

AMENDED IN ASSEMBLY APRIL 21, 2014

AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 2711

Introduced by Assembly Member Muratsuchi

February 21, 2014

~~An act to add Section 25525.5 to the Public Resources Code, relating to energy. An act relating to oil and gas, and making an appropriation therefor.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 2711, as amended, Muratsuchi. ~~Energy: thermal powerplants: certification: sea level rise. Oil and gas: loan to City of Hermosa Beach.~~

Existing law requires the State Lands Commission to deposit in the General Fund all revenues, moneys, and remittances received by the commission, with certain exceptions. Existing law requires that the moneys be used for specified purposes, including refunds, commission expenses, and specified payments to cities and counties.

This bill would appropriate \$17,500,000 from the General Fund, from certain oil and gas revenues deposited by the commission, to the Controller for a loan to the City of Hermosa Beach, to be made if the city is obligated to make payment pursuant to a specified settlement agreement. The bill would require the State Board of Equalization, if the city fails to make any payment on the loan when due and upon the order of the Controller, to deduct the amount of the payment from the sales and use taxes to be paid to the city. The bill would also require the Controller to deposit moneys received in repayment of the loan into the State Coastal Conservancy Fund to be used, upon appropriation,

by the State Coastal Conservancy for expenses related to the conservancy’s Climate Ready Program.

~~Existing law vests the State Energy Resources Conservation and Development Commission with the exclusive jurisdiction to certify sites for thermal powerplants with a generation capacity of 50 or more megawatts and related facilities. Existing law requires the commission to make certain findings before issuing a certification for the site.~~

~~This bill would require the commission to consider, during the certification process, the effects of sea level rise in the context of protecting the proposed site and related facility from damage caused by sea level rise.~~

Vote: ~~majority~~^{2/3}. Appropriation: ~~no~~^{yes}. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. (a) *The sum of seventeen million five hundred*
 2 *thousand dollars (\$17,500,000) is hereby appropriated from the*
 3 *General Fund, from the oil and dry gas revenues paid to the state*
 4 *during the 2014–15 fiscal year and deposited in the General Fund*
 5 *pursuant to Section 6217 of the Public Resources Code, to the*
 6 *Controller for purposes of this act. The Controller shall, upon*
 7 *agreement with the City of Hermosa Beach, loan that sum, or a*
 8 *portion thereof, to the city if the city is obligated to make payment*
 9 *pursuant to Section IV.4.6.c of “The Settlement Agreement and*
 10 *Release” entered into on March 2, 2012, between Macpherson*
 11 *Oil Company, Windward Associates, E&B Natural Resources*
 12 *Management Corporation, and the City of Hermosa Beach.*

13 (b) *A loan to the City of Hermosa Beach pursuant to subdivision*
 14 *(a) shall be subject to the following terms:*

15 (1) *The city shall annually pay to the Controller, prior to June*
 16 *30 of each year, not less than five hundred thousand dollars*
 17 *(\$500,000) until the loan is paid in full.*

18 (2) *If the City of Hermosa Beach fails to make any payment*
 19 *when due pursuant to paragraph (1) for any reason, the State*
 20 *Board of Equalization, upon the order of the Controller, shall*
 21 *deduct the amount of that payment from the sales and use taxes to*
 22 *be paid to the city thereafter pursuant to Section 7204 of the*
 23 *Revenue and Taxation Code and shall pay the amount so deducted*
 24 *to the Controller.*

1 (c) *The Controller shall deposit all payments received pursuant*
2 *to subdivision (b) into the State Coastal Conservancy Fund to be*
3 *used, upon appropriation, by the State Coastal Conservancy for*
4 *expenses related to the conservancy's Climate Ready Program,*
5 *authorized pursuant to Section 31113 of the Public Resources*
6 *Code.*

7 ~~SECTION 1. Section 25525.5 is added to the Public Resources~~
8 ~~Code, to read:~~

9 ~~25525.5. In the issuance of a certification pursuant to this~~
10 ~~chapter, the commission shall consider the effects of sea level rise~~
11 ~~in the context of protecting the proposed site and related facility~~
12 ~~from potential damage caused by sea level rise, such as storm~~
13 ~~surges and flooding. In assessing the sea level rise, the commission~~
14 ~~may rely on floodplain maps published by the Department of Water~~
15 ~~Resources.~~

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