STAFF REPORT INFORMATIONAL 75

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LEGISLATIVE REPORT PROVIDING INFORMATION AND A STATUS UPDATE CONCERNING STATE LEGISLATION RELEVANT TO THE COMMISSION

SUMMARY:

Key issues the Legislature is addressing this year that are relevant to the Commission are oil and gas decommissioning, sea-level rise and climate change, marine invasive species prevention, reducing plastic waste, beach access, granted lands, and oil spill prevention.

Another key issue is legislation, (AB 1191, Bonta), related to the Oakland Athletics' interest in developing a major league baseball ballpark and mixed-use development at the roughly 50-acre Howard Terminal site in the Port of Oakland. The City, acting by and through the Port, is a trustee on behalf of the State for the management ofpublic trust lands and resources at Howard Terminal. The Commission oversees the Port's management of State-owned Public Trust lands along the Oakland Estuary.

This year, the Commission is sponsoring two bills. The first bill, AB 585 (Limón), clarifies the conditions the Commission should consider when assessing a request to transfer an existing oil or gas lease, and updates current law to minimize the State's future financial liability for decommissioning oil and gas infrastructure and to ensure that all lessees fulfill the contractual decommissioning obligations in their leases. The second bill, AB 912 (Muratsuchi), would change the implementation date of California's ballast water discharge standards, authorize the Commission to sample ballast water and biofouling for research, and modify and improve the Marine Invasive Species Act. The Governor signed AB 585 into law on July 30, 2019. AB 912 is in the Senate Appropriations Committee.

LEGISLATION:

Below is a list of bills that staff is monitoring or where the Commission has adopted a support position.

Coastal Protection, Climate Change, and Sea-Level Rise

AB 65 (Petrie-Norris) Coastal protection: climate adaption: project prioritization: natural infrastructure: local general plans

This bill requires the State Coastal Conservancy to do all of the following when allocating Proposition 68 funds: Prioritize projects that use natural infrastructure to help adapt to climate change; Prioritize projects that provide multiple public benefits, including, protection of communities, natural resources, and recreational opportunities; and Consider projects in various ecosystems along the State's coastline, including, the protection and expansion of coastal estuaries and lagoons that provide critical feeding and nursery habitat for juvenile fish species. The bill directs the State Coastal Conservancy to provide information to the Office of Planning and Research on projects funded to be considered for inclusion into the clearinghouse for climate adaption information. This bill also allows the State Coastal Conservancy to provide technical assistance to coastal communities to better assist with projects that use natural infrastructure, and defines natural infrastructure as using natural ecological systems or processes to reduce vulnerability to climate change related hazards, or other related climate change effects, while increasing the long-term adaptive capacity of coastal and inland areas by perpetuating or restoring ecosystem services. This includes the conservation, preservation or sustainable management of aquatic or terrestrial vegetated open space such as beaches, dunes, tidal marshes, reefs, seagrass, parks, rain gardens, and urban tree canopy to mitigate high heat days. It also includes systems and practices that use or mimic natural processes such as permeable pavements, bioswales, and other engineered systems, such as levees that are combined with restored natural systems, to provide clean water, conserve ecosystem values and functions, and provide benefits to people and wildlife.

Status: Senate Appropriations Committee

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

The Commission collects royalty revenues from oil extraction activities on State tidelands, most of which are deposited into the General Fund. This bill would redirect a minimum of 30 percent of that revenue, known as tideland oil revenue, to a new Coastal Resilience, Adaptation and Access Program to fund sea-level rise and coastal adaptation work. The California Coastal Commission, the State Lands Commission, the Natural Resources Agency, the Ocean Protection Council, and the State Coastal Conservancy may use the revenue to take actions, based on the best scientific information, to address and adapt to sea-level rise and coastal climate change, consistent with the guidelines and

recommendations established in the bill. The Commission voted to support AB 552 at its June 28, 2019 meeting (<u>Staff Report 93, June 28, 2019</u>). Status: Senate Appropriations Committee

AB 839 (Mullin) Climate adaptation strategy: strategic resiliency framework: Resiliency through Adaptation, Economic Vitality, and Equity Account

This bill requires that the Secretary of the California Natural Resources Agency review the Safeguarding California Plan and develop a strategic resiliency framework. This bill also creates the Resiliency through Adaptation, Economic Vitality, and Equity Account in the State Treasury, with moneys in the account, upon appropriation, to be allocated to provide financial assistance in the form of grants and financing for climate resiliency and adaptation projects that achieve the recommendations and actions called for in the framework. The bill would require the Secretary, in consultation with the Treasurer and the Director of State Planning and Research, to develop grants and financing to implement the recommendations and actions called for in the framework. Status: Senate Appropriations Committee

AB 975 (Calderon) Environmental protection: California Coastal Resilience and Adaptation Leadership and Coordination Act of 2019

This bill requires the Secretary of the California Natural Resources Agency, in collaboration with the Director of State Planning and Research and others, to communicate with other countries, states, regional collaboratives, and subnational governments to support and promote the State's goals and policies relating to ocean, coastal, and terrestrial adaptation. This bill also allows the Secretary to direct any board, department, or office within the agency to support these efforts, and requires the Secretary to prepare and submit to the appropriate legislative committees an annual report on the progress made during the preceding year on these efforts.

Status: Senate Appropriations Committee

AB 1080 (Gonzalez)/SB 54 (Allen) California Circular Economy and Plastic Pollution Reduction Act

These bills declare a state goal that by 2030, manufacturers and retailers of single-use packaging and products achieve a 75 percent reduction in the amount of waste generated from single use plastic products.

Status: Senate Appropriations Committee/Assembly Appropriations Committee

Granted Lands

AB 1191 (Bonta) State Lands Commission: exchange of trust lands: City of Oakland: Howard Terminal property: Oakland Waterfront Sports and Mixed-Use Project, Waterfront Access, Environmental Justice, and Revitalization Act

This bill, the Waterfront Sports and Mixed-Use Project, Waterfront Access, Environmental Justice, and Revitalization Act, would authorize the State Lands Commission to exchange land at the Port of Oakland to facilitate a new major league ballpark and a mixed-use development, and to find that a ballpark is consistent with the public trust. The ballpark would be the new home of the Oakland A's major league baseball team. This bill would authorize the State Lands Commission to establish the boundaries of any lands that are exchanged and would require the San Francisco Bay Conservation and Development Commission to take certain actions related to this project. Status: Senate Appropriations Committee

AB 1321 (Gipson) Public lands: State Lands Commission: coastal ports: automated technology

This bill requires the State Lands Commission, in collaboration with the Governor's Office of Business and Economic Development, to hold a series of meetings at or near California ports that operate on granted public trust lands to consider the impacts of automated technology at California's ports. The Commission would be required to consider issues including, but not limited to. the effects of automated technology on the safety of the working environment, the economic impact that results from the proposed use of automated technology, and the environmental effects of the use of automated technology on state and local emission reduction strategies. The Commission would be required to invite all interested stakeholders to participate, including port districts, public agencies, labor organizations, shipping companies, marine-oriented trade associations, nonprofit organizations, and all other groups with a demonstrated interest and expertise on the subject. As appropriate, the Commission's costs may be reduced by in-kind or other contributions from third parties. The Commission would be required to submit two reports to the Legislature on its activities; one would be due July 1, 2021, and the second would be due July 1, 2023.

Status: Senate Appropriations Committee

AB 1392 (Mullin) State Lands Commission: grant of trust lands: City of Redwood City

This bill grants and conveys in trust to the City of Redwood City all the right, title, and interest of the state, consistent with the Public Trust Doctrine and the terms and conditions in its existing statutory trust grant, land that the State Lands Commission acquired in a recent land exchange and title settlement agreement. This transfer would fulfill a requirement in the land exchange that the City and State Lands Commission approved last year.

Status: Governor's Desk

SB 507 (Atkins) San Diego Unified Port District: territory held in trust: State Lands Commission: grant of trust lands: City of San Diego

This bill would transfer the tide and submerged lands in the Bay, which the State Lands Commission owns and manages, to the San Diego Unified Port District to hold and manage in trust consistent with the terms and conditions of its existing statutory trust grant and the Port act. SB 507 would also grant in trust to the City of San Diego three parcels of land, known as the Famosa Slough Parcels, in conformance with a previously approved land exchange agreement between the City and the Commission.

Status: Assembly Appropriations Committee

Public Access

AB 1680 (Limón) Coastal lands: coastal access plan: Hollister Ranch

This bill requires the California Coastal Commission, together with the State Coastal Conservancy, the Department of Parks and Recreation, and the State Lands Commission to develop a coastal access plan for Hollister Ranch. The plan must include a provision providing for public access by land and descriptions of beach recreation, scientific, and educational areas. The Commission adopted a support position on AB 1680 at its June 2019 public meeting (Staff Report 94, June 28, 2019).

Status: Senate Appropriations Committee

Oil and Gas

AB 342 (Muratsuchi) Public lands: leasing: oil and gas: prohibition

This bill prohibits any state agency, department, commission, and certain local jurisdictions with leasing authority over public lands from issuing a lease that allows new construction of oil and gas infrastructure on public lands to support oil

and natural gas production on federal lands that are designated as, or were previously designated as, federally protected.

Status: Senate Floor

AB 926 (O'Donnell) Oil revenue: Oil Trust Fund

This bill removes the \$300 million cap in the State's Oil Trust Fund, resuming monthly deposits of \$2 million from Long Beach oil operation revenues until the Fund reaches a balance that will cover the State's projected abandonment liabilities. The Commission adopted a support position on AB 926 at its April 2019 public meeting (Staff Report 69, April 5, 2019)

Status: Senate Appropriations Committee

AB 936 (Robert Rivas) Oil spills: response and contingency planning

This bill revises oil spill response laws and the duties of the Administrator of the Office of Spill Prevention and Response to address nonfloating oils. Status: Senate Appropriations Committee

AB 1057 (Limón) Oil and gas: wells and facilities: disposition and acquisition notices: indemnity bonds and remediation: additional security: civil penalty

This bill would authorize the Division of Oil, Gas, and Geothermal Resources to require further financial security in addition to the required indemnity bond amounts for an operator's well or wells to help ensure the State has the funds available to pay for plugging and abandonment if the well or wells are deserted by the operator, and also continue reform efforts at the Division. Status: Senate Appropriations Committee

AB 1440 (Levine) Oil and gas: development

There is a provision in existing law, a finding enacted in 1961, that the people of California have a direct and primary interest in assuring the production of optimum quantities of oil and gas from state-owned lands and that a minimum of oil and gas be left wasted and unrecovered in these lands. AB 1440 deletes that finding. This bill also revises the purposes of the State's Oil and Gas Supervisor to remove references encouraging oil production.

Status: Senate Appropriations Committee

SB 551 (Jackson) Oil and gas: decommissioning, cleanup, and remediation: costs

This bill requires the Division of Oil, Gas, and Geothermal Resources to develop a mechanism to assess the full cost of decommissioning, cleanup, and remediation of oil and gas infrastructure, including pipeline facilities, pump facilities, and storage facilities.

Status: Assembly Appropriations Committee

Other Legislation

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

This bill requires the Director of Parks and Recreation to establish an Outdoor Equity Grants Program to increase the ability of underserved and at-risk populations to participate in outdoor environmental educational experiences at state parks and public lands. The bill requires the Director to prioritize funding to outdoor environmental education programs that primarily provide outreach to and serve students who are eligible for free or reduced-price meals, foster youth, or pupils of limited English proficiency.

Status: Senate Appropriations Committee

SB 307 (Roth) Water conveyance: use of facility with unused capacity

This bill would prohibit a transferor of water from using a conveyance facility that has unused capacity to transfer water from a groundwater basin under certain desert lands unless the State Lands Commission, in consultation with the Department of Fish and Wildlife and Department of Water Resources, finds that the transfer will not adversely affect the natural or cultural resources, including groundwater resources or habitat, of nearby state and federal lands.

Status: Signed into law on July 31, 2019. Chapter 169, Statutes of 2019

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

This bill requires the State Lands Commission, the California Coastal Commission, the California Department of Fish and Wildlife, the Department of Transportation, and State Parks to include equal prize competition as a condition of any lease or permit authorizing a competitive event. Last year, the State Lands Commission approved a lease to the World Surf League for the Mavericks Challenge, an annual one-day competition that attracts surfers from around the world. The lease requires multiple heats in the women's division and equal pay

for all competitors regardless of gender. This lease was viewed as a precedent-setting victory for equal pay in any sporting event held on state property and the basis for this bill. The Commission adopted a support position on AB 467 at its April 2019 public meeting (Staff Report 71, April 5, 2019).

Status: Senate Appropriations Committee

AB 639 (Cervantes) Task Force on Addressing Workforce Impacts of Transitioning Seaports to a Lower Carbon Economy: scoping plan

This bill creates a task force to address workforce impacts of transitioning seaports to a lower carbon economy and requires the task force to advise state agencies on the most effective ways to expend clean energy and greenhouse gas moneys and to implement policies and programs to mitigate the impacts of transitioning seaport operations to low-and zero-emission operations on incumbent workers.

Status: Senate Appropriations Committee

AB 1111 (Friedman) Outdoor recreation: Office of Outdoor Recreation: California Outdoor Recreation Account

This bill establishes the Office of Sustainable Outdoor Recreation within the Office of the Governor and requires the Office to undertake activities to support the outdoor recreation economy of the State and to work toward equitable access to the outdoors.

Status: Senate Appropriations Committee

SB 1 (Atkins, Portantino, and Stern) California Environmental, Public Health, and Workers Defense Act of 2019

This bill, introduced by the Senate President Pro Tempore, is intended to protect California's environment, workers, and consumers from consequences of misguided deregulation at the federal level. The bill establishes minimum federal environmental, public health, and labor standards as state baselines if Congress or the President repeal or weaken corresponding federal standards, and bans the corresponding California standards from falling below those baselines. If new federal standards fall below the baseline, this bill allows the public to enforce state standards under certain circumstances.

Status: Assembly Appropriations Committee

SB 8 (Glazer)/AB 1718 (Levine) State parks: state coastal beaches: smoking ban

These bills ban cigarette smoking at state coastal beaches and parks. In 2017, the Commission supported similar legislation (<u>Calendar Item 93, April 20, 2017</u>). <u>Status</u>: Assembly Appropriations Committee/Senate Appropriations Committee

SB 69 (Wiener) Ocean Resiliency Act of 2019

This bill enacts the Ocean Resiliency Act of 2019 to improve and protect the health of watersheds and the Pacific Ocean along California's coastline. The bill's scope spans the California Department of Fish and Wildlife, the California Natural Resources Agency, the California Coastal Conservancy, the California Air Resources Board, the Department of Forestry, and the Department of Water Resources.

Status: Assembly Appropriations Committee

SB 367 (Hueso) State Coastal Conservancy: grants: educational projects and programs

This bill authorizes the State Coastal Conservancy to undertake educational projects and programs for adults and to award grants to federally recognized Indian tribes for educational projects and programs. This bill also revises the Conservancy's educational grant program to authorize, among other things, grants for the construction and improvement of structures and facilities used for the educational projects and programs.

Status: Assembly Appropriations Committee

SB 690 (Hueso) Coastal resources: Tijuana River Valley: funding prioritization

This bill would encourage the State Coastal Conservancy, when expending any funds to address transboundary flows and pollution in the Tijuana River Valley, to prioritize projects identified in specified studies, to the extent feasible.

<u>Status</u>: Assembly Environmental Safety and Toxic Materials Committee

Deadlines:

The California Legislature has a legislative calendar that contains deadlines for when certain actions must occur. Below are deadlines for 2019.

- August 30 Last day for fiscal committees to meet and report bills.
- September 6 Last day to amend bills on the floor.
- September 13 Last day for any bill to be passed.
- October 13 Last day for the Governor to sign or veto bills.