

AMENDED IN SENATE JUNE 16, 2015

AMENDED IN ASSEMBLY MAY 4, 2015

AMENDED IN ASSEMBLY APRIL 6, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 965

Introduced by Assembly Member Eduardo Garcia
(Coauthor: Assembly Member Alejo)

February 26, 2015

An act to *amend Sections 99520, 99522, and 99523 of the Government Code, to amend Sections 71100, 71101, and 71103 71103, and 71103.5 of, and to add Section 71103.6 to, the Public Resources Code, and to amend Section 7048 Sections 7048 and 79737 of the Water Code, relating to water resources the California-Mexico border.*

LEGISLATIVE COUNSEL'S DIGEST

AB 965, as amended, Eduardo Garcia. California and Mexico border: water resources improvement.

(1) Existing law establishes the California-Mexico Border Relations Council in state government, and prescribes the membership and functions and duties of the council with respect to coordinating the activities of state agencies, including environmental agencies, that are related to cross-border programs, initiatives, projects, and partnerships that exist within state agencies, and state and local efforts that are of concern between California and Mexico. Existing law requires the council to develop a strategic plan to guide a project to study, monitor, remediate, and enhance water quality in the New River in Imperial County. Existing law establishes the California Border Environmental and Public Health Protection Fund and makes moneys in the fund

available, upon appropriation, to the Secretary for Environmental Protection for grants for specified health and environmental projects and purposes relating to the California-Mexico border region.

This bill would *add the Secretary of State and Consumer Services as a member of the council and provide that the Regional Administrator of the United States Environmental Protection Agency, Region 9, may appoint a representative from his or her staff to serve as an ex-officio, non-voting member of the council. The bill would require the council to invite the participation of representatives of the State of Baja California and the Mexican government to participate in meetings. The bill would require the council to establish the New River Water Quality, Public Health, and River Parkway Development Program to coordinate funding for, and the implementation of, recommendations from the strategic plan and the projects identified pursuant to existing law. The bill would make moneys in the fund available, upon appropriation, to the council for grants for specified health and environmental projects and purposes relating to the California-Mexico border region.* The bill would provide that specified water bond proceeds, may be deposited in the fund to be available, upon appropriation, to the ~~secretary~~ council for these purposes.

(2) Existing law authorizes the Director of Water Resources to establish a program of flood damage reduction and urban creek restoration known as the Urban Streams Restoration Program. For purposes of the program, urban creek protection, restoration, and enhancement include, but are not limited to, the maintenance of channel capacity, channel stabilization, vegetation management, and adaptive management to meet program objectives.

This bill would also include the reduction of water quality impairments and nonpoint source water pollution, and the establishment of parkways for public use that benefit flood control and water quality among the types of measures that are included in the program.

Existing law requires the Department of Water Resources to coordinate the program with the Department of Fish and Wildlife, as prescribed.

This bill would, in addition, require the Department of Water Resources to consult with the council to establish criteria to fund projects that improve conditions for cross-border urban creeks.

(3) *Existing law, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, approved by the voters as Proposition 1 at the November 4, 2014, statewide general election, authorizes the*

issuance of general obligation bonds in the amount of \$7,545,000,000 to finance a water quality, supply, and infrastructure improvement program. The bond act provides that the sum of \$1,495,000,000 is to be available, upon appropriation by the Legislature, for competitive grants for multibenefit ecosystem and watershed protection and restoration projects. The bond act authorizes the use of \$285,000,000 of those funds for watershed restoration projects through a program implemented by the Department of Fish and Wildlife.

This bill would require the department to consult with the council to establish criteria to fund watershed restoration projects that improve conditions for cross-border urban creeks and watersheds.

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 99520 of the Government Code is
2 amended to read:

3 99520. The Legislature finds and declares the following:

4 (a) The United States and Mexican economies have become
5 increasingly integrated, particularly since the 1994 adoption of the
6 North American Free Trade Agreement, or NAFTA.

7 (b) As the second largest United States exporter to Mexico,
8 California has the potential to increase its exports at a faster pace
9 and capitalize on Mexico's growing economy.

10 (c) In 2012, the value of California's exports to Mexico totaled
11 \$26.3 billion, equivalent to more than one and one-half times
12 California's trade with its closest trade partner Canada, at \$17.2
13 billion, and almost twice its second closest trade partner, China,
14 at \$13.9 billion.

15 (d) The relationship between Mexico and California generates
16 over \$20.9 billion per year for California.

17 (e) According to the United States Chamber of Commerce, trade
18 with Mexico in 2010 represented 692,240 California jobs, making
19 California the state with the most trade-related jobs with Mexico
20 in the United States. California is the second largest exporter to
21 Mexico among the 50 states, ranking behind Texas.

22 (f) Among California's international trading partners, only
23 Mexico shares a border with California. In fact, California has four
24 major international border crossings supporting the movement of

1 both persons and goods: San Ysidro, Otay Mesa, Tecate, and
2 Calexico. Of these, Otay Mesa and Calexico accommodate the
3 largest volume of trade. Otay Mesa is the largest California
4 crossing, ranking sixth in the nation. In 2010, these California
5 gateways with Mexico moved \$46.9 billion in merchandise.

6 (g) At issue is border crossing delays between Mexico and the
7 United States along the Imperial County-Baja California border.

8 (h) In California, losses due to border crossing delays accounted
9 for an estimated revenue loss of \$1.16 billion and 25,000 jobs in
10 2008.

11 (i) While California remains the largest recipient of foreign
12 domestic investment (FDI) in the United States, faster FDI is
13 occurring elsewhere.

14 (j) Despite this critical economic relationship, California has
15 not had a formal mechanism for the past decade devoted to
16 maximizing trade, addressing challenges, and coordinating
17 cross-border programs for trade development between the two
18 countries. This has left California employers and businesses
19 without formal access to Mexican government officials, a major
20 disadvantage to California's trade industries.

21 (k) In 2006, the Office of California-Mexico Affairs was
22 established to further and develop favorable relations with Mexican
23 states by cooperating with similar organizations and agencies
24 situated within California, the United States, or Mexico. Important
25 areas of activity include, but are not limited to, enhancing economic
26 development opportunities among the participating states,
27 improving working conditions and living standards, and fostering
28 the protection and improvement of the environment in Mexico and
29 California.

30 (l) To help carry out these duties the California-Mexico Border
31 Relations Council was also established to identify new border
32 priorities and fundable projects in the areas of infrastructure, trade,
33 environment, health, and security while supporting current and
34 ongoing activities such as the Border Governors Conference, trade
35 missions, and border workgroups, and coordinating specific future
36 projects with Mexico. *Priorities and projects identified by the*
37 *California-Mexico Border Relations Council shall be funded*
38 *pursuant to Section 71101 of the Public Resources Code,*
39 *establishing the California Border Environmental and Public*
40 *Health Protection Fund.*

1 (m) It is critical for California that state agencies continue to
2 address important United States-Mexico issues.

3 (n) Furthermore, California should maximize its economic
4 relationship with Mexico to improve the state's economy, to
5 maximize the amount of exports, and create more California jobs.

6 (o) Therefore, the Legislature finds that California needs a
7 formalized trade relationship with Mexico. Establishing an official
8 trade relationship with Mexico will help ensure that the state can
9 improve its global competitiveness and protect California industry,
10 proactively support the expansion and location of businesses in
11 California, provide international business assistance to California
12 businesses, and support their entry and successful participation in
13 the growing Mexican marketplace.

14 (p) The California-Mexico Border Relations Council provides
15 a focal point in state government to serve as a clearinghouse for
16 information and assistance to other state agencies that are involved
17 with Mexico.

18 *SEC. 2. Section 99522 of the Government Code is amended to*
19 *read:*

20 99522. (a) The California-Mexico Border Relations Council
21 is hereby established in state government. The council shall consist
22 of the Director of the Governor's Office of Business and Economic
23 Development, the Secretary of the Natural Resources Agency, the
24 Secretary for Environmental Protection, the Secretary of California
25 Health and Human Services, the Secretary of Transportation, the
26 Secretary of Food and Agriculture, *the Secretary of State and*
27 *Consumer Services*, and the Director of Emergency Services. *The*
28 *Regional Administrator of the United States Environmental*
29 *Protection Agency, Region 9, may appoint a representative from*
30 *his or her staff to serve as an ex-officio, non-voting member of the*
31 *council.*

32 (b) The Secretary for Environmental Protection shall chair the
33 council.

34 *SEC. 3. Section 99523 of the Government Code is amended to*
35 *read:*

36 99523. The council shall do all of the following:

37 (a) Coordinate activities of state agencies that are related to
38 cross-border programs, initiatives, projects, and partnerships that
39 exist within state government, to improve the effectiveness of state

1 and local efforts that are of concern between California and
2 Mexico.

3 (b) *Invite representatives of the State of Baja California and*
4 *the Mexican government to participate in meetings.*

5 (b)

6 (c) Establish policies to coordinate the collection and sharing
7 of data related to cross-border issues between and among agencies.

8 (e)

9 (d) Identify and recommend to the Legislature changes in law
10 needed to achieve the goals of this section.

11 ~~SECTION 1.~~

12 *SEC. 4.* Section 71100 of the Public Resources Code is
13 amended to read:

14 71100. The following definitions govern the construction of
15 this part:

16 (a) “California-Baja California border region” means the region
17 to the north and south of the international border between
18 California and Baja California described in Article 4 of the La Paz
19 Agreement, signed August 14, 1983, between the United States
20 and Mexico.

21 (b) “Council” means the California-Mexico Border Relations
22 Council, established pursuant to Section 99522 of the Government
23 Code.

24 (c) “Fund” means the California Border Environmental and
25 Public Health Protection Fund established pursuant to Section
26 71101.

27 ~~SEC. 2.~~

28 *SEC. 5.* Section 71101 of the Public Resources Code is
29 amended to read:

30 71101. (a) The California Border Environmental and Public
31 Health Protection Fund is hereby established in the State Treasury
32 to receive funds appropriated in the annual Budget Act, including,
33 but not limited to, proceeds of bonds sold pursuant to Division
34 26.7 (commencing with Section 79700) of the Water Code, and
35 other sources, such as from the North American Development
36 Bank, Border Environment Cooperation Committee, United States
37 Environmental Protection Agency, and private businesses or
38 foundations, and any interest accrued on those funds.

39 (b) The money in the fund shall be available, upon appropriation,
40 to the ~~Secretary for Environmental Protection, for allocation~~

1 *California-Mexico Border Relations Council pursuant to Chapter*
2 *2 (commencing with Section 99520) of Title 20 of the Government*
3 *Code, for expenditure for the purposes of this part.*

4 (c) The money in the fund shall not be made available for the
5 purpose of bringing a person or a facility into compliance with
6 environmental laws, or to provide funds to remediate environmental
7 damage. The fund, instead, shall assist appropriate responsible
8 agencies in California and Baja California in the implementation
9 of projects to identify and resolve environmental and public health
10 problems that directly threaten the health or environmental quality
11 of California residents or sensitive natural resources of the
12 California border region, including projects related to domestic
13 and industrial wastewater, vehicle and industrial air emissions,
14 hazardous waste transport and disposal, human and ecological
15 risk, and disposal of municipal solid waste.

16 ~~SEC. 3.~~

17 *SEC. 6.* Section 71103 of the Public Resources Code is
18 amended to read:

19 71103. (a) ~~The Secretary for Environmental Protection,~~
20 *California-Mexico Border Relations Council*, upon request, shall
21 inform any community-based nonprofit environmental
22 organization, responsible local government, and special district
23 located within the California-Baja California border region that it
24 may request funding pursuant to Section 71102.

25 (b) ~~The Secretary for Environmental Protection, in consultation~~
26 ~~with the council,~~ *California-Mexico Border Relations Council*,
27 shall award grants to a local governmental entity or special district,
28 community-based nonprofit environmental organization, or
29 postsecondary educational institution based on the severity of the
30 environmental, public health, or natural resource concerns due to
31 cross-border transmission of environmental pollutants or toxics to
32 the city or county in which the entity, organization, or institution
33 is located. First priority for funding shall be given to an entity,
34 organization, or institution located in a city or county in which an
35 environmental, public health, or natural resource threat exists and
36 that has existing capability to respond to, implement, and abate
37 the threat to California from cross-border sources.

38 (c) The Secretary for Environmental Protection, on behalf of
39 the council, shall accept donations of used equipment, including
40 computers, printers, and lab equipment, for distribution to

1 governmental entities and community-based nonprofit
2 environmental organizations located within the California-Baja
3 California border region and postsecondary educational institutions
4 located within Baja California and within the California-Baja
5 California border region, if the donations can be shown to
6 contribute to the protection of the environment, public health, or
7 natural resources of the California border region.

8 *SEC. 7. Section 71103.5 of the Public Resources Code is*
9 *amended to read:*

10 71103.5. (a) The Legislature finds and declares all of the
11 following:

12 (1) The New River poses an imminent and severe threat to the
13 public health of residents of Calexico, California, and adjacent
14 communities in Imperial County. Since the 1940s, the New River
15 has been recognized as a significant pollution and human health
16 problem, primarily because of extremely high concentrations of
17 fecal coliform bacteria.

18 (2) While there have been recent measurable water quality
19 improvements as a result of sewage infrastructure projects
20 implemented and completed during the last 10 years in Mexicali,
21 Mexico, the residual and projected pollution in the New River
22 coming from Mexico remains a significant threat to public health
23 and the environment.

24 (3) Current bacteria levels in the New River are several orders
25 of magnitude above the state standards for bacteria. Based on these
26 levels and the historic levels of pollution, the waterway is believed
27 to carry pathogens that cause tuberculosis, encephalitis, polio,
28 cholera, hepatitis, and typhoid. The waterway also carries other
29 contaminants in concentrations that are in violation of federal,
30 state, and Mexican water quality standards by several hundredfold.

31 (4) The New River is listed as an impaired river by the United
32 States Environmental Protection Agency due to low dissolved
33 oxygen (DO) and the presence of chlordane, chlorpyrifos, copper,
34 dichloro-diphenyl-trichloroethane (DDT), diazinon, dieldrin,
35 mercury, nutrients, pathogens, polychlorinated biphenyls (PCBs),
36 sediment, selenium, toxaphene, toxicity, trash, and volatile organic
37 compounds (VOCs).

38 (5) The New River is a major contributor of pollution to the
39 Salton Sea, and failure to address water quality problems in the
40 New River are impeding the ability of the state to implement laws

1 and programs designed to restore and protect this important
2 environmental and wildlife habitat resource.

3 (6) The New River condition in the border area is also an
4 aesthetic nuisance for Calexico residents and has historically
5 inhibited the city’s socioeconomic well-being and growth.

6 (7) A coordinated and comprehensive state strategy is needed
7 to deal with the residual and projected pollution so that the New
8 River and associated river channel can be enhanced to a condition
9 that will allow the residents of Calexico and Imperial County to
10 utilize them as recreational and natural assets as contemplated in
11 the California River Parkways Act of 2004 (Chapter 3.8
12 (commencing with Section 5750) of Division 5).

13 (8) In the Budget Act of 2009, as amended by Chapter 1 of the
14 Statutes of 2009 Fourth Extraordinary Session, eight hundred
15 thousand dollars (\$800,000) was appropriated to the City of
16 Calexico for various planning needs necessary to develop a river
17 parkway plan and river improvement project for the New River.
18 The moneys were appropriated in order to secure and serve as
19 matching funds for the four million dollars (\$4,000,000) allocated
20 pursuant to the Safe, Accountable, Flexible, Efficient
21 Transportation Equity Act: A Legacy for Users (Public Law
22 109-59) to the City of Calexico for the development of bicycle
23 paths and public park space adjacent to the New River.

24 (9) The City of Calexico, as the recipient of funding pursuant
25 to the California River Parkways Act of 2004, has agreed to provide
26 necessary financial support to the council for the development of
27 the council’s strategic plan.

28 (b) As used in this section, the following terms have the
29 following meanings:

30 (1) “Agency” means the California Environmental Protection
31 Agency.

32 (2) “City” means the City of Calexico, California.

33 (3) “Council” means the California-Mexico Border Relations
34 Council established pursuant to Section ~~8711~~ 99522 of the
35 Government Code.

36 (4) “County” means the County of Imperial, California.

37 (5) “IBWC” means the International Boundary and Water
38 Commission, United States Section.

39 (6) “New River Improvement Project” or “project” means a
40 project to study, monitor, remediate, and enhance New River water

1 quality in the County of Imperial to protect human health, and
2 develop a river parkway suitable for public use and enjoyment.

3 (c) Pursuant to the authority granted to the council ~~under Section~~
4 ~~8742~~ pursuant to Section 99523 of the Government Code and
5 contingent upon the execution of an agreement with the City of
6 Calexico for the purpose of providing the necessary funding, the
7 council shall develop a strategic plan to guide the implementation
8 of the New River Improvement Project. The strategic plan shall
9 include, but need not be limited to, all of the following elements:

10 (1) Quantification of current and projected New River water
11 quality impairments and their threat to public health.

12 (2) Prioritization of the actions necessary to protect public health
13 and to meet New River water quality objectives and other
14 environmental goals, such as improving the quality of water flows
15 into the Salton Sea.

16 (3) Identification of potential funds for the implementation of
17 the project, and potential lead agencies that would be responsible
18 for environmental review of activities related to the cleanup and
19 restoration of the New River.

20 (4) Identification of the appropriate federal, state, and local
21 agencies with a role in implementing and achieving the New River
22 Improvement Project.

23 (d) (1) To the extent permitted by law, the council may work
24 with appropriate binational, federal, state, local, and
25 nongovernmental organizations on both sides of the
26 California-Mexico border to develop the strategic plan and to fund
27 and establish cooperative water quality monitoring, public health
28 studies, inspection, and technical assistance programs as needed
29 to support, convene, and oversee the project.

30 (2) To further the objectives of this subdivision, the council
31 may convene and oversee a technical advisory committee. The
32 advisory committee shall advise the council regarding the necessary
33 studies and activities to carry out the project, and shall serve at the
34 pleasure of the council. The advisory committee shall include
35 representatives from the following:

36 (A) Impacted cities and counties.

37 (B) Relevant local, regional, and state agencies and departments.

38 (C) Nongovernmental organizations.

39 (D) Other stakeholders deemed necessary by the council.

1 (3) The council shall appoint the chair of the committee and
2 may expand the membership and expertise of the committee as it
3 deems necessary.

4 (4) The council may enter into an agreement, including an
5 interagency agreement and memorandum of understanding, with
6 public agencies, including the city, to accept, manage, and expend
7 funds for the implementation of this section.

8 (e) This section does not modify existing roles, responsibilities,
9 or liabilities of the State of California, the City of Calexico,
10 Imperial County, or any other governmental agency, under those
11 laws that regulate, protect, and clean up surface waters entering
12 the United States from Mexico.

13 (f) The New River Improvement Project Account is hereby
14 created in the California Border Environmental and Public Health
15 Protection Fund to receive moneys for activities related to the New
16 River Improvement Project from sources identified in Section
17 71101 and other sources. Upon appropriation by the Legislature,
18 moneys in the account shall be expended to implement the purposes
19 identified in subdivision (c) or Section 71102 that are related to
20 the New River.

21 ~~SEC. 4.~~

22 *SEC. 8.* Section 71103.6 is added to the Public Resources Code,
23 to read:

24 71103.6. (a) The council shall establish the New River Water
25 Quality, Public Health, and River Parkway Development Program
26 to coordinate funding for, and the implementation of, the
27 recommendations from the strategic plan developed pursuant to
28 subdivision (c) of Section 71103.5, and the projects identified
29 pursuant to Section 71102.

30 (b) ~~A state agency~~ *Any entity of state government* that funds the
31 activities of the program shall make all necessary efforts to
32 integrate and align its contractual and administrative requirements
33 for grants, loans, and other forms of financial support to meet the
34 goals of the program.

35 ~~SEC. 5.~~

36 *SEC. 9.* Section 7048 of the Water Code is amended to read:

37 7048. (a) The Legislature hereby finds and declares that the
38 protection, restoration, and enhancement of urban creek channels
39 provide potential benefits to the state by combining an effective
40 and efficient means of flood damage reduction with the

1 preservation and enhancement of natural environmental values.
2 The Legislature further finds that urban creek protection,
3 restoration, and enhancement are best undertaken by local agencies
4 and organizations with assistance from the state. It is the intent of
5 the Legislature, in enacting this section, to restore the ecological
6 viability of creek environments located in predominantly urban
7 areas, thereby enhancing aesthetic, recreational, and fish and
8 wildlife values.

9 (b) (1) The director may establish a program of flood damage
10 reduction and urban creek restoration known as the Urban Streams
11 Restoration Program. The program shall consist of both of the
12 following components:

13 (A) The development of the capability by the department to
14 respond to requests from local agencies and organizations for
15 planning and design assistance for efficient and effective urban
16 creek protection, restoration, and enhancement.

17 (B) To the extent that funds are provided, a process for awarding
18 competitive grants.

19 (2) For purposes of this section, urban creek protection,
20 restoration, and enhancement include, but are not limited to, the
21 maintenance of channel capacity, channel stabilization, vegetation
22 management, the reduction of water quality impairments and
23 nonpoint source water pollution, the establishment of parkways
24 for public use that benefit flood control and water quality, and
25 adaptive management to meet program objectives. Where
26 appropriate, the protection, restoration, and enhancement shall
27 utilize efficient, nonstructural low-maintenance flood protection
28 techniques. The department shall utilize in this program its
29 expertise in a variety of disciplines, including, but not limited to,
30 soil bioengineering, hydrology, and plant ecology.

31 (3) (A) The department shall maintain a balance in allocating
32 the money annually available for grants to small urban creek
33 restoration projects and large urban stream restoration projects,
34 allocating not less than 35 percent to both small and large projects.
35 For purposes of this section, “small urban creek restoration
36 projects” are projects for which total costs, including acquisition
37 and restoration costs, are below one million dollars (\$1,000,000)
38 and “large urban stream restoration projects” are projects for which
39 total costs, including acquisition and restoration costs, are one
40 million dollars (\$1,000,000) or more.

1 (B) Notwithstanding subparagraph (A), if an insufficient number
2 of qualified projects are available to fully meet the allocation
3 requirement, the department may grant funds to any project that
4 is otherwise qualified, in order to ensure that all available funds
5 are used efficiently.

6 (c) In responding to requests for assistance, the department shall
7 give priority to those projects that are being planned in conjunction
8 with, or in lieu of, local flood control projects. The department
9 may award grants and contracts to local agencies and organizations
10 as provided for in the budget of the department. Participating local
11 agencies and organizations shall follow procedures, plans, and
12 practices that are acceptable to the department, and shall conform
13 to guidelines established by the department that define the level
14 of contribution and participation required by local agencies and
15 organizations.

16 The department shall coordinate the program with the
17 Department of Fish and Wildlife during the formulation of
18 guidelines and project planning for urban creek protection,
19 restoration, and enhancement. The department shall also consult
20 with the Department of Fish and Wildlife on project criteria which
21 may include economic, environmental, and social benefits to be
22 achieved.

23 (d) It is the intent of the Legislature that the duties and
24 responsibilities of the department be identified as the Urban
25 Streams Restoration Program and be carried out by an office or
26 staff designated for this purpose. Information on how to obtain
27 planning, design, and financial assistance should be readily
28 accessible to the public.

29 (e) As used in this section, “urban creek” means a creek, stream,
30 or river that crosses built-up residential, commercial, or industrial
31 property, or that crosses land where, in the near future, the land
32 use will be residential, commercial, or industrial.

33 (f) For the purposes of this section, eligible activities include,
34 but are not limited to, the maintenance of channel capacity and
35 stabilization of the morphological equilibrium of a natural channel
36 for purposes of flood damage reduction, erosion control, and bank
37 stabilization which may include nonstructural as well as structural
38 projects.

39 (g) The department may adopt regulations that define “adaptive
40 management” for the purposes of the Urban Streams Restoration

1 Program, and establish criteria to fund projects that include
2 adaptive management activities.

3 (h) The department may amend or utilize existing regulations
4 for approving competitive grants. The regulations may include,
5 but are not limited to, an application process, grant approval
6 criteria, and grantee's reporting requirements. The department
7 shall annually make available to the public, in a form that is readily
8 accessible, information regarding the status of funds appropriated
9 for these purposes and projects that received grants.

10 (i) In order to address the unique ecological, flood control, water
11 quality, and hydrological conditions associated with urban creeks
12 and watersheds on the California-Mexico border, the department
13 shall consult with the California-Mexico Border Relations Council
14 to establish criteria to fund projects that improve conditions for
15 cross-border urban creeks.

16 *SEC. 10. Section 79737 of the Water Code is amended to read:*

17 79737. (a) Of the funds authorized by Section 79730, two
18 hundred eighty-five million dollars (\$285,000,000) shall be
19 available to the Department of Fish and Wildlife for watershed
20 restoration projects statewide in accordance with this chapter.

21 (b) For the purposes of this section, watershed restoration
22 includes activities to fund coastal wetland habitat, improve forest
23 health, restore mountain meadows, modernize stream crossings,
24 culverts, and bridges, reconnect historical flood plains, install or
25 improve fish screens, provide fish passages, restore river channels,
26 restore or enhance riparian, aquatic, and terrestrial habitat, improve
27 ecological functions, acquire from willing sellers conservation
28 easements for riparian buffer strips, improve local watershed
29 management, and remove sediment or trash.

30 (c) For any funds available pursuant to this section that are used
31 to provide grants under the Fisheries Restoration Grant Program,
32 a priority shall be given to coastal waters.

33 (d) In allocating funds for projects pursuant to this section, the
34 Department of Fish and Wildlife shall only make funds available
35 for water quality, river, and watershed protection and restoration
36 projects of statewide importance outside of the Delta.

37 (e) Funds provided by this section shall not be expended to pay
38 the costs of the design, construction, operation, mitigation, or
39 maintenance of Delta conveyance facilities.

1 (f) Funds provided by this section shall only be used for projects
2 that will provide fisheries or ecosystem benefits or improvements
3 that are greater than required applicable environmental mitigation
4 measures or compliance obligations, except for any water transfers
5 for the benefit of subsection (d) of Section 3406 of the Central
6 Valley Project Improvement Act (Title 34 of Public Law 102-575).

7 (g) *In order to address the unique ecological, flood control,*
8 *water quality, and hydrological conditional associated with urban*
9 *creeks and watersheds on the California-Mexico border, the*
10 *department shall consult with the California-Mexico Border*
11 *Relations Council to establish criteria to fund projects that improve*
12 *conditions for cross-border urban creeks and watersheds.*

O