CALIFORNIA COASTAL COMMISSION

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May 12, 2004

TO:

Coastal Commissioners and Interested Public

FROM:

Peter M. Douglas, Executive Director

Sarah Christie, Legislative Coordinator

SUBJECT:

LEGISLATIVE REPORT FOR MAY 2004

CONTENTS: This report provides summaries and status of bills that affect the Coastal Commission and

California's Coastal Program as well as bills that staff has identified as coastal related

legislation.

Note: This information can be accessed through the Commission's World Wide Web Homepage at www.coastal.ca.gov

Legislative Calendar

May 14	Last day for policy committees to meet prior to June 1
May 21	Last day for fiscal committees to hear and report first house bills to the floor
May 28	Last day for Senate, Assembly to pass first house bills
June 15	Budget bill must be passed by midnight
June 25	Last day for policy committees to meet and report second house bills
July 2	Summer recess begins on adjournment
Aug. 2	Legislature reconvenes
Aug. 13	Last day for fiscal committees to meet and report second house bills
Aug. 16-31	Floor session only. No committees may meet
Aug. 31	Last day to pass any non-urgency bill

Please contact Sarah Christie, Legislative Coordinator, at (916) 445-6067 with any questions on the material contained in this report.

PRIORITY LEGISLATION

AB 90 (Wyland) Coastal Commission: Membership

This bill would fix terms for all coastal commissioners at 4 years, but provide that the Governor's appointees continue to serve at the pleasure of the Governor.

Introduced

01/08/03

Status

Failed to meet Legislative deadline

AB 105 (Wiggins) Agriculture Land Preservation

This bill would repeal the provisions establishing the Coastal Farmland Preservation Program and the California Environmental Quality Revolving Loan Program. Amendments taken on 07/02 state that it is the intent of the Legislature to appropriate \$48,000,000 from Proposition 40 funds to the Department of Conservation and the Wildlife Conservation Board for grants under the California Farmland Conservancy Program for the purpose of protecting grazing lands and grasslands.

Introduced

01/10/03

Status

Concurrance in Senate Amendments pending

Last Amended

09/08/03

AB 204 (Nation) Motor Vehicles

This bill would authorize the Coastal Conservancy to establish the Transportation Fund for Clean Water Subaccount, for the acquisition of open space, and the protection, restoration, and enhancement of streams, creeks, wetlands and watersheds. The bill would impose a fee of up to \$6, to be collected by the Department of Motor Vehicles, upon the registration or renewal of registration of every motor vehicle registered in the county of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, or Sonoma for purposes of funding the account, should at least three of those counties choose to participate in the program. Ten percent of the funds collected would go to the Regional Water Quality Control Board to fund transportation-related water quality projects.

Introduced

01/28/03

Status

Passed Assembly Floor. Referred to Senate Transportation.

Last Amended

01/22/04

AB 586 (Koretz) Litter and Marine Debris

This bill would impose a 2-cent fee on retailers who provide disposable plastic bags or cups made from less than 40% recycled material, and require that commercial establishments that encourage smoking outside their facilities provide ashtrays for cigarette butts. The fees would be divided between the Coastal Commission, Department of Parks and Recreation, Department of Conservation, CalTrans, for the purpose of providing grants to local governments and non-profit organizations for project related to recycling, litter control and reducing marine debris and litter.

Introduced

02/18/03

Status

Failed to meet Legislative deadlines

Last Amended

04/22/03

AB 947 (Jackson) Ocean Resources

This bill would require all state agencies to follow five priorities when planning and constructing coastal erosion projects in the following order: hazard avoidance, restoring natural sand supplies, beach nourishment, structure relocation, hard structure development. The bill would also require applicable state agencies, including the Coastal Commission, to complete a Coastal Sediment Management Master Plan within two years.

Introduced

02/20/03

Status

Failed to meet Legislative deadlines.

Last Amended

04/22/03

AB 974 (Nation) Coastal Zone: Native American Sites

This bill would amend section 30244 of the Coastal Act to require avoidance and mitigation measures for new development that would adversely impact archeological and paleontological resources, protect Native American cultural sites and sacred sites from significant disturbance, and require local governments, when processing a major amendment to their LCP, to include ordinances and procedures that implement these policies.

Introduced

02/20/03

Status

Senate Inactive File

Last Amended

06/02/03

Commission Position Support

AB 1466 (Koretz) Litter

This bill would establish a unified litter prevention and recycling message for the State of California, "Don't Trash California." The bill would authorize all relevant agencies to integrate the message into their existing litter and recycling programs. The bill authorizes the establishment of an interagency committee to collaborate on how to implement a unified litter prevention message. The Coastal Commission may participate on the Committee.

Introduced

02/01/03

Status

Passed Assembly. Referred to Senate E.O.

Last Amended

01/14/04

AB 1517 (Plescia) Stormwater

This bill states that it is the intent of the Legislature to utilize science based, results oriented, cost-effective water quality programs that draw upon the strengths of municipalities and reduce duplication of state and local agencies when implementing stormwater permits.

Introduced

02/21/03

Status

Failed to meet Legislative deadlines.

Last Amended

04/07/03

AB 1808 (Yee) Littering

This bill would increase the minimum fine for littering on a state beach under the jurisdiction of the Department of Parks and Recreations from \$100 to \$200. This bill would also specify that half of the fines collected be deposited in the Beach Cleanup and Litter Abatement Fund, which the bill establishes. The funds would be used for litter clean up and prevention on public beaches.

Introduced

01/13/04

Status

Referred to Assm. Appropriations Committee

Last Amended

04/14/04

AB 1876 (Chan) Beach Sanitation

This bill would extend existing public beach water quality testing and posting requirements to include beaches under the jurisdiction of BCDC, public bay beaches, if the beach is visited by at least 15,000 people per year, and is located adjacent to a creek mouth or storm drain outfall. This bill would also require that bilingual signs be posted in areas of bilingual use.

Introduced

02/03/04

Last Amended

03/18/04

Status

Passed ES&TM, Referred to NR Committee

AB 1991 (Lowenthal) Petroleum infrastructure projects

This bill would give the Energy Commission exclusive jurisdiction over the siting of petroleum infrastructure projects, which include construction or modification of refineries, pipelines, tanker terminals and marine terminals. The bill would establish a \$100,000 fee for the application for certification of a petroleum infrastructure project, and an \$15,000 annual fee for a certified project.

Introduced

02/13/04

Last Amended

03/18/04

Status

Hearing cancelled at request of author

AB 2093 (Nakano) Cruise ships: graywater

This bill would prohibit the release of graywater from cruise ships in state water, unless the vessel has met specified requirements to be developed by the State Water Resources Control Board.

Introduced

02/17/04

Last Amended

03/22/04

Status

Referred to Assm. Appropriations Committee

AB 2305 (Richman) Petroleom infrastructure: permitting process

This bill would require the Energy Commission to make recommendations on how to streamline the permitting process for petroleum infrastructure projects.

Introduced

02/19/04

Status

Hearing cancelled at request of author

AB 2434 (Bates) Public Utilities Commission: Railroad crossings

This bill would require the PUC to approve specified railroad crossings for pedestrian access to the beach in the City of San Clemente on or before June 30, 2004. This is an urgency bill.

Introduced

02/19/04

Last Amended

03/24/04

Status

Referred to Transportation Committee

AB 2514 (NR Committee)

This bill makes technical, non-substantive changes to the Coastal Act, and removes the Secretary of Trade and Commerce as an ex-officio member of the Commission, as this agency no longer exists.

Introduced

02/20/04

Status

Referred to NR Committee

AB 2529 (Kehoe) California Ocean Plan

This bill would require the State Water Resources Control Board to revise the California Ocean Plan by January 1, 2007, to require that all regional water quality plans (basin plans) which include coastal watersheds provide for the protection, maintenance and restoration of marine ecosystems, and prohibit additional point and nonpoint source discharges that would affect marine managed areas.

Introduced 02/20/04 Last Amended 04/22/04

Status Referred to Assm. Appropriations Committee

AB 2672 (Simitian) Large passenger vessels: sewage

Existing law requires the State Water Resources Control Board to apply to the federal government to prohibit the release of specified substances in waters that are not in state waters, but are in certain marine sanctuaries. This bill would require the board to determine whether it is necessary for the state to apply to the federal government to authorize the state to prohibit the release of sewage, as defined, from large passenger vessels into the marine waters of the state If the board determines that it is necessary, the bill would require the board to make that application. The bill would require the owner or operator of a large passenger vessel that releases sewage into the marine waters of the state or a marine sanctuary, as defined, to immediately report the release to the board, as specified.

Introduced 02/20/04 Last Amended 04/20/04

Status Referred to Assm. Appropriations Committee

AB 2702 (Steinberg) Housing: second units

This bill gives local governments additional flexibility and discretion over the mandate to allow the construction second units to be approved ministerially. This bill also removes the requirement that occupants of a second unit must be owners, family members or care givers, and prohibits local agencies from establishing a minimum unit size requirements for second units. The bill specifies that none of its provisions shall be construed to lessen the effect or application of the Coastal Act.

Introduced 02/20/04 Last Amended 04/19/04

Status Assembly Housing Committee

AB 2725 (Laird) Ex parte communications

This bill would prohibit communications between commissioners and interested parties on issues pertaining to litigation and certain enforcement actions.

Introduced 02/20/04

Status Referred to Assm. Appropriations Committee

AB 2814 (Simitian) Natural resources: CEQA

This bill would exempt from the California Environmental Quality Act any activity carried out by state or local government if the project's express purpose is to maintain, restore, enhance, protect, or conserve coastal or marine resources in a marine life reserve, marine life managed area or marine protected area, if any potential adverse environmental impact is expected to be offset by the intended beneficial environmental effect.

Introduced 02/20/04

Status Assembly NR Committee. Hearing cancelled at request of author

AB 2918 (Laird) Desalination facilites: electricity rates

This bill would direct the Public Utilities Commission to initiate ratesetting proceedings to determine the feasibility of establishing a separate rate class for desalination plants operated by public agencies or by regulated utilities, which are placed in service after January 1, 2006. The bill would only apply to electrical corporations serving more than 1,000,000 customers.

Introduced

02/20/04

Last Amended

04/15/04

Status

Water Parks & Wildlife Committee

AB 3039 (ES&TM Committee) Ocean use planning: California Coastal Act

This bill would direct the Secretary for Environmental Protection and the Secretary of the Resources Agency to conduct a joint review of their respective regulatory programs in light of the recommendations of the report of the Pew Oceans Commission. The secretaries would report to the Legislature by April 1, 2005, with recommendations for structural or budgetary changes the Legislature should evaluate in order to ensure a coordinated coastal and marine program.

Introduced

02/26/04

Last Amended

04/22/04

Status

Assembly Appropriations Committee

SB 18 (Burton) Sacred Sites

This bill would protect Native American Cultural Sites by expanding the jurisdiction of the Native American Heritage Commission (NAHC), and requiring consultation with Native American Tribes under CEQA. This bill would create a statewide, confidential Traditional Tribal Cultural Sites (TTCS) list, and require state agencies to incorporate the final determinations of the NAHC into their findings.

Introduced

12/02/02

Last Amended

08/25/03

Status

Assembly Inactive File

SB 236 (Alpert) Fishing: Bottom Trawling

This bill would prohibit the Department of Fish and Game from authorizing the use of trawl nets to take fish or other marine life from the ocean floor, unless the Fish and Game Commission determines that the operator of each vessel participates in an observer program, and that the bottom trawling does not produce a bycatch of more than 15% by weight of the target catch, and does not cause significant environmental harm to the ocean floor. The bill would allow the use of trawl nets for scientific research and to target certain fish in a manner in which the nets and related gear do not contact the ocean floor. The bill also grants authority to the Fish and

Game Commission to manage all bottom trawl fisheries not currently managed by the National Marine Fisheries Service, including Halibut, Sea Cucumber, Pink Shrimp, and Ridgeback, Spot and Golden Prawns.

Introduced

02/14/03

Status

Passed Senate. Held at Assembly Desk.

Last Amended

04/02/03

Commission Position Support

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SB 318 (Alpert) Desalinated Water

This bill would require that Urban Water Management Plans, prepared by urban water suppliers and submitted to the Department of Water Resources, must include a description of the opportunities for providing water via desalination.

Introduced

02/19/03

Status

Assembly Inactive File.

Last Amended

04/08/03

SB 681 (Morrow) Coastal Commission: Permits

This bill would prohibit coastal development permit conditions that require environmental mitigations for repairing or maintaining seawalls.

Introduced

02/21/03

Status

Returned to Secretary of Senate.

Commission Position: Oppose

SB 744 (Dunn) Housing

This bill would create the Housing Accountability Committee, consisting of 5 members appointed as specified, to hear appeals of local government decisions that deny or condition affordable housing projects. It would exempt conditions or mitigation measures imposed pursuant to a coastal development permit.

Introduced

02/21/03

Status

In Assembly. Held at Desk.

Last Amended

06/03/03

SB 909 (Machado) Public Water Systems

This bill would specify that private, for-profit water purveyors are eligible for public bond revenues, unless specifically excluded by the language of the bond.

Introduced

02/21/03

Status

Hearing cancelled at request of author.

Last Amended

06/23/03

Commission Position: Oppose

SB 1198 (Oller) California Coastal Commission

This bill would make technical, non-substantive changes to the Coastal Act.

Introduced

02/10/04

Status

Senate Rules Committee

SB 1199 (Oller)

This bill would make technical, non-substantive changes to the Coastal Act.

Introduced

02/10/04

Status

Senate Rules Committee

SB 1318 (Burton) California Ocean Protection Act

This bill would amend Prop 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, to authorize grants for coastal water and watershed protection to be awarded to the Ocean Protection Council. (See SB 1319)

Introduced

02/10/04

Last Amended

04/14/04

Status

Senate Appropriations Committee; suspense file

SB 1319 (Burton) California Ocean Protection Act

This bill would establish the Ocean Protection Council, consisting of the Secretary for Resources, Secretary for EPA, Chair of the State Lands Commissions and six members of the Legislature. The bill would require the council to coordinate and integrate the activities of state agencies active in the areas of ocean ecosystems and coastal waters. The activities of the council would be supported with existing resources. The bill would also create the Ocean Protection Trust Fund, and authorize funds to be deposited in the account for appropriation by the Legislature. (Bill language attatched.)

Introduced 02/10/04 Last Amended 04/14/04

Status Senate Appropriations Committee; suspense file

SB 1369 (Kuehl) Fire protection

This bill would require that the owner or occupant of a dwelling in a very high fire hazard severity zone, as defined in Govt. Code Section 51179, remove all flammable brush, vegetation and combustible growth within 100 feet of the structure, unless local ordinance requires greater clearance. The bill would authorize the Director of Forestry and Fire to cause the fire clearance to take place if a property owner does not comply.

Introduced 02/18/04 Last Amended 03/26/04

Status Senate Appropriations Committee

SB 1459 (Alpert) Fishing: trawl nets

This bill would grant the Department of Fish and Game authority over all state-managed bottom trawl fisheries, require a permit for all trawling activities, require that a previously held trawl permit be a requirement for obtaining a new or renewed permit by 2007, prohibit the transfer of permits, prohibit the use of certain types of trawl gear, authorize the Fish and Game Commission to facilitate programs that promote the conversion of trawl vessels to more sustainable practices, and prohibit trawling activities in portions of Monterey Bay, Estero Bay and San Luis Obispo Bay.

Introduced 02/19/04 Last Amended 04/19/04

Status Referred to Senate Appropriations Committee

SB 1742 (McPherson) Oil spills

This bill amends state Oil Spill Contingency Plan to specifically include waterways used for waterborne commercial traffic in the ports of Stockton and Sacramento; defines an oil spill or discharge as the release of at least I barrel of oil over a 24 hour period; includes wildlife rehabilitation as an allowable activity for volunteer workers; adds the state of Hawaii to the list of coastal states with whom the administrator shall coordinate oil spill prevention activities; makes non-substantive, technical changes and deletes obsolete sections of the code.

Introduced 02/20/04 Last Amended 04/14/04

Status Referred to Senate NR&W Committee

Introduced by Senators Burton and Alpert (Coauthors: Assembly Members Kehoe and Pavley)

February 17, 2004

An act to add Division 26.5 (commencing with Section 35500) to the Public Resources Code, relating to natural resources.

LEGISLATIVE COUNSEL'S DIGEST

SB 1319, as amended, Burton. Natural resources: ocean protection.

Existing law generally regulates activities relating to coastal and ocean resources.

This bill would create the California Ocean Protection Act, which would include various legislative findings and declarations related to coastal and ocean resources. The bill would define terms.

The bill would establish the Ocean Protection Council in state government, consisting of the Secretary of the Resources Agency, the Secretary for Environmental Protection, and the Chair of the State Lands Commission. The bill would require 3 Members of the Senate, appointed by the Senate Committee on Rules, and 3 Members of the Assembly, appointed by the Speaker of the Assembly, to meet with the council and participate in its activities to the extent that participation is not incompatible with their positions as Members of the Legislature.

The bill would require the council to coordinate activities of state agencies, that are related to the protection and conservation of coastal waters and ocean ecosystems, to improve the effectiveness of state efforts to protect ocean resources within existing fiscal limitations, to establish policies and procedures to coordinate the collection and

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sharing of scientific data between agencies, and to identify and recommend to the Legislature and the Governor changes in law and policy needed to meet this goal, as specified. The bill would require the council to be consistent with the expressed legislative findings and declarations. The bill would require the council to undertake other activities related to marine managed areas, as specified.

The bill would establish the California Ocean Protection Trust Fund and authorize moneys deposited in the fund, upon appropriation by the Legislature, to be expended for activities related to coastal and ocean resources, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

SECTION 1. Division 26.5 (commencing with Section 35500) is added to the Public Resources Code, to read: 3

DIVISION 26.5. CALIFORNIA OCEAN PROTECTION ACT

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CHAPTER 1. GENERAL PROVISIONS

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35500. This division shall be known, and may be cited, as the California Ocean Protection Act.

35505. The Legislature finds and declares all of the following:

- (a) California's coastal and ocean resources are critical to the state's environmental and economic security, and integral to the 16 state's high quality of life and culture. A healthy ocean is part of 17 the state's legacy, and is necessary to support the state's human and wildlife populations. Each generation of Californians has an obligation to be good stewards of the ocean, to pass the legacy on 20 to their children.
- 21 (b) Ocean resources contribute more than seventeen billion three hundred million dollars (\$17,300,000,000) to the state's 22 23 economy, generating 370,000 jobs, according to a 1997 Resources 24 Agency study, of which nine billion nine hundred million dollars (\$9,900,000,000) is generated from coastal tourism spending.

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Californians benefit from the economic, heritage, existence, and other intrinsic values of the ocean, including but not limited to, wildlife watching, recreational and commercial fishing, *education* and research, biodiversity, and other aesthetic, recreational, environmental, and economic values.

- (c) The ocean is a public trust. Every public agency and every Californian has a responsibility to protect the state's coastal and ocean resources. Californians have entrusted state government with the responsible stewardship of that public trust resource.
- (d) The decline in our ocean's health is well documented. Reports such as the 1997 Resources Agency report, "California's Ocean Resources: An Agenda for the Future," and the 2003 Pew Oceans Commission report, "America's Living Oceans: Charting a Course for Sea Change," document degraded ocean values, due to coastal and ocean development, onshore and offshore pollution, certain fishing and aquaculture practices, and invasive species, among other things.
- (e) The preservation of the state's ocean resources depends on healthy, productive, and resilient ocean ecosystems. To ensure the protection of the public trust, the governance of ocean resources should be guided by principles of sustainability, ecosystem health, precaution, recognition of the interconnectedness between land and ocean, decisions informed by good science and improved understanding of coastal and ocean ecosystems, and public participation in decisionmaking.
- (f) Good governance and stewardship of ocean resources necessitate more efficient and effective use of public funds.
- (g) Many different *federal*, state and local agencies are responsible for governing or protecting different aspects or values of the state's coastal and ocean resources. There is a critical need for these public agencies to work together in a more coordinated manner to ensure effective, comprehensive, and consistent protection *and conservation* of the ocean within the state's jurisdiction.
- (h) The state needs to coordinate governance and stewardship of the state's oceans, to identify priorities, bridge existing gaps, and ensure effective and scientifically sound approaches to protecting *and conserving* the most important ocean resources.
- 35510. The Legislature finds and declares all of the following:

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(a) The coastal waters offshore of the state and the ocean ecosystems associated with those waters are natural resources that the state holds in trust for the people of the state.

- (b) It is the state's policy that all public agencies shall administer the laws associated with protection the protection and conservation of coastal waters in accordance with the following principles:
- (1) All state State decisions affecting coastal waters and the ocean environment shall be designed and implemented to conserve the health and diversity of ocean life and ecosystems, allow and encourage only those activities and uses that are sustainable, and recognize the importance of nonconsumptive aesthetic, 13 educational, and recreational uses.
- (2) The ocean ecosystem is inextricably linked to activities on 15 land and all public agencies should consider the impact of activities on land that may adversely affect the health of the coastal and ocean environment.
 - (3) It is the state's policy to incorporate ecosystem perspectives into the management of coastal and ocean resources, using sound science, with a priority of protecting, conserving, and restoring coastal and ocean ecosystems, rather than managing on a single species or single resource basis.
 - (4) A goal of all state actions shall be to improve monitoring and data gathering, and advance scientific understanding, to continually improve efforts to protect, conserve, restore, and manage coastal waters and ocean ecosystems.
 - (5) State and local actions that affect ocean waters or coastal or ocean resources should be conducted in a manner consistent with protection, conservation, and maintenance of healthy coastal and ocean ecosystems and restoration of degraded ocean ecosystems. State and local agencies should refrain from actions that would cause harm to ocean and coastal ecosystems or impair the restoration of coastal and ocean ecosystems.
- 34 35515. The Legislature finds and declares that the purpose of 35 this division is to reorganize and reorient integrate and coordinate 36 the state's laws and institutions responsible for protecting and 37 conserving ocean resources, including coastal waters and ocean ecosystems, to accomplish all of the following objectives:

- (a) Provide a set of guiding principles for all state agencies to follow, consistent with existing law, in protecting the state's coastal and ocean resources.
- (b) Strengthen and streamline state regulatory laws related to eoastal and ocean ecosystem health, and encourage Encourage cooperative management with federal agencies, to protect and conserve representative coastal and ocean habitats and the ecological processes that support those habitats.
- (c) Improve coordination and management of state efforts to protect *and conserve* ocean ecosystems without adding to bureaucracy or imposing new costs by establishing a cabinet level oversight body responsible for identifying more efficient methods of protecting the ocean at less cost to taxpayers.
- (d) Use California's private and charitable resources more effectively in developing ocean protection and conservation strategies.
- (e) Redirect some existing state bond funds to address the most critical needs in coastal and ocean resources protection and conservation.

CHAPTER 2. DEFINITIONS

35550. Unless the context requires otherwise, the following definitions govern this division:

- (a) "Council" means the Ocean Protection Council established pursuant to Section 35600.
- (b) "Fund" means the California Ocean Protection Trust Fund established pursuant to Section 35650.
- (c) "Marine managed area" means an area designated pursuant to this act or the Marine Managed Areas Improvement Act (Chapter 7 (commencing with Section 36600) of Division 27).
- (d) "Public agency" means a city, county, city and county, district, or the state or any agency or department of the state.
- (e) "Sustainable" and "sustainability" mean both of the following:
- (1) Continuous replacement of resources, taking into account fluctuations in abundance and environmental variability.
- (2) Securing the fullest possible range of present and long-term economic, social, and ecological benefits, while maintaining biological diversity.

CHAPTER 3. OCEAN PROTECTION COUNCIL

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The Ocean Protection Council is established in state government. The council consists of the Secretary of the Resources Agency, the Secretary for Environmental Protection, and the Chair of the State Lands Commission.

35605. The members of the council shall elect the chair of the council.

35610. Three Members of the Senate, appointed by the Senate Committee on Rules, and three Members of the Assembly, appointed by the Speaker of the Assembly, shall meet with the council and participate in its activities to the extent that participation is not incompatible with their respective positions as Members of the Legislature.

35615. The council shall do all of the following:

- (a) (1) Coordinate activities of state agencies, that are related to the protection and conservation of coastal waters and ocean ecosystems, to improve the effectiveness of state efforts to protect ocean resources within existing fiscal limitations.
- (2) Establish policies and procedures to coordinate the collection and sharing of scientific data between agencies.
- (3) Identify and recommend to the Legislature changes in law needed to achieve this goal.
- (b) (1) Identify changes in federal law and policy necessary to achieve the goals of this division and to improve protection, conservation, and restoration of the ocean ecosystem in federal and state waters off the state's coast.
- (2) Recommend to the Governor and the Legislature actions the state should take to encourage those changes in federal law and policy.
 - (c) Be consistent with Sections 35500, 35510, and 35515.
- 35620. (a)—The council shall oversee the State Interagency Coordinating Committee established pursuant to Section 36800 and the scientific review panel established pursuant to Section 36900. The council may review and recommend proposals to the State Interagency Coordinating Committee, and to designating entities, to further the purposes of this division.
- (b) The council may accept proposals to designate a ocean 39 managed area, as defined in subdivision (d) of Section 36602, and

act on the proposals using the procedures established for the State Interagency Coordinating Committee.

35625. As a pilot project to improve protection of the state's ocean resources at less cost to taxpayers, the council shall solicit one or more proposals for the designation of a marine managed area. To be eligible for submission to the council under the pilot project, a proposal shall be developed using nonstate funds and with the participation of interested parties. A proposal shall identify restrictions on polluting and ocean development activities necessary to protect the resources of the proposed marine managed area. The council shall give preference to proposals with the primary goal of ensuring the sustainability of ocean resources and ecosystems within large areas. The council shall review proposals submitted to it under the pilot program, and may adopt a proposed designation of a marine managed area, in whole or in part, or may refer the proposal to an entity that designates marine managed areas pursuant to Division 27 (commencing with Section 36000). The council shall review proposals for consistency with the master plan adopted pursuant to Chapter 10.5 (commencing with Section 2850) of Division 3 of the Fish and Game Code.

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CHAPTER 4. CALIFORNIA OCEAN PROTECTION TRUST FUND

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- 35650. (a) The California Ocean Protection Trust Fund is established in the State Treasury.
- (b) Moneys deposited in the fund may be expended, upon appropriation by the Legislature, for both of the following:
- (1) Projects and activities authorized by the council consistent with Chapter 3.
- (2) Upon authorization by the council, for grants to public agencies or nonprofit agencies or nonprofit corporations, or loans for, or direct expenditures on, projects or activities that do one or more of the following:
- (A) Eliminate or reduce threats to coastal and ocean ecosystems, habitats, and species.
- (B) Create incentives for sustainable fisheries, including revolving loan programs, fishing capacity reduction, and socioeconomic transition projects.
- (B) Foster sustainable fisheries, including development of more selective fishing gear, collaborative research and

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- demonstration projects between persons who fish commercially and scientists, promotion of value-added fisheries to offset economic losses attributable to reduced fishing opportunities, and the creation of revolving loan programs for the purpose of implementing sustainable fishery products.
 - (C) Improve coastal water quality.
- 7 (D) Allow for increased public access to, and enjoyment of, 8 ocean and coastal resources, consistent with sustainable, 9 long-term protection and conservation of those resources.
 - (E) Improve management, conservation, and protection of coastal waters and ocean ecosystems.
 - (G) Provide monitoring and scientific data to improve state efforts to protect and conserve ocean resources.
- (H) Protect, conserve, and restore coastal waters and ocean 15 ecosystems, including any of the following:
- 16 (i) Acquisition, installation, and initiation of monitoring and 17 enforcement systems.
- (ii) Acquisition of rights in coastal and submerged-lands, 19 vessels, equipment, licenses, harvest rights, permits, and other 20 rights-and property, to reduce threats to ocean ecosystems and 21 resources.
- (iii) Mitigation costs related to the protection of coastal and 23 ocean resources.
- 24 (ii) Acquisition from willing sellers of vessels, equipment, 25 licenses, harvest rights, permits, and other rights and property, to 26 reduce threats to ocean ecosystems and resources.