

CALIFORNIA COASTAL COMMISSION

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DATE: MAY 8, 2019

TO: Coastal Commission and Interested Persons

FROM: John Ainsworth, Executive Director
 Sarah Christie, Legislative Director

SUBJECT: LEGISLATIVE REPORT FOR MAY, 2019

CONTENTS: This report provides summaries and status of bills affecting the Coastal Commission and California's Coastal Program, and coastal-related legislation identified by staff.

Note: Information contained in this report is accurate as of 04/30/2019. Bills added since the previous month's report are marked by an *asterisk. Recent amendments are summarized in *italics*. Bill text, votes, analyses and current status of any bill may be viewed on the California Legislature's Homepage at <http://leginfo.legislature.ca.gov/>. This report can also be accessed through the Commission's Homepage at www.coastal.ca.gov

 2019 Legislative Calendar

Jan 1	Statutes take effect.
Jan 7	Legislature reconvenes.
Jan 10	Budget Bill must be submitted by Governor.
Jan 21	Martin Luther King, Jr. Day
Jan 25	Last day to submit bill requests to Office of Legislative Counsel.
Feb 22	Last day for bills to be introduced.
March 30	Cesar Chavez Day observed.
April 11	Spring Recess begins upon adjournment.
April 22	Legislature reconvenes from Spring Recess.
April 26	Last day for policy committees to hear and report fiscal bills.
May 3	Last day for policy committees to hear and report non-fiscal bills introduced in their house.
May 10	Last day for policy committees to meet prior to June 4.
May 17	Last day for fiscal committees to hear and report to the Floor bills introduced in their house.
May 27	Memorial Day
May 28-31	Floor session only
May 31	Last day for each house to pass bills introduced in that house.
June 3	Committee meetings may resume.
June 15	Budget Bill must be passed by midnight.
July 10	Last day for policy committees to hear and report fiscal bills.
July 12	Last day for policy committees to meet. Summer Recess begins upon adjournment.
Aug 12	Legislature reconvenes from Summer Recess.
Aug 30	Last day for fiscal committees to meet and report bills.
Sept 2	Labor Day
Sept 3-13	Floor session only
Sept 6	Last day to amend bills on the Floor.
Sept 13	Last day for Legislature to pass bills. Interim Recess begins upon adjournment.
Oct 13	Last day for Governor to sign or veto bills.

PRIORITY LEGISLATION

AB 62 (Fong) State government: Fi\$Cal: transparency

This bill would require the state’s Fi\$Cal system to include a publicly accessible, interactive website that discloses specified information relating to all state expenditures, including the amount, type and description of expenditures, a brief description of its purpose, and entity making the expenditure. *Amendments of 03/28/19 make technical, non-substantive changes.*

Introduced 12/03/18
Last Amended 03/28/19
Status Assembly Accountability & Administrative Review Committee

AB 63 (Fong) State government

This bill would require state agencies to provide forms on the internet for individuals to register complaints relating to the performance of that agency, with instructions on how to electronically file or mail their complaints to the agency. The forms would include an A, B, C, D, F, grading system for individuals to rate their experiences. *Amendments of 04/03/19 specify that the bill only applies to agencies that provide direct services to the public.*

Introduced 12/03/18
Last Amended 04/03/19
Status Assembly Appropriations Committee, Suspense File

AB 65 (Petrie-Norris) Coastal protection: climate adaptation: project prioritization

This bill would require the State Coastal Conservancy to prioritize Proposition 68 funds for projects that use natural infrastructure to help with adaptation to climate change, as well as those that provide multiple public benefits, including protection of communities, natural resources and recreational opportunities. *Amendments of 03/18/19 add a definition of the term “natural infrastructure,” and authorize the Conservancy to provide technical assistance to communities to assist them with natural infrastructure projects.*

Introduced 12/03/18
Last Amended 03/18/19
Status Assembly Floor, Consent Calendar

AB 68 (Ting) Land use: accessory dwelling units

This bill would shorten the time limit for a local government to approve or deny a permit application for an Accessory Dwelling Unit (ADU) and Junior Accessory Dwelling Units (JADUs) from 120 days to 60 days from receipt of a completed application; prohibit an ordinance from imposing limits on minimum lot size, lot coverage, or floor area ratio beyond certain specifications; and allow for the application of more than one ADU or Junior ADU associated with a single family or multi-family dwelling. The bill would give the Department of Housing and Community Development authority to review local ordinances relating to Accessory Dwelling Units (ADUs) and submit written findings to a local government as to whether the ordinance meets state standards, and to notify the Attorney General if the ordinance violates state law. In response, the local government may either amend its ordinance or adopt a resolution stating the reasons the ordinance is already in compliance. *Amendments of 04/03/19 would prevent a local agency from issuing a certificate of occupancy for an ADU before issuing a certificate of occupancy for the primary residence.*

Introduced 12/03/18
Last Amended 04/03/19
Status Assembly Appropriations Committee, Suspense File

AB 69 (Ting) Land use: accessory dwelling units

This bill would require the Department of Housing and Community Development authority to develop “small home building standards” for ADUs and detached dwelling units less than 800 sf., and junior accessory dwelling units, and submit those proposed standards to the California Building Standards Commission by January 1, 2021. *Amendments of 04/04/19 make technical, non-substantive changes.*

Introduced 12/03/18
Last Amended 04/04/19
Status Assembly Appropriations Committee, Suspense File

AB 129 (Bloom) Microfiber pollution

This bill states it is the intent of the Legislature to enact legislation recognizing the emerging threat that microfibers pose to water quality and reducing the amount of microfibers that enter the environment. *Amendments of 03/25/19 would require the public and private entities that use a laundry system to install a microfiber filtration capture system by 2020 and 2021, respectively, and would require the State Water Resources Control Board to adopt methods for evaluating microfiber shedding and filtration efficiency.*

Introduced 12/04/18
Last Amended 03/25/19
Status Assembly Environmental Safety & Toxic Materials Committee

AB 209 (Limón) Parks: environmental education: grant program

This bill would require the Department of Parks and Recreation to establish the Outdoor Equity Grants Program, to increase the availability of outdoor education programs to underserved and at-risk populations. The bill would establish the California Outdoor Equity Account in the State Parks and Recreation Fund, and would allow the fund to receive private funds as well as funds appropriated by the Legislature.

Introduced 01/14/19
Status Assembly Appropriations, Suspense File

***AB 255 (Limón) Parks: Coastal resources: oil spills: grants**

This bill would authorize the Oil Spill Response (OSPR) administrator to offer grants to Native American Tribes and other public entities with jurisdiction over waters of the state for the purpose of providing oil spill response equipment. Current law only provides for grants to local governments.

Introduced 01/23/19
Status Senate Rules Committee

AB 467 (Boerner Horvath) Competitions on state property: prize compensation: gender equity

This bill would require specified state agencies, including the Coastal Commission, to include conditions on any permit or lease issued for a competition held on state land to ensure equal prize money between gendered categories at each participant level. *Amendments on 04/10/19 added co-authors.*

Introduced 02/11/19
Last amended 04/10/19
Status Senate Rules Committee

AB 552 (Stone) Coastal Adaptation, Access, and Resilience Program

This bill would create the Coastal Adaptation, Access and Resilience Fund in the State Treasury for the purpose of funding actions by the California Coastal Commission, the Natural Resources Agency, the Ocean Protection Council, the Department of Parks and Recreation, and the State Coastal Conservancy to address sea level rise and climate change. Funds would be subject to appropriation by the Legislature. The source of the funds would be not less than 30% of state tidelands revenues collected by the State Lands Commission. *Amendments of 4/30/19 add the State Lands Commission to the list of agencies that would receive money from the Fund.*

Introduced 02/13/19
Last Amended 04/30/19
Status Assembly Appropriations Committee
Commission Position Recommend Support, Analysis Attached

AB 825 (Mullin) San Mateo County Flood and Sea Level Rise Resiliency District

This bill would rename and expand the authority of the San Mateo County Flood Control District, by creating the San Mateo County Flood and Sea Level Rise Resiliency District. The district would have the authority to issue general revenue bonds, and levy tax assessments on all taxable property within the district to pay for the interest on the bonds. The bill would grant rights of way in, over and across public lands for the construction and maintenance of protective works, subject to SLC approval.

Amendments of 4/10/19 clarify that nothing in the act supersedes or in any way alters or lessens the effect or application of the Coastal Act.

Introduced 02/20/19
Last Amended 04/10/19
Status Assembly Local Government Committee

AB 931 (Petrie-Norris) State and local boards and commissions: appointments

This bill would establish state and local boards and commissions to be comprised of a specified minimum of female appointees. Relevant to the Coastal Commission, this bill would require at least 50% of the appointed members to be women. *Amendments of 04/22/19 limit the scope of the bill to local boards and commissions in cities with a population of 50,000 or more.*

Introduced 02/20/19
Last Amended 04/22/19
Status Assembly Appropriations Committee

AB 1011 (Petrie-Norris) Coastal resources: waiver of filing fees

This bill would authorize the Commission to waive the permit fee for a non-profit organization seeking to undertake a project that provides public access to coastal resources or habitat restoration.

Introduced 02/21/19
Last Amended 03/18/19
Status Senate Natural Resources and Water Committee

Commission Position Support

AB 1040 (Muratsuchi) Protection of cetaceans: unlawful activities

This bill would make it unlawful to hold in captivity any cetacean, whether wild-caught or captive-bred, for any purpose including display, performance of entertainment. The bill would make it unlawful to breed or impregnate any cetacean in captivity. The bill would allow any cetacean held in captivity prior to a specified date to lawfully remain in captivity for educational purposes.

Introduced 02/21/19
Status Assembly Water, Parks & Wildlife Committee

AB 1080 (Gonzalez) California Circular Economy and Plastic Pollution Reduction Act

This bill would enact the California Circular Economy and Plastic Pollution Reduction Act, which would require the Department of Resources Recycling and Recovery (CalRecycle), in consultation with the State Water Resources Control Board and the Ocean Protection Council to adopt regulations that would have the effect of reducing and ultimately eliminating plastic pollution in California by the year 2030. AB 1080 is a companion to SB 54 (Allen). The two bills are identical in their current forms. *Amendments of 03/19/19 add additional specificity to the Department's proposed regulations, including identification of single-use packaging materials for reduction actions; criteria for source reduction requirements, minimum post-consumer recycled content requirements; and processes for annual reporting by businesses.*

Introduced 02/21/19
Last Amended 03/19/19
Status Assembly Appropriations Committee
Position Support

***AB 1300 (Kamlager-Dove) State Coastal Conservancy: Explore the Coast Program**

This bill would establish the Explore the Coast Program within the State Coastal Conservancy. The program would require the Conservancy, when awarding grants to non-profit organizations, public agencies and Native American Tribes for the purpose of achieving program goals, to prioritize projects that provide students and youth the opportunity to visit the coast for the first time.

Introduced 02/22/19
Last Amended 03/28/19
Status Assembly Appropriations Committee, Suspense File

AB 1426 (Boerner Horvath) State beaches: San Onofre State Beach: report on encroaching state or local agency infrastructure project

This is a spot making non-substantive changes to Public Resources Code Section 30522, related to the certification of local coastal programs. *Amendments of 03/25/19 gut and amend the bill to require the Department of Parks and Recreation to report to legislative policy committees about any proposed state or local agency infrastructure project that would interfere with the operation of San Onofre State Beach*

Introduced 02/22/19
Last Amended 03/25/19
Status Assembly Appropriation Committee, Suspense File

***AB 1511 (Bloom) Coastal resources: Santa Monica Bay Restoration Commission**

This bill would transfer the responsibility of providing administrative services to the Santa Monica Bay Restoration Commission from the State Water Resources Control Board to the State Coastal Conservancy, pursuant to a MOU between the Natural Resources Agency, the Environmental Protection Agency, and the SMBR Commission. The purpose of the bill is to support the restoration and enhancement of the Santa Monica Bay and its watershed.

Introduced 02/22/19

Last Amended 03/26/19

Status Assembly Appropriations Committee

AB 1585 (Boerner Horvath) Accessory dwelling units

This is a spot making non-substantive changes Government Code Section 65852.2, related to accessory dwelling units (ADUs).

Introduced 02/22/19

Status Assembly First Reading

AB 1644 (Levine) Coastal resources: scientific advice and recommendations: agriculture

This bill would include agriculture among the specified issues on which the Coastal Commission may receive technical advice and recommendations with respect to its decisions. *Amendments of 04/29/19 make minor, non-substantive changes.*

Introduced 02/22/19

Last Amended 04/29/19

Status Assembly Appropriations Committee

Commission Position Support

AB 1680 (Limón) State Coastal Conservancy: coastal access

This bill would direct the Coastal Commission, in consultation with the State Coastal Conservancy, Department of Parks and Recreation, and the State Lands Commission to develop a new public access plan for Hollister Ranch in Santa Barbara County by April 1, 2020. The bill would specify plan components. If the plan is not completed by the deadline, the State Lands Commission would be required to implement the Coastal Commission's 1982 public access program as expeditiously as possible.

Introduced 02/22/19

Last Amended 03/25/19

Status Assembly Appropriations Committee

Commission Position Support

AB 1718 (Levine) State parks: state coastal beaches: smoking ban

This bill would make it an infraction for any person to smoke on a state coastal beach or a unit of the state park system, or to dispose of cigarette or cigar waste on a state coastal beach or unit of the system. The bill would require the Department of Parks and Recreation to post signs providing public notice of the restriction.

Introduced 02/22/19
Status Assembly Appropriations Committee, Suspense File

AB 1731 (Boerner Horvath) Short term rentals: coastal zone

This bill would amend the Business and Professions Code to require a hosting platform that offers short-term vacation rentals to be responsible for collecting and remitting local transient occupancy taxes (TOT). The bill would also authorize a hosting platform to make a residentially zoned property within the coastal zone available as a short-term rental 365 days per year, provided that the primary resident lives on site full-time. The bill would prohibit the listing of a short-term rental for more than 30 days per year of any residential property in the coastal zone, unless the primary resident makes the property available as a short-term rental in accordance with the Lower Cost Coastal Accommodations Program administered by the State Coastal Conservancy.

Introduced 02/22/19
Last Amended 04/10/19
Status Assembly Natural Resources Committee

AB 1749 (Boerner Horvath) Coastal resources: development permits

This is a spot bill that would make non-substantive changes to Public Resources Code Section 30624, relating to the issuance of coastal development permits.

Introduced 02/22/19
Status Assembly First Reading

AB 1785 (Boerner Horvath) Transportation: North County Transit District

This bill would have made non-substantive changes to the Public Utilities Code, related to the San Diego Regional Transportation Consolidation Act. *Amendments of 03/28/19 gutted and amended the original bill to allow a railroad owner or operator, or a local government entity through which a railroad passes, to file a special motion to strike a cause of action seeking damages for an incident occurring on a railroad right of way that is open to the public.*

Introduced 02/22/19
Last Amended 03/28/19
Status Assembly Judiciary Committee

SB 4 (McGuire) Housing

This bill states the intent to enact legislation that would limit restrictive local land use policies that contribute to increased housing costs, and also to encourage increased housing development near transit and job centers, in a manner that acknowledges relevant differences between communities. The bill would provide incentives for multifamily, Transit Oriented Development (TOD) as defined, on eligible parcels within cities and counties with unmet housing needs, including a streamlined, ministerial application process, a categorical CEQA exemption, and extended deadlines for permit expiration. These provisions would not apply in high fire hazard areas, flood plains, historic or architectural districts or the coastal zone. These provisions would not apply on any site that would require the demolition of deed-restricted affordable housing, rent-controlled housing, housing occupied by tenants within the previous 10 years, or any historic structure on a local, state or national register. The bill would require that TODs meeting specified thresholds be constructed by a skilled and trained workforce. *Amendments of 04/10/19 eliminate the previous references to local fees charged for water/sewer connection fees, multifamily projects, and fees charged by school districts. The bill adds a statement of Legislative Intent to reduce unreasonable fees on small housing developments.*

Introduced	12/03/18
Last Amended	04/10/19
Status	Senate Environmental Quality Committee

SB 5 (Beall) Affordable Housing and Community Development Investment Program

This bill would establish the Local-State Sustainable Investment Incentive Program, and the Sustainable Investment Incentive Committee to oversee it. The purpose of the Program would be to incentivize the construction of more affordable and transit-oriented housing. The Program would authorize local governments and various other public local agencies to support affordable housing plans. Funds would be available via tax increment through a redistribution of educational revenue augmentation funds (ERAF), which the bill would authorize through direction to county auditors. Relevant to the Coastal Commission, one eligible use of the funding would be for coastal communities dealing with the effects of sea level rise, including the construction, repair, replacement and maintenance of infrastructure related to protecting communities from sea level rise, or the acquisition of land or property for that use. *Amendments of 04/23/19 specify percentages of funding to be allocated to providing rental and owner-occupied affordable housing .*

Introduced	12/03/18
Last Amended	04/23/19
Status	Senate Appropriation Committee, Suspense File

SB 6 (Beall) Residential development: available land

This bill would require the Department of General Services to develop a publicly searchable database containing information on a list of local land that is suitable and available for residential development as identified in a housing element of a general plan. *Amendments of 04/23/19 require local governments to submit an electronic copy the inventory of land suitable for residential development to the Department of Housing and Community Development for any housing element adopted after January 1, 2021. The bill would also authorize the Department to review, adopt, amend and repeal the forms, standards and definitions necessary to implement.*

Introduced 12/03/18
Last Amended 04/23/19
Status Senate Appropriation Committee, Suspense File

SB 8 (Glazer) State parks: state coastal beaches: smoking ban

This bill would make it an infraction to smoke tobacco products on a state coastal beach or a unit of the State Parks system, or to dispose of tobacco-related waste in anything other than an appropriate waste receptacle, punishable by a fine of \$25. The bill would require the Department of Parks and Recreation to post signs providing notice of the prohibition.

Introduced 12/03/18
Status Senate Appropriations Committee, Suspense File

SB 13 (Wieckowski) Accessory dwelling units

This bill makes several changes to the Government Code and the Health and Safety Code pertaining to Accessory Dwelling Units (ADUs). Changes include:

- Limits ADUs to lots with an existing or proposed single family dwelling.
- Prohibits local governments from requiring additional parking for an ADU that demolishes an existing garage, carport of covered parking structure.
- Prohibits local governments from requiring owner-occupancy of one of the residential units.
- Reduces the length of time to review and approve a ministerial ADU application from 120 days to 60 days for local governments that have not yet adopted an ADU ordinance. If not approved within 60 days, the application shall be deemed approved.
- Requires that ADUs cannot be restricted by ordinance to less than 800 sf.
- Limits the amount of connection fees that can be imposed for a new residential dwelling.
- Allows the owner of an ADU that receives an enforcement order to correct violations or abate nuisances to request a 10-year delay in correction of the violations provided they aren't necessary to protect public health and safety.
- Renumbers the Coastal Act "savings clause" that specifies nothing in this section shall supersede or lessen the effect of the Coastal Act.

Amendments of 04/23/19 make technical, non-substantive changes.

Introduced 12/03/18
Last Amended 04/23/19
Status Senate Appropriations Committee (5/6)

SB 45 (Allen) Wildfire, Drought and Flood Protection Bond Act of 2020

This bill would enact the Wildfire, Drought and Flood Protection Bond Act of 2020 in the amount of \$4,300,000,000, \$300 million of which would be available for coastal resources, \$300 million for protecting rivers, lakes and streams, and \$150 million for improving regional climate resilience in General Obligation bonds to finance projects to restore fire-damaged areas, reduce wildfire risks, promote healthy forests and watersheds, reduce climate impacts on vulnerable populations, protect water supply and water quality, protect rivers, lakes, and streams, reduce flood risk, protect fish and wildlife from climate impacts, improve climate resilience of agricultural lands, and protect coastal lands and resources. *Amendments of 04/04/19 make technical, non-substantive changes.*

Introduced 12/03/18
Last Amended 04/04/19
Status Senate Appropriations Committee (5/6)

SB 50 (Wiener) Planning and zoning: housing development: incentives

This bill would waive local density maximums and parking minimums greater than 0.5 spaces per unit, and provide other incentives for residential development project proposed within a ½-mile radius of a major transit stop. A major transit stop is defined as a site containing an existing transit station or a ferry terminal served by a bus or transit service. *Amendments of 03/11/19 make additional definitions in the “Equitable Communities Incentives” section of the bill; require the Department of Housing and Urban Development to publish map showing areas identified by the Department as “housing rich areas” and update it every 5 years; set the application of in-lieu fees for local governments that have not adopted an inclusionary housing ordinance; and set the term of affordability deed restrictions to 55 years for rental units and 45 years for sale units.*

Introduced 12/03/18
Last Amended 03/11/18
Status Senate Appropriations Committee

SB 53 (Wilk) Open meetings

This bill would clarify that any advisory committee or subcommittee of a multi-member state board, commission or committee is subject to the Bagley-Keene Open Meetings Act if it is comprised of 2 or more members, if one of those members represents that state body in their official capacity. This bill has an urgency clause.

Introduced 12/10/18
Last Amended 03/05/19
Status In Assembly

SB 54 (Allen) California Circular Economy and Plastic Pollution Reduction Act

This bill would enact the California Circular Economy and Plastic Pollution Reduction Act, which would require the Department of Resources Recycling and Recovery (CalRecycle), in consultation with the State Water Resources Control Board and the Ocean Protection Council to adopt regulations that would have the effect of reducing and ultimately eliminating plastic pollution in California by the year 2030. SB 54 is a companion to AB 1080 (Gonzalez). The two bills are identical in their current forms. *Amendments of 03/25/19 add additional specificity to the Department’s proposed regulations, including identification of single-use packaging materials for reduction actions; criteria for source reduction requirements, minimum post-consumer recycled content requirements; and processes for annual reporting by businesses.*

Introduced 12/11/18
Last Amended 03/25/19
Status Senate Appropriations Committee
Position Support

SB 62 (Dodd) Endangered species: accidental take associated with routine and ongoing agricultural activities: state safe harbor agreements

This bill would make permanent a temporary exception in the California Endangered Species Act for the otherwise unlawful “take” of an endangered species if accidentally committed in the context of routine, ongoing agricultural activities. The bill would also require the reporting of any such take within 10 days. The bill would also extend the Safe Harbor Act from January 1, 2020, to January 1, 2024. The Safe Harbor Act encourages landowners to voluntarily manage lands to benefit endangered, threatened or candidate species without being subject to additional regulatory requirements as a result of their efforts. *Amendments of 03/19/19 extend the provisions of the bill to individual farmers, ranchers, and their bona fide employees.*

Introduced 01/03/19
Last Amended 04/03/19
Status Senate Appropriations Committee (5/6)

***SB 67 (McGuire) Cannabis: temporary licenses**

This bill would allow for the reinstatement of an expired, temporary license issued by the Department of Food and Agriculture for a commercial cannabis operation, provided that the licensee submits a completed application and application fee. The temporary license would be revoked after the department issues an annual or provisional license, or denies the application for same. This bill has an urgency clause, and if enacted, will take effect immediately.

Introduced 01/08/19
Last Amended 03/21/19
Status In Assembly

***SB 241 (Moorlach) Personal Income Tax: California Voluntary Contribution Program**

As amended April 22, this bill would repeal the expiration dates for the California Firefighters Memorial Fund and the California Peace Officers Memorial Fund personal income tax check-offs, thereby allowing those funds to remain on the California income tax return forms indefinitely. The bill would also substantially revise the procedure for inclusion of not-for-profit organizations on the annual tax forms, making it a fee-based application to the Franchise Tax Board limited to charitable organizations as defined in the bill. In order to be eligible, a charitable organization must average at least \$100,000 in gross receipts, be registered as a Charitable Trust with the State Attorney General's Office, and have submitted 3 years of annual returns with the Franchise Tax Board.

Introduced 02/11/19
Last Amended 04/29/19
Status Senate Appropriations Committee
Commission Position Recommend Oppose, Analysis Attached

SB 262 (McGuire) Commercial fishing: landing fees: sea cucumbers

This bill would amend the Fish and Game Code to extend the sunset for the current sea cucumber commercial fishery program to April 1, 2030, and set the landing fee rate schedule for 2019. *Amendments of 03/18/19 make minor, non-substantive changes to the bill.*

Introduced 02/12/19
Last Amended 03/18/19
Status In Assembly

SB 332 (Hertzberg) Wastewater treatment: recycled water

This bill would amend the Water Code to declare that the discharge of treated wastewater from ocean outfalls is a waste and unreasonable use of water. The bill would require wastewater treatment facilities to reduce annual discharge volumes by at least 50% by January 1, 2030, and by at least 95% by January 1, 2040. The bill would subject operators to a civil penalty of \$2,000 per acre foot of water above the required reduction. *Amendments of 4/30/19 modify various deadlines within the bill.*

Introduced 02/19/19
Last Amended 04/30/19
Status Senate Appropriations Committee

***SB 576 (Umberg) State Coastal Conservancy: coastal climate change adaptation**

As amended April 23, this bill would require the State Coastal Conservancy to develop and implement a climate adaptation and readiness program that would include collaboration and coordination with the Office of Planning and Research, California State University Long Beach, various state conservancies and other entities to recommend best practices and strategies for improving climate resiliency for coastal communities, infrastructure and habitat. The bill would also require the Conservancy to participate in, facilitate or host an international conference on coastal climate change every two years, in cooperation with the Natural Resources Agency, the Ocean Protection Council, and other relevant state agencies.

Introduced 02/22/19
Last amended 04/23/19
Status Senate Appropriations Committee

SR 12 (Jackson) 50th anniversary of the Santa Barbara Oil Spill

This measure commemorates the 50th anniversary of the offshore oil spill in Santa Barbara on January 8, 1969, and honors the efforts of environmental leaders who worked to achieve stronger protections for coastal resources as a result.

Introduced 01/23/19
Status Enrolled

***SR 32 (Jackson) Coastal resources**

This measure establishes the Senate’s support for the federal Coastal Zone Management Act, and its opposition to any federal actions that would weaken California’s federal consistency review authority.

Introduced 04/11/19
Status Senate Natural Resources and Water Committee

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CALIFORNIA COASTAL COMMISSION

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**BILL ANALYSIS****AB 552 (Stone)**

As Amended 04/30/2019

SUMMARY

Assembly Bill 552 would establish the Coastal Adaptation, Access, and Resilience Program, which would direct at least 30% of state revenues derived from mineral extraction on state lands (“tidelands oil revenues”) to the Coastal Commission and other natural resources agencies to plan and implement actions to adapt to sea level rise and coastal climate change.

RECOMMENDED MOTION

I move the Commission **Support** AB 552, and I recommend a **Yes** vote.

PURPOSE OF THE BILL

The purpose of the bill is to create a reliable, ongoing funding source to support the work of state agencies engaged in coastal adaptation and sea level rise planning by re-establishing the longstanding practice of using state mineral extraction revenues to fund coastal management activities that benefit the entire state.

EXISTING LAW

In 1997, Senate Bill 271 (Thompson, Ch. 293, Stats. 1997) established the principle of appropriating a portion of state revenues received from mineral extraction activities on state lands to coastal and natural resource protections that benefit the entire state. Over the following years, revenues distributed pursuant to this legislation provided funding for the Housing Trust Fund, the Resources Trust Fund for Salmon and Steelhead Trout Restoration, marine reserve management, state parks deferred maintenance, and the Natural Resource Infrastructure Fund (NRIF). NRIF programs included funds for the Department of Fish and Wildlife to conduct environmental review and monitoring, land acquisitions in Orange County and San Diego for natural community conservation plans, and nonpoint source pollution programs at the California State Water Resources Control Board and the California Coastal Commission, among others. Any unencumbered funds were then transferred to the State General Fund.

This practice of allocating state fossil fuel extraction revenues to specific agencies, departments, programs, and projects was repealed in the midst of the Great Recession by a budget trailer bill, Senate Bill 71 (Committee on Budget and Fiscal Review, Ch. 81, Stats. 2006). Since that time, all such revenues have been deposited directly into the General Fund.

PROGRAM BACKGROUND

The Commission and its partner agencies have been collaborating to address sea level rise and coastal climate change to the best of their ability with their currently available resources. For example, the Coastal Commission has been working together with the Department of Transportation (Caltrans) to plan for the realignment of Highway One in locations highly vulnerable to sea level rise and flooding – a wise investment in the state’s transportation, recreational, and natural resources.

The Commission also coordinates with its local government partners to ensure that local projects and policies promote community resilience to sea level rise. Central to this work is the Commission's LCP Grant Program, through which the Commission helps fund local governments to update their Local Coastal Programs (LCPs) to proactively plan for sea level rise. The Commission also provides informational assistance to local governments, including mapping of vulnerable populations and resources based on the best-available science, and policy guidance through the publication and update of formal policy guidance documents, including the Commission's *Sea Level Rise Policy Guidance* and forthcoming *Residential Adaptation Policy Guidance*.

ANALYSIS

Sea level rise and coastal climate change are already threatening California's coastline by increasing the severity and frequency of catastrophic storms and flooding, erosion rates, damage to coastal private property and public infrastructure, and loss of natural "buffer systems" that protect the coast, such as wetlands, dunes, and sandy beaches. Failure to plan for the unavoidable consequences of climate change along the coast of California could cost the State untold billions of dollars over the coming decades.

The Commission has been collaborating with its partner agencies and local governments to the best of its ability given current funding. Over the past five years, the Legislature has authorized a total of \$7 million in local government assistance grants from a variety of funding sources, including the Environmental License Plate Fund, the Greenhouse Gas Reduction Fund, and bond funds. The Governor's 2019-20 Budget proposes a \$1.5 million augmentation to the Commission's baseline budget to make the local assistance grants program permanent.

However, the magnitude of the challenge greatly exceeds available resources, and the damaging effects of sea level rise and coastal climate change are already outpacing the State's efforts to address them, as observed earlier this year when king tides flooded city streets, damaged homes and vehicles, and closed public beaches and piers throughout the state. These impacts are most acutely felt in disadvantaged communities, where climate change disproportionately affects California's racial and linguistic minorities.

Given the grave nature of the threat, it is imperative that California's coastal management agencies are adequately funded to work with local governments, the public, and one another to develop and implement sustainable coastal adaptation strategies. AB 552 would help fill this critical need. Given that the historic consumption of fossil fuels are a primary cause of climate change, it is only appropriate that State royalties from fossil fuel extraction be dedicated to helping Californians prepare for climate change's consequences. AB 552 would re-establish the longstanding practice of using these revenues to enhance the state's capacity to plan for natural resource protection, and ensure the future well-being of California's citizens, economy, and infrastructure by advancing climate adaptation planning.

SUPPORT

7th Generation Advisors
Audubon California
California State Parks Foundation
Center for Oceanic Awareness, Research, & Education
Clean Water Action
Defenders of Wildlife
Plastic Pollution Coalition
Sierra Club California
The 5 Gyres Institute
The Nature Conservancy
The Trust for Public Land

OPPOSITON

None on file.

RECOMMENDED POSITION

Staff recommends the Commission **Support** AB 552.

CALIFORNIA COASTAL COMMISSION

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**BILL ANALYSIS****SB 241 (Moorlach)**

As Amended 04/29/2019

SUMMARY

Senate Bill 241 would replace the current personal income tax Voluntary Contribution Fund (“VCF”) program with the California Voluntary Contribution Program (“CVCP”). This replacement would substantially change the procedure by which taxpayers may make contributions to voluntary contribution funds, and the criteria by which a fund may qualify to receive such contributions. Relevant to the Commission, state funds, including the Protect Our Coast and Oceans Fund, would no longer be eligible to receive voluntary taxpayer contributions.

RECOMMENDED MOTION

I move the Commission **Oppose** SB 241, and I recommend a **Yes** vote.

PURPOSE OF THE BILL

The author’s stated purpose for the bill is “to give any charity that meets certain qualifications the ability to apply with the [Franchise Tax Board] to be eligible to receive contributions from taxpayers who are eligible for an income tax refund.”

EXISTING LAW

Existing state law allows taxpayers to contribute money to a list of Voluntary Contribution Funds (VCFs) by checking a box on their state personal income tax return and indicating the amount of tax deductible donation they wish to make as part of filing their annual tax returns. When a taxpayer contributes to a VCF, the Franchise Tax Board deposits the contribution, less an administrative fee, into the organization’s fund.

Voluntary Contribution Funds are included on the annual state tax return through legislative authorization. Once added, VCFs remain on the return until they are repealed by a sunset date or they fail to generate a minimum annual contribution amount. In general, the minimum contribution amount is \$250,000 beginning in the VCF’s second year, though exceptions exist for the California Firefighters’ Memorial Foundation Fund, the California Peace Officer Memorial Foundation Fund, and the California Seniors Special Fund.

There are currently 27 VCFs listed on the tax return, including a mixture of non-profit and state charitable funds. The VCFs collectively receive roughly four to six million dollars in contributions each year.

PROGRAM BACKGROUND

In 2013, Assembly Bill 754 (Muratsuchi, Ch. 323, Stats. 2013) established the Protect Our Coast and Oceans (“POCO”) Fund as a new VCF on the state income tax return to help educate California’s youth and the broader public throughout the state about the marine and coastal environment. Voluntary taxpayer contributions to the POCO Fund are allocated to the Coastal

Commission to help fund the Commission's Whale Tail Grant Program, which is also funded by revenue from the Whale Tail License Plate.

In 2016, the Legislature passed SB 1476 (Ch. 597, Stats. 2016) to promote consistency among the different administrative provisions that apply to all the various voluntary tax funds, including a provision that the funds shall be continuously appropriated. In 2017, SB 503 (Newman, Ch. 519, Stats. 2017) reauthorized the POCO Fund, extending its operational provisions until January 1, 2025.

The POCO Fund currently appears as one of 27 legislatively authorized "tax check offs" on the State's annual personal income tax forms. Total contributions to the POCO Fund exceed \$1.5 million, and support the Coastal Commission's Whale Tail Grant Program, which also receives funds from sales of the Whale Tail License Plate. In FY 2018-2019, the POCO Fund provided 56% of the funding for the Whale Tail Grants Program.

These grants have been awarded to fund the purchase of beach wheel chairs, bilingual summer programs providing hands-on coastal and marine activities, school programs emphasizing stewardship of the coast and ocean, and Adopt-a-Beach assembly programs. They provide transportation to the coast for children from inland and underserved communities, and provide ocean science classes and programs that teach California's children and the general public to value and take action to improve the health of the state's marine and coastal resources. In the four years since its establishment, the POCO Fund has received over \$1.5 million in voluntary taxpayer contributions. These contributions have funded 72 different Whale Tail Grants that have furthered marine and coastal education throughout the state. Grant recipients and their programs include:

- Action Network, for the "Coastal Connections" program in northern Sonoma and southern Mendocino counties. This program focuses on educating youth (with a high percentage of youth from bilingual families, low literacy homes, or tribal reservations) during 10 weeks of in-depth, hands-on marine and coastal activities during the summer.
- I Love A Clean San Diego, for the Adopt-A-Beach Program in San Diego County. The program recognizes beach cleanup volunteers through signs at their adopted beaches, gives interpretive presentations to groups conducting their cleanups, recruits "adopters" for inland creeks, maintains "do it yourself" beach cleanup stations, and leads zero-waste Adopt-A-Beach cleanups.
- California Exposition & State Fair, for an interactive exhibit on ocean and coastal health visited by 111,000 people. The 2017 State Fair featured a "California's Coast and Ocean" exhibit featuring live animals, educational stations with conservation information and activities, and information on ways the public can get involved with helping California's waterways and coastal environment wherever they may live.
- County of Santa Barbara, for four new beach wheelchairs. These special wheelchairs can be pushed across the sand to allow the less-abled public to visit and enjoy the shore at Goleta Beach, Jalama Beach, Arroyo Burro Beach, and Guadalupe Dunes.
- Environmental Traveling Companions, for a watershed exploration program. This program will allow disabled and underserved youth to participate in 2-3 week "sea to

source” outdoor adventures in the San Francisco Bay Area, the American River, and headwaters in the Sierra. This grant will also support developing a watershed exploration curriculum.

- Community Nature Connection, for the “Libraries as Trailheads” program, a free coastal educational and shuttle program in Los Angeles County. The program partners with community-based organizations in communities such as Pacoima, Chinatown, and Compton to set up kiosks at public libraries displaying directions to parks and beaches, accessible and culturally relevant information about specific sites, and reading suggestions for all ages; and to provide a free monthly shuttle with an interpretive naturalist to one of the featured locations.

ANALYSIS

The Protect Our Coast and Oceans (“POCO”) Fund was created by the Legislature specifically to help California’s youth and broader public learn about and experience California’s marine and coastal environment. Since its creation, the POCO Fund has served as one of the few available sources for funding critically needed marine education and stewardship programs. Through grants to community-based organizations, the POCO Fund provides students, families, and individuals with new opportunities to visit and develop meaningful connections with California’s special coastal places. In addition to providing these opportunities, funded programs restore wildlife habitat, clean beaches, prevent pollution, and raise awareness of environmental threats such as climate change and ocean acidification. Every dollar donated to the Protect Our Coast and Oceans Fund has a lasting impact on our coast, and is helping to create the next generation of coastal stewards.

As part of a new voluntary contribution program, SB 241 would repeal Sections 18804 and 18808 of the Tax Code, thereby eliminating the statutory foundation of the current tax check off program. As a result, each existing tax check off would be eliminated upon its current sunset date (with the exception of the California Firefighters Memorial Fund and the California Peace Officers Memorial fund, which would be indefinitely authorized), including the Protect Our Coast and Oceans Fund, which would expire in 2025. Given that the POCO Fund provides more than half of the funding for the Commission’s Whale Tail Grants Program, the ultimate consequence of this bill would be severely reducing the Whale Tail Grants Program, and the critical educational opportunities it provides to California’s youth.

Under SB 241, only qualified “charitable organizations” as defined by the bill would be eligible, upon payment of an application fee and an annual renewal fee to the Franchise Tax Board, to apply to receive voluntary taxpayer contributions. Eligibility standards for application would include:

- Showing a minimum of \$100,000 in average gross receipts for each of the three years preceding the application
- Registering with the Attorney General’s Registry of Charitable Trusts for a minimum of three years
- Submitting annual returns to the Franchise Tax Board for each of the three years preceding the application.

Under these standards, state agencies would no longer be eligible to receive voluntary taxpayer contributions, which would deprive the state of an existing revenue source. The Whale Tail Grant Program alone would be reduced by more than half.

Compared with an agency-managed application process, the current process of legislative authorization for VCFs allows for transparency and full public participation in deciding which organizations the state is going to promote through inclusion on the annual personal income tax forms. Only programs with broad public support and obvious public benefit are able to navigate the legislative process and then raise the prerequisite annual minimum in contributions. Eliminating this system in favor of a bureaucratic application process conducted largely outside the public's view may have the unintended consequence of adding large numbers of organizations with little or marginal in-state constituencies. This would be more confusing for taxpayers and likely dilute the total contribution value overall.

Because SB 241 would have a significant negative impact on the Commission's Whale Tail Grant Program as well as other state programs, reduce public participation, and eliminate Legislative oversight of the process for authorizing VCFs, staff recommends the Commission **oppose** SB 241.

SUPPORT

None on file.

OPPOSITON

None on file.

RECOMMENDED POSITION

Staff recommends the Commission **Oppose** SB 241.