of Parks and Recreation.

(1) Existing law places responsibility of the state park system, which includes all parks, public camp grounds, monument sites, landmark sites, and sites of historical interest established or acquired by the state, with the Department of Parks and Recreation. Existing law requires the department to administer, protect, develop, and interpret the property under its jurisdiction for the use and enjoyment of the public. Existing law authorizes the department to expend all moneys of the department for the care, protection, supervision, extension, and improvement or development of the property under its jurisdiction. Existing law requires the State Park and Recreation Commission to evaluate and assess the department's deferred obligations, as specified.

This bill would require the department to identify and develop a priority list of deferred state park maintenance projects, as specified. The bill would require the department to apply specified factors when prioritizing and identifying projects for the deferred maintenance list including, among others, projects that are necessary to prevent a state

park from closing and projects that will increase park access to underserved communities.

This bill would also require, by July 1, 2015, ~~that the~~ *and subject to the availability of resources, the department to implement internal organizational changes to prioritize efforts to expand access to parks in urban and other underserved areas, including, but not limited to, reorganizing existing offices within the department to create a Division of Community Initiatives and Park Access be created within the department for the purpose of, Access.* The bill would require that the purpose and objectives of the division include, among other things, developing and promoting programs that address the park and recreational needs of underserved youth and young adults.

(2) Existing law prohibits the department from closing or proposing to close a state park in the 2012–13 or 2013–14 fiscal year. Existing law provides that this prohibition does not limit or affect the department’s authority to enter into an operating agreement during those fiscal years, as specified.

This bill would extend this prohibition against closing or proposing to close a state park to the 2014–15 fiscal year and would similarly not limit or affect the department’s authority to enter into an operating agreement during that fiscal year, as specified.

(3) Existing law requires the department to develop a revenue generation program as an essential component of a long-term sustainable park funding strategy. Existing law requires the incremental revenue generated by the revenue generation program to be deposited into the State Parks and Recreation Fund and transferred to the State Parks Revenue Incentive Subaccount, as provided, once revenue targets have been met and the excess revenue is identified. Existing law further requires the department to allocate the revenue as specified, and requires the department to use 50% of the excess revenue deposited into the State Parks Revenue Incentive Subaccount for specific purposes, including the funding of capital costs of construction and installation of new revenue and fee collection equipment and technologies.

This bill would require the department, in expending these funds, to give first priority to the implementation of an integrated statewide enterprise system to modernize the department’s fee collection, reservations, sales, and data collection systems, as specified.

(4) Existing law establishes the California State Park Enterprise Fund, and provides that the revenues in the fund shall be available to the department upon appropriation by the Legislature, for specified

purposes. Existing law makes these funds available for encumbrance and expenditure until June 30, 2014, and for liquidation until June 30, 2016.

This bill would extend the authorization for encumbrance and expenditure of these funds until June 30, 2015, and for liquidation until June 30, 2017, thereby making an appropriation.

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

Vote:  $\frac{2}{3}$ . Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. Section 535.4 is added to the Public Resources  
2 Code, to read:

3 535.4. (a) The department shall identify and develop a priority  
4 list of deferred state park maintenance projects. The list shall only  
5 include projects for which the initial design, scoping, and planning  
6 necessary to develop verifiable project cost estimates have been  
7 completed.

8 (b) In addition to the requirements described in subdivision (a),  
9 the department shall apply the following factors when prioritizing  
10 and identifying projects for inclusion on the deferred maintenance  
11 priority list:

12 (1) Projects that are necessary to prevent a state park from  
13 closing.

14 (2) Projects that are necessary to avoid violations of state law  
15 and potential assessment of regulatory fines against the department,  
16 including, but not limited to, projects to address water quality and  
17 waste discharge requirements.

18 (3) Projects that are necessary to address imminent public safety  
19 hazards.

20 (4) Projects that are necessary to maintain revenue or have the  
21 potential to increase revenue generation in state parks.

22 (5) Projects that will increase park access to underserved  
23 communities.

24 (6) Projects that are necessary to protect significant natural or  
25 cultural resources.

26 (7) Projects that are necessary to maintain visitation  
27 opportunities at state parks.

1 SEC. 2. Section 541.5 of the Public Resources Code is amended  
2 to read:

3 541.5. (a) The department shall not close, or propose to close,  
4 a state park in the 2012–13, 2013–14, or 2014–15 fiscal year. The  
5 commission and the department shall recommend all necessary  
6 steps to establish a sustainable funding strategy for the department  
7 to the Legislature on or before January 1, 2015.

8 (b) There is hereby appropriated twenty million five hundred  
9 thousand dollars (\$20,500,000) to the department from the State  
10 Parks and Recreation Fund, which shall be available for  
11 encumbrance for the 2012–13 and 2013–14 fiscal years, to be  
12 expended as follows:

13 (1) Ten million dollars (\$10,000,000) shall be available to  
14 provide for matching funds pursuant to subdivision (c).

15 (2) Ten million dollars (\$10,000,000) shall be available for the  
16 department to direct funds to parks that remain at risk of closure  
17 or that will keep parks open during the 2012–13 and 2013–14 fiscal  
18 years. Priority may be given to parks subject to a donor or operating  
19 agreement or other contractual arrangement with the department.

20 (3) Up to five hundred thousand dollars (\$500,000) shall be  
21 available for the department to pay for ongoing audits and  
22 investigations as directed by the Joint Legislative Audit Committee,  
23 the office of the Attorney General, the Department of Finance, or  
24 other state agency.

25 (c) The department shall match on a dollar-for-dollar basis all  
26 financial contributions contributed by a donor pursuant to an  
27 agreement for the 2012–13 fiscal year for which the department  
28 received funds as of July 31, 2013, and for agreements entered  
29 into in the 2013–14 fiscal year. These matching funds shall be  
30 used exclusively in the park unit subject to those agreements.

31 (d) The department shall notify the Joint Legislative Budget  
32 Committee in writing not less than 30 days prior to the expenditure  
33 of funds under this section of the funding that shall be expended,  
34 the manner of the expenditure, and the recipient of the expenditure.

35 (e) The prohibition on the closure or proposed closure of a state  
36 park in the 2012–13, 2013–14, or 2014–15 fiscal year, pursuant  
37 to subdivision (a), does not limit or affect the department's  
38 authority to enter into an operating agreement, pursuant to Section  
39 5080.42, during any of those fiscal years, for purposes of the  
40 operation of the entirety of a state park during the fiscal year.

1 SEC. 3. Section 5010.7 of the Public Resources Code is  
2 amended to read:

3 5010.7. (a) The department shall develop a revenue generation  
4 program as an essential component of a long-term sustainable park  
5 funding strategy. On or before October 1, 2012, the department  
6 shall assign a two-year revenue generation target to each district  
7 under the control of the department. The revenue target may be  
8 amended annually for subsequent years, beginning in the 2015–16  
9 fiscal year. The department shall develop guidelines for districts  
10 to report the use of funds generated by the revenue generation  
11 program, and shall post information and copies of the reports on  
12 its Internet Web site.

13 (b) The California State Park Enterprise Fund is hereby created  
14 in the State Treasury as a working capital fund, and the revenue  
15 shall be available to the department upon appropriation by the  
16 Legislature, for ~~the expenditures~~ *expenditure* for the purposes  
17 specified in this section and shall be available for encumbrance  
18 and expenditure until June 30, 2015, and for liquidation until June  
19 30, 2017.

20 (c) The incremental revenue generated by the revenue generation  
21 program developed pursuant to subdivision (a) shall be deposited  
22 into the State Parks and Recreation Fund. Revenue identified as  
23 being in excess of the revenue targets shall be transferred to the  
24 State Parks Revenue Incentive Subaccount, established pursuant  
25 to Section 5010.6, on or before June 1, annually.

26 (d) Moneys appropriated to the department pursuant to  
27 subdivision (b) and Section 5010.6 shall be expended as follows:

28 (1) (A) The department shall allocate 50 percent of the total  
29 amount of revenues deposited into the State Parks Revenue  
30 Incentive Subaccount pursuant to subdivision (c), generated by a  
31 park district to that district if the amount of revenues generated  
32 exceeds the targeted revenue amount prescribed in the revenue  
33 generation program. The revenues to be allocated to a park district  
34 that fails to achieve the revenue target shall remain in the fund.

35 (B) With the approval of the director, each district shall use the  
36 funds it receives from the department from the revenue generation  
37 program to improve the parks in that district through revenue  
38 generation programs and projects and other activities that will  
39 assist in the district’s revenue generation activities, and the  
40 programs, projects, and other activities shall be consistent with

1 the mission and purpose of each unit and with the plan developed  
2 for the unit pursuant to subdivision (a) of Section 5002.2.

3 (C) The department shall report to the Legislature, commencing  
4 on July 1, 2014, and annually on or before each July 1 thereafter,  
5 on the revenue distributed to each district pursuant to this section.

6 (2) The department shall use 50 percent of the funds deposited  
7 into the State Parks Revenue Incentive Subaccount pursuant to  
8 subdivision (c) for the following purposes:

9 (A) (i) To fund the capital costs of construction and installation  
10 of new revenue and fee collection equipment and technologies and  
11 other physical upgrades to existing state park system lands and  
12 facilities.

13 (ii) In expending funds pursuant to this ~~paragraph,~~  
14 *subparagraph*, the department shall give first priority to the  
15 implementation of an integrated statewide enterprise system to  
16 modernize the department’s fee collection, reservations, sales, and  
17 data collection systems. The system shall include, but is not  
18 necessarily limited to, an integrated communications network that  
19 provides real time access to transactions data and connectivity  
20 between park districts and department headquarters, including  
21 point-of-sale automated fee collection equipment in state park  
22 units.

23 (B) For costs of restoration, rehabilitation, and improvement of  
24 the state park system and its natural, historical, and visitor-serving  
25 resources that enhance visitation and are designed to create  
26 opportunities to increase revenues.

27 (C) For costs to the department to implement the action plan  
28 required to be developed by the department pursuant to Section  
29 5019.92.

30 (D) To establish a revolving loan program pursuant to  
31 subdivision (e).

32 (e) (1) The department shall establish a revolving loan program  
33 and prepare guidelines establishing a process for those districts  
34 that receive moneys under paragraph (1) of subdivision (d) to apply  
35 for funds that exceed the amount of funds provided to the districts  
36 pursuant to paragraph (1) of subdivision (d). It is the intent of the  
37 Legislature that the revolving loan program fund only those  
38 projects that will contribute to the success of the department’s  
39 revenue generation program and the continual growth of the fund  
40 over time. Districts may apply for funds for capital projects,

1 personnel, and operations that are consistent with this subdivision,  
2 including the costs of preparing an application. The department  
3 shall provide an annual accounting to the Department of Finance  
4 and the relevant legislative committees of the use of those funds  
5 in accordance with the purposes outlined in Proposition 40 (the  
6 California Clean Water, Clean Air, Safe Neighborhood Parks, and  
7 Coastal Protection Bond Act of 2002 (Chapter 1.696 (commencing  
8 with Section 5096.600) of Division 5)) and Proposition 84 (the  
9 Safe Drinking Water, Water Quality and Supply, Flood Control,  
10 River and Coastal Protection Bond Act of 2006 (Division 43  
11 (commencing with Section 75001))), voter-approved bond acts.

12 (2) The guidelines prepared pursuant to paragraph (1) shall  
13 require that applications for funding include all of the following:

14 (A) A clear description of the proposed use of funds, including  
15 maps and other drawings, as applicable.

16 (B) A market analysis demonstrating demand for the project or  
17 service.

18 (C) The projected lifespan of the project, which must be at least  
19 20 years for a proposed capital project.

20 (D) A projection of revenues, including the specific assumptions  
21 for annual income, fees, occupancy rates, pricing, and other  
22 relevant criteria upon which the projection is based.

23 (E) A projection of costs, including, but not limited to, design,  
24 planning, construction, operation, staff, maintenance, marketing,  
25 and information technology.

26 (F) The timeframe for implementation, including all necessary  
27 reviews and permitting.

28 (G) The projected net return on investment of the life of the  
29 project.

30 (H) Provisions providing for mandatory reporting on the project  
31 by districts to the department.

32 (f) The department shall rank all of the proposals and award  
33 loans for projects or other activities to districts based on the  
34 following criteria, as well as other considerations that the  
35 department considers relevant:

36 (1) Return on investment.

37 (2) Length of time for implementation.

38 (3) Length of time for the project debt to be retired.

39 (4) Percentage of total project costs paid by the district or by a  
40 source of matching funds.

1 (5) Annual operating costs.

2 (6) Capacity of project to improve services or park experiences,  
3 or both, for park visitors.

4 (g) The funds generated by the revenue generation program  
5 shall not be used by the department to expand the park system,  
6 unless there is significant revenue generation potential from the  
7 expansion.

8 (h) Notwithstanding Section 5009, moneys received by the  
9 department from private contributions and other public funding  
10 sources may also be deposited into the California State Park  
11 Enterprise Fund for use for the purposes of subdivision (c) and  
12 subdivision (d).

13 (i) The department shall provide all relevant information on its  
14 Internet Web site concerning how the working capital funds are  
15 spent, including the guidelines and the department’s ranking criteria  
16 for each funded loan agreement.

17 (j) A project agreement shall be negotiated between the  
18 department and a park unit and the total amount of requested  
19 project costs shall be allocated to the district as soon as is feasible  
20 when the agreement is finalized.

21 (k) The department may recoup its costs for implementing and  
22 administering the working capital from the fund.

23 SEC. 4. Chapter 14 (commencing with Section 5880) is added  
24 to Division 5 of the Public Resources Code, to read:

25

26 CHAPTER 14. DIVISION OF COMMUNITY INITIATIVES AND PARK  
27 ACCESS

28

29 5880. On or before July 1, 2015, ~~there shall be created and~~  
30 *subject to availability of resources, the department shall implement*  
31 *internal organizational changes to prioritize efforts to expand*  
32 *access to parks in urban and other underserved areas. The*  
33 *organizational changes shall include, but are not necessarily*  
34 *limited to, reorganizing existing offices within the department the*  
35 *department, such as the Office of Grants and Local Services and*  
36 *the Office of Community Involvement, to create a new Division of*  
37 *Community Initiatives and Park Access. The purpose and*  
38 *objectives of the division shall include, but are not necessarily*  
39 *limited to, all of the following:*

1 (a) Promoting and enhancing access to, and relevancy of, state  
2 parks for urban and underserved communities.

3 (b) Working in partnership *and in coordination* with other  
4 governmental agencies, nonprofit organizations, schools, and  
5 community groups, through education, outreach, and technical  
6 assistance, to increase the capacity of local communities to meet  
7 the recreational and open space needs of their residents.

8 (c) Developing and promoting programs that address the park  
9 and recreational needs of underserved youth and young adults, and  
10 programs that connect *youth and* young adults with nature and the  
11 outdoors.

12 (d) *Implementing recruitment policies designed to diversify the*  
13 *department's workforce.*

14 (e) *Identifying other barriers to park access and developing*  
15 *strategies and recommendations to remove those barriers.*

16 SEC. 5. This act is an urgency statute necessary for the  
17 immediate preservation of the public peace, health, or safety within  
18 the meaning of Article IV of the Constitution and shall go into  
19 immediate effect. The facts constituting the necessity are:

20 In order to address urgent needs within the state park system for  
21 maintenance of facilities necessary to protect public health and  
22 safety, to enable the state as soon as possible to generate the  
23 revenues necessary to keep state parks open to the public, and to  
24 preserve the vital role of state parks in ensuring healthy  
25 communities, it is necessary that this bill take effect immediately.