

AMENDED IN ASSEMBLY AUGUST 12, 2013

AMENDED IN ASSEMBLY AUGUST 6, 2013

AMENDED IN ASSEMBLY JUNE 24, 2013

AMENDED IN SENATE MAY 28, 2013

AMENDED IN SENATE APRIL 30, 2013

AMENDED IN SENATE APRIL 16, 2013

AMENDED IN SENATE APRIL 1, 2013

SENATE BILL

No. 461

Introduced by Senator Leno

February 21, 2013

An act to *amend Section 6217 of, and to add Section 6217.9 to*, the Public Resources Code, relating to coastal resources.

LEGISLATIVE COUNSEL'S DIGEST

SB 461, as amended, Leno. State tide and submerged lands: mineral extraction leases: revenues.

Existing law authorizes the State Lands Commission to lease tide and submerged lands and beds of navigable rivers and lakes for the extraction of oil and gas, as specified. Existing law, with specified exceptions, generally requires the State Lands Commission, on and after July 1, 2006, to deposit all revenue, money, and remittances, derived from mineral extraction leases on state tide and submerged lands, including ~~tideland~~ *tidelands* oil revenue, into the General Fund, to be available upon appropriation by the Legislature for specified purposes.

This bill would require that, out of funds deposited into the General Fund, at least \$6,000,000, but no more than \$10,000,000, be deposited into the Coastal Adaptation Fund to the extent that an appropriation for its purposes is included in the annual Budget Act.

This bill would create the Coastal Adaptation Fund in the State Treasury, and would authorize the expenditure of moneys in the fund, in an amount not to exceed \$10,000,000 annually, by the Ocean Protection Council, the Department of Fish and Wildlife, the California Coastal Commission, the State Coastal Conservancy, the State Lands Commission, and the San Francisco Bay Conservation and Development Commission, upon appropriation by the Legislature in the annual Budget Act, for activities that prepare, plan, and implement measures based upon the best available scientific information, that are designed to address and adapt to sea level rise and coastal climate change.

~~The~~

~~This bill would provide that the Legislature shall appropriate, from tidelands oil revenue, at least \$6,000,000 to the Coastal Adaptation Fund for these purposes in the annual Budget Act and would require that funding made available pursuant to these provisions be in accordance with the 2009 California Climate Adaptation Strategy, as specified. The bill would require the Natural Resources Agency to ensure that moneys expended from the fund are in compliance with the strategy and would authorize the agency to require each of the above-listed entities to provide information necessary to implement these provisions. The bill would require the agency to make certain information regarding activities funded by the Coastal Adaptation Fund available on a publicly accessible Internet Web site. The bill would also make various findings and declarations.~~

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) The coast of California is a vital and invaluable natural
- 4 resource of statewide importance belonging to all the people, and
- 5 its preservation and accessibility by current and future generations
- 6 is of paramount concern to the residents of this state and nation.

1 (b) Burning nonrenewable fossil fuels that are extracted from
2 California’s public lands and state tidelands contributes to global
3 climate change and sea level rise, which threatens the state’s coastal
4 natural resources, human, plant, and animal communities, public
5 infrastructure, coastal tourism and recreational opportunities, and
6 the state’s fifty-billion-dollar (\$50,000,000,000) coastal economy.

7 (c) Royalty revenue generated from leases authorizing the
8 extraction of nonrenewable resources on the state’s trust lands
9 should be prioritized for planning, minimizing, and mitigating the
10 environmental impacts of those activities, including, but not limited
11 to, sea level rise.

12 (d) *Revenues generated from state tideland, oil, and gas leases*
13 *were historically allocated for environmental projects and*
14 *programs with a nexus to the extraction activities.*

15 (e) *Recent “King Tide” events, during which residents*
16 *photographed the local consequences of extreme high tide events*
17 *around the state, illustrate that California’s coastal communities*
18 *are not prepared for the coming “new normal” of rising sea levels,*
19 *and that enhanced coastal planning and management of coastal*
20 *resources and development continue to be of preeminent concern*
21 *to the state.*

22 (f) *The current rate of global sea level rise calls for an urgent,*
23 *coordinated, statewide initiative to actively plan for adaption and*
24 *mitigation strategies to address the inevitable economic and*
25 *environmental impacts of sea level rise in this state.*

26 (g) *In 2008, Executive Order S-13-08 called on state agencies*
27 *to develop California’s first strategy to identify and prepare for*
28 *expected climate impacts, and specifically called for statewide*
29 *consistency in planning for sea level rise. It also directed the*
30 *Natural Resources Agency to coordinate with local, regional, state,*
31 *and federal public and private entities to develop a state Climate*
32 *Adaptation Strategy.*

33 (h) *In 2009, the Natural Resources Agency issued the 2009*
34 *Climate Adaptation Strategy, which specifically called for state*
35 *agencies to prepare sea level rise plans and encouraged the*
36 *protection of existing critical ecosystems using a variety of factors*
37 *and strategies including providing a natural shoreline, cost benefit*
38 *analysis accounting for all public and private costs and benefits,*
39 *and approaches that can be resilient over a range of sea level*
40 *possibilities.*

1 (i) Protection of coastal resources from sea level rise impacts
 2 can provide additional valuable public benefits including, but not
 3 limited to, flood protection, improved water quality, habitat for
 4 fish, shellfish, and wildlife, recreational opportunities, enhanced
 5 quality of life, and increased property values.

6 ~~(d)~~

7 (j) California’s coastal management agencies, the California
 8 Coastal Commission, the San Francisco Bay Conservation and
 9 Development Commission, and the State Coastal Conservancy,
 10 have broad authority for protecting coastal resources, enhancing
 11 public access to and along the shoreline, and working in partnership
 12 with local governments in long-range land use planning, permitting,
 13 and projects.

14 ~~(e)~~

15 (k) The State Lands Commission, Ocean Protection Council,
 16 and the Department of Fish and Wildlife have constitutional and
 17 statutory obligations to protect natural resources on other coastal
 18 public lands while ensuring public access.

19 ~~(f) Recent “King Tide” events, during which residents
 20 photographed the local consequences of extreme high tide events
 21 around the state, illustrate that California’s coastal communities
 22 are not prepared for the coming “new normal” of rising sea levels,
 23 and that enhanced coastal planning and management of coastal
 24 resources and development continue to be of preeminent concern
 25 to the state.~~

26 ~~(g) The current rate of global sea level rise calls for an urgent,
 27 coordinated, statewide initiative to actively plan for adaptation
 28 and mitigation strategies to address the inevitable economic and
 29 environmental impacts of sea level rise in this state.~~

30 ~~(h)~~

31 (l) California has an existing “planning infrastructure” already
 32 in place to address sea level rise, coastal management, and
 33 associated planning and land use issues in the form of local coastal
 34 programs and the San Francisco Bay Plan.

35 ~~(i)~~

36 (m) Maintaining a strong state coastal management program,
 37 including comprehensive updates of existing planning documents,
 38 is the most efficient, cost-effective, and practical method for
 39 ensuring that statewide coastal management and climate change
 40 policies are locally implemented and that unplanned and costly ad

1 hoc responses that risk more significant environmental and social
2 harm are avoided.

3 ~~(j) Revenues generated from state tideland, oil, and gas leases~~
4 ~~were historically allocated for environmental projects and programs~~
5 ~~with a nexus to the extraction activities.~~

6 ~~(k)~~

7 (n) In order for the state to maintain its strong coastal
8 management program and to plan and prepare comprehensively
9 for sea level rise in the face of a rapidly changing climate, it is
10 appropriate to allocate revenues from nonrenewable resource
11 royalties to purposes related to coastal resource protection and
12 management, including forward-thinking sea level rise and climate
13 change planning.

14 *SEC. 2. Section 6217 of the Public Resources Code is amended*
15 *to read:*

16 6217. (a) With the exception of revenue derived from state
17 school lands and from sources described in Sections 6217.6,
18 6301.5, 6301.6, 6855, and Sections 8551 to 8558, inclusive, and
19 Section 6404 (insofar as the proceeds are from property that has
20 been distributed or escheated to the state in connection with
21 unclaimed estates of deceased persons), the commission shall
22 deposit all revenue, money, and remittances received by the
23 commission under this division, and under Chapter 138 of the
24 Statutes of 1964, First Extraordinary Session, in the General Fund.
25 Out of those funds deposited in the General Fund, sufficient
26 moneys shall be made available each fiscal year for the following
27 purposes:

28 (1) Payment of refunds, authorized by the commission, out of
29 appropriations made for that purpose.

30 (2) Payment of expenditures of the commission as provided in
31 the annual Budget Act.

32 (3) Payments to cities and counties of the amounts specified in
33 Section 6817 for the purposes specified in that section, out of
34 appropriations made for that purpose.

35 (4) Payments to cities and counties of the amounts agreed to
36 pursuant to Section 6875, out of appropriations made for that
37 purpose.

38 (5) *At least six million dollars (\$6,000,000), but no more than*
39 *ten million dollars (\$10,000,000), shall be deposited into the*

1 Coastal Adaptation Fund to the extent that an appropriation for
2 its purposes is included in the annual Budget Act.

3 (b) This section shall become operative on July 1, 2006.

4 ~~SEC. 2.~~

5 SEC. 3. Section 6217.9 is added to the Public Resources Code,
6 to read:

7 6217.9. (a) (1) The Coastal Adaptation Fund is hereby created
8 in the State Treasury. Moneys in the fund may be expended, in an
9 amount not to exceed ten million dollars (\$10,000,000) annually,
10 by the Ocean Protection Council, the Department of Fish and
11 Wildlife, the California Coastal Commission, the State Coastal
12 Conservancy, the State Lands Commission, and the San Francisco
13 Bay Conservation and Development Commission. The moneys
14 are subject to appropriation by the Legislature in the annual Budget
15 Act to fund activities that prepare, plan, and implement measures,
16 based upon the best available scientific information, that are
17 designed to address and adapt to sea level rise and coastal climate
18 change.

19 (2) Moneys appropriated to the State Coastal Conservancy from
20 the Coastal Adaptation Fund shall be subject to Division 21
21 (commencing with Section 31000), and the State Coastal
22 Conservancy shall collaborate with all appropriate public
23 conservancies and commissions in the geographic jurisdiction of
24 those entities in implementing this section.

25 ~~(b) Notwithstanding Section 6217, the Legislature shall~~
26 ~~appropriate from tidelands oil revenue at least six million dollars~~
27 ~~(\$6,000,000) in the annual Budget Act to the Coastal Adaptation~~
28 ~~Fund.~~

29 ~~(e)~~

30 (b) Moneys made available pursuant to this section shall be used
31 to fund activities that are in accordance with the 2009 California
32 Climate Adaption Strategy, or the most recent update to the
33 strategy, as prepared by the Natural Resources Agency.

34 ~~(d)~~

35 (c) The Natural Resources Agency shall ensure that moneys
36 expended from the Coastal Adaptation Fund are in compliance
37 with the 2009 California Climate Adaptation Strategy, or its most
38 recent update, and, in ensuring compliance with the strategy, the
39 agency may require the entities described in subdivision (a) to
40 provide information necessary to implement this section.

1 (e)

2 (d) In accordance with subdivision ~~(d)~~ (c), the Natural Resources
3 Agency shall also, on a publicly accessible Internet Web site,
4 annually make available information regarding any activity funded
5 pursuant to this section. The information shall include, at a
6 minimum, all of the following:

7 (1) The name of the agency, or agencies, to which funding was
8 allocated.

9 (2) A summary of the activity funded by the Coastal Adaptation
10 Fund, including the activity's purpose and its relationship to the
11 2009 California Climate Adaptation Strategy, or its update.

12 (3) The amount allocated for the activity.

13 (4) An anticipated timeline and total cost for completion of the
14 activity.

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