

**INFORMATIONAL
CALENDAR ITEM
105**

A Statewide

10/14/14
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**LEGISLATIVE REPORT PROVIDING INFORMATION AND A STATUS UPDATE
CONCERNING STATE AND FEDERAL LEGISLATION RELEVANT TO THE
CALIFORNIA STATE LANDS COMMISSION**

INTRODUCTION:

The purpose of this calendar item is to update the State Lands Commission (Commission) on the outcome of state and federal legislation of interest to the Commission in 2014.

BACKGROUND:

In 2014, State Lands Commission staff reviewed and monitored numerous bills introduced in the California State Legislature and Congress on issues directly and indirectly related to the Commission's jurisdiction, authority, and programs. The Commission adopted a position on six bills; five state bills and one federal bill. This staff report provides a status update on this legislation and other bills and policy issues of interest to the Commission.

During the 2013-14 legislative session, many significant policy issues were addressed that are of interest to the Commission. Two noteworthy bills relevant to the Commission were: 1) **SB 968 (Hill)**, which requires the Commission to negotiate with the owners of a property in Half Moon Bay known as Martins Beach to acquire a right-of-way or easement to restore public access to Martins Beach, and if an agreement is not reached in one year, authorize the Commission to use its existing eminent domain authority to acquire a right-of-way or easement to open access to the beach; and, 2) **SB 1096 (Jackson)**, relating to the California Coastal Sanctuary Act of 1994. The Sanctuary Act authorizes the State Lands Commission to enter into a lease for the extraction of oil or gas from state-owned tide and submerged lands in the California Coastal Sanctuary if the Commission determines that the oil or gas deposits are being drained by means of producing wells upon adjacent federal lands and the lease is in the best interest of the state. This bill would delete this authorization. SB 968 was signed by the Governor. SB 1096 failed passage on the Assembly Floor on a 30-36 vote.

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Another issue that received attention in the Legislature this year was climate change and sea level rise. On this issue, the Governor signed **AB 2516 (Gordon)**, which establishes a statewide online database focusing on sea-level rise planning that will be overseen by the California Natural Resources Agency. The database is intended to serve as a resource for cities and counties across the state to use data collected by other communities and share methods for how to adequately prepare for rising sea levels. The Commission supported this bill.

Other issues of interest to the Commission addressed in the 2013-14 session include the California Environmental Quality Act (CEQA) and water use in oil and gas field activities. In regard to CEQA, the Governor signed **AB 52 (Gatto)** to require consultation between lead agencies and California Native American tribes as part of the environmental review process under CEQA, helping to protect ancient Native American tribal cultural resources such as sacred sites and ancient burials. In regard to water use in oil and gas field activities, the Governor signed **SB 1281 (Pavley)**, which expands the information well owners file with the State to include the source and volume of water produced and injected, and the use of treated or recycled water.

Finally, after many years of trying, the Legislature sent the Governor a bill to eliminate single-use plastic bags. The Governor signed this bill, making California the first state in the nation to ban single-use plastic bags. The Commission supported this legislation, and has supported bills introduced in prior years to eliminate single-use plastic bags. This new law is expected to reduce plastic waste, benefiting the lands and resources under the Commission's stewardship.

On the federal level, the Commission adopted an oppose position on **S. 2094 (Begich), the Vessel Incidental Discharge Act of 2014**, which preempts efforts by States to address invasive species discharged from ships. This bill also preempts the Clean Water Act, and eliminates inspections and record-keeping that assures that treatment systems are being used. The Senate is in recess until November 12, 2014, when it reconvenes for a post-election "lame duck" session. Commission staff is working with congressional staff, other states, and interested organizations in expressing its concerns about this bill.

The accompanying exhibit to this staff report provides an update on all legislation Commission staff monitored. The exhibit lists and summarizes all of the legislation of interest to the Commission; organized by area of interest, ranging from granted public trust lands, to sea level rise, to oil and gas well stimulation methods.

CALENDAR ITEM NO. **105** (CONT'D)

As noted above, the Commission adopted a position on the six bills this year. These items are discussed below for informational purposes.

- **AB 1943 (Chesbro) Tidelands: City of Eureka.** – Supported by the Commission. This bill eliminates a payment obligation from the City of Eureka to the State resulting from a previous State appropriation in 1978 to the City as a loan to pay one-half of the costs in defending title to the State's granted tidelands, and instead requires the City to annually transmit 4% of gross revenue generated from the trust lands to the State Lands Commission for management of its granted lands program.

Status: Signed by the Governor. Chapter 891, Statutes of 2014.

- **AB 2516 (Gordon) Sea level rise planning: database.** – Supported by the Commission. This bill requires the Natural Resources Agency, in collaboration with the Ocean Protection Council, to create and maintain a sea level rise planning database on its website and require various state and local entities, including the State Lands Commission to submit information monthly for inclusion in the database.

Status: Signed by the Governor. Chapter 522, Statutes of 2014.

- **AB 2764 (Assembly Committee on Natural Resources) Public resources.** – Sponsored by the Commission. This bill gives the Commission more concise and up-to-date statutory language to follow in its administration of public lands. The bill: (1) improves the Commission's granted public trust lands oversight by aligning the financial reporting due dates with local auditing timeframes; (2) makes improvements and code cleanup changes relative to cession of concurrent criminal jurisdiction to the United States; and, (3) amends a granting statute to the County of Orange to assist the County of Orange in complying with the terms of its granting statute and to facilitate waterfront redevelopment.

Status: Signed by the Governor. Chapter 512, Statutes of 2014.

- **SB 1424 (Wolk) State property: tidelands transfer: City of Martinez.** – Supported by the Commission. This bill is intended to address the deteriorated marina in the City of Martinez located on the State's tide and submerged lands. This bill repeals a legislative grant of three public trust parcels to the City of Martinez and re-grants to the City these same three parcels and a fourth parcel, the Martinez Marina, and applies the same terms and conditions to each parcel.

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The author introduced the bill at the request of the City, as the City wishes to have more direct control of its waterfront and believes the grant will facilitate land and water-based commercial redevelopment projects.

Status: Signed by the Governor. Chapter 628, Statutes of 2014.

- **SB 270 (Padilla, De Leon, and Lara): Solid waste: single-use carryout bags**
Supported by the Commission. This bill will ban single-use carryout bags in supermarkets and drugstores and allow paper, reusable, and in some jurisdictions, compostable, bags to be sold with a minimum 10 cent charge. The bill also includes standards and incentives for single-use bag manufacturers to transition to making reusable bags.

Status: Signed by the Governor. Chapter 850, Statutes of 2014

- **S. 2094 (Begich) Vessel Incidental Discharge Act of 2014** – Opposed by the Commission. S. 2094 eliminates state’s authority to protect their waters from the threat of invasive species by requiring the Secretary of the Department of Homeland Security to establish a national standard for the regulation of discharges incidental to the normal operation of a vessel into navigable waters. The bill includes a provision allowing states to petition for more stringent standards, but the short time frame and onerous requirements make it virtually impossible for states to meet the criteria required.

Status: Passed by the Senate Committee on Commerce, Science, and Transportation.

EXHIBIT

A. Legislative Report

Granted Public Trust Lands**AB 1943 (Chesbro D) Tidelands: City of Eureka.**

Summary: Current law requires the City of Eureka, prior to June 30 of each year, to pay to the Controller a specified amount of the money deposited by the city into the Humboldt Bay Fund during the preceding fiscal year in lieu of all obligations incurred by the city, as specified. Current law requires that the city submit to the commission, on or before September 30 of each year for the preceding fiscal year, an annual statement of financial condition and operations. This bill would instead require that the annual statement of financial condition and operations be submitted to the commission on or before December 31 of each year for the preceding fiscal year.

Introduced: 2/19/2014

Last Amend: 6/30/2014

Commission Position: Support

Status: Chaptered by Secretary of State - Chapter 891, Statutes of 2014.

AB 2711 (Muratsuchi D) Oil and gas: loan to City of Hermosa Beach.

Summary: Would appropriate \$11,500,000 from the General Fund, from certain oil and gas revenues deposited by the State Lands Commission, to the Controller for a loan to the City of Hermosa Beach, to be made if the city is obligated to make payment pursuant to a specified settlement agreement. The bill would require the State Board of Equalization, if the city fails to make any payment on the loan when due and upon the order of the Controller, to deduct the amount of the payment from the sales and use taxes to be paid to the city.

Introduced: 2/21/2014

Last Amend: 5/23/2014

Status: Failed Deadline pursuant to Rule 61(b)(17). (Last location was Assembly Inactive File on 8/26/2014)

SB 511 (Lieu D) Trade promotion of California ports.

Summary: Would require the Director of the Governor's Office of Business and Economic Development to convene, no later than February 1, 2015, a statewide business partnership for the promotion of trade for California ports and to explore greater utilization of California ports, that would be required to advise the director for those purposes.

Introduced: 2/21/2013

Last Amend: 7/2/2014

Status: Failed Deadline pursuant to Rule 61(b)(17). (Last location was Assembly Appropriations Committee Suspense File on 8/14/2014)

SB 1424 (Wolk D) State property: tidelands transfer: City of Martinez.

Summary: Current law grants to the City of Martinez all right, title, and interest of the state to 3 parcels of land in the Straits of Carquinez, to be held in trust. This bill would repeal that grant of trust lands to the City of Martinez and would instead provide for a new grant of trust lands to the City of Martinez that would include an additional 4th parcel, known as the Martinez Marina.

Introduced: 2/21/2014

Last Amend: 6/18/2014

Commission Position: Support

Status: Chaptered by Secretary of State - Chapter 628, Statutes of 2014.

Sovereign and School Lands**AB 1102 (Allen R) Beach fire rings: coastal development permit.**

Summary: Would require a city or county to apply for a coastal development permit to remove or restrict the use of a beach fire ring, as defined, and would require that application to include specified information. The bill would declare that these provisions do not override the applicability of a specified provision relating to ambient air quality standards, emission standards, or air pollution control programs or facilities established by the State Air Resources Board or an air pollution control or air quality management district.

Introduced: 2/22/2013

Last Amend: 8/4/2014

Status: Failed Deadline pursuant to Rule 61(b)(14). (Last location was Senate Appropriations Suspense File on 8/14/2014)

AB 1506 (Perea D) San Joaquin River Conservancy: adoption of regulations: violations: penalties.

Summary: Would make a person who violates any of the posted regulations adopted by the San Joaquin River Conservancy governing lands owned or managed by the conservancy guilty of an infraction punishable by a maximum fine not exceeding \$250.

Introduced: 1/14/2014

Status: Chaptered by Secretary of State - Chapter 114, Statutes of 2014.

AB 1699 (Bloom D) Waste management: synthetic plastic microbeads.

Summary: Would prohibit, after January 1, 2019, a person from selling or offering for promotional purposes in this state any personal care product containing plastic microbeads. The bill would exempt from this prohibition the sale or promotional offer of a product containing less than 1 part per million (ppm) by weight of plastic microbeads. This bill contains other related provisions.

Introduced: 2/13/2014

Last Amend: 8/19/2014

Status: Failed Deadline pursuant to Rule 61(b)(17). (Last location was Senate Inactive File on 8/28/2014)

AB 2392 (Gatto D) Recycling: plastic containers.

Summary: Would increase the recycling rate that a product-associated, or single resin type, rigid plastic packaging container is required to meet under specified criteria to 75%. The bill would also delete obsolete provisions and make conforming and nonsubstantive changes.

Introduced: 2/21/2014

Status: Failed Deadline pursuant to Rule 61(b)(5). (Last location was Assembly Natural Resources Committee on 3/10/2014)

AB 2764 (Committee on Natural Resources) Public resources

Summary: Current law establishes the State Lands Commission in the Natural Resources Agency and prescribes the functions and duties of the commission. Under current law, the State Lands Commission cedes concurrent criminal jurisdiction to the United States with regard to specified properties. This bill would revise and recast these provisions and make technical and organizational changes. This bill contains other related provisions and other current laws

Introduced: 3/27/2014

Last Amend: 7/1/2014

Commission Position: Sponsor

Status: Chaptered by Secretary of State - Chapter 512, Statutes of 2014.

Legislative Report

- [SB 270](#)** (**[Padilla D](#)**) **Solid waste: single-use carryout bags.**
Summary: Would, as of July 1, 2015, prohibit stores that have a specified amount of sales in dollars or retail floor space from providing a single-use carryout bag to a customer, with exceptions. The bill would also prohibit those stores from selling or distributing a recycled paper bag at the point of sale unless the store makes that bag available for purchase for not less than \$0.10. The bill would also allow those stores, on or after July 1, 2015, to distribute compostable bags at the point of sale only in jurisdictions that meet requirements and at a cost of not less than \$0.10.
Introduced: 2/14/2013
Last Amend: 8/21/2014
Commission Position: Support
Status: Chaptered by Secretary of State - Chapter 850, Statutes of 2014.
- [SB 968](#)** (**[Hill D](#)**) **Public lands: Martin's Beach property: access road.**
Summary: Would require the Commission to consult, and enter into any necessary negotiations, with the owners of a specified property known as the Martins Beach property, as described, in the unincorporated area of the County of San Mateo, to acquire a right-of-way or easement for the creation of a specified public access route to and along the shoreline, including the sandy beach. This bill contains other related provisions.
Introduced: 2/10/2014
Last Amend: 8/18/2014
Status: Chaptered by Secretary of State - Chapter 405, Statutes of 2014
- [SB 1086](#)** (**[De León D](#)**) **The Safe Neighborhood Parks, Rivers, and Coastal Protection Bond Act of 2014.**
Summary: Would enact the Safe Neighborhood Parks, Rivers, and Coastal Protection Bond Act of 2014, which, if adopted by the voters, would authorize the issuance of bonds in an unspecified amount pursuant to the State General Obligation Bond Law to finance a safe neighborhood parks, rivers, and coastal protection program. The bill would provide for the submission of the bond act to the voters at the November 4, 2014, statewide general election.
Introduced: 2/19/2014
Last Amend: 5/27/2014
Status: Failed Deadline pursuant to Rule 61(b)(17). (Last location was Senate Inactive File on 8/21/2014)
- [SB 1289](#)** (**[Fuller R](#)**) **Off-highway motor vehicle recreation: land transfer.**
Summary: Would authorize the Commission to transfer to the Department of Parks and Recreation, certain parcels of land owned by the state that are adjacent to the Johnson Valley Off-Highway Vehicle Recreation Area for use for off-highway vehicle recreation.
Introduced: 2/21/2014
Status: Failed Deadline pursuant to Rule 61(b)(5). (Last location was Senate Natural Resources and Water Committee on 3/6/2014)

Marine Facilities**AB 380 (Dickinson D) Spill response for railroads.**

Summary: Would require a rail carrier, as defined, to report specified information regarding the transportation of hazardous materials, beginning no later than January 31, 2015, to the Office of Emergency Services on a quarterly basis. The bill would require each rail carrier to maintain a response management communications center, as specified. This bill contains other related provisions and other existing laws.

Introduced: 2/14/2013

Last Amend: 8/21/2014

Status: Chaptered by Secretary of State - Chapter 533, Statutes of 2014

AB 2677 (Rodriguez D) Oil spill: contingency plan: railroad.

Summary: Would require the California Environmental Protection Agency, on or before January 1, 2017, and in consultation with specified entities, to develop and submit to the Governor and the Legislature a report containing recommendations for a comprehensive and coordinated oil spill contingency plan designed to address inland oil spills resulting from the transportation of crude oil by railroad.

Introduced: 2/21/2014

Last Amend: 4/21/2014

Status: Failed Deadline pursuant to Rule 61(b)(5). (Last location was Assembly Natural Resources Committee on 4/29/2014)

SB 1281 (Pavley D) Oil and gas production: water use: reporting.

Summary: Current law requires the owner of any well to file with the State Oil and Gas Supervisor a monthly statement that provides certain information relating to the well, including what disposition was made of the water produced from each field. Current law provides that a person who fails to comply with specific laws relating to the regulation of oil or gas operations, including failing to furnish a report or record, is guilty of a misdemeanor. This bill would require the statement to the supervisor to include the source and volume of any water reported, including water used to generate or make up the composition of any injected fluid or gas, as provided, and would require that information to be reported on a quarterly basis.

Introduced: 2/21/2014

Last Amend: 8/22/2014

Status: Chaptered by Secretary of State - Chapter 561, Statutes of 2014.

SB 1319 (Pavley D) Groundwater.

Summary: Would authorize the state board to designate certain high- and medium-priority basins as a probationary basin if, after January 31, 2025, prescribed criteria are met, including that the state board determines that the basin is in a condition where groundwater extractions result in significant depletions of interconnected surface waters. This bill would add to the prescribed determinations that would prevent the state board from designating the basin as a probationary basin for a specified time period.

Introduced: 2/21/2014

Last Amend: 8/29/2014

Status: Chaptered by Secretary of State - Chapter 348, Statutes of 2014.

Mineral Resources Management**AB 2420 (Nazarian D) Well stimulation treatments: local prohibition.**

Summary: Would authorize a city or county to adopt and enforce a local ordinance prohibiting well stimulation treatments, including fracking.

Introduced: 2/21/2014

Status: Failed Deadline pursuant to Rule 61(b)(6). (Last location was Lt. Governor on 5/1/2014)

SB 1096 (Jackson D) Coastal sanctuary: State Lands Commission: oil and gas leases.

Summary: The California Coastal Sanctuary Act of 1994 authorizes the State Lands Commission to enter into a lease for the extraction of oil or gas from state-owned tide and submerged lands in the California Coastal Sanctuary if the commission determines that the oil or gas deposits are being drained by means of producing wells upon adjacent federal lands and the lease is in the best interest of the state. This bill would delete this authorization.

Introduced: 2/19/2014

Last Amend: 7/3/2014

Status: Failed Deadline pursuant to Rule 61(b)(17). (Last location was Senate – Third Reading on 8/18/2014)

SB 1132 (Mitchell D) Oil and gas: well stimulation treatments.

Summary: Would revise the definition of "well stimulation treatment" and ban all fracking and well stimulation in California, both on and offshore. The bill would require a scientific study to be conducted and completed no later than June 30, 2016 that would have to consider various elements including, evaluating various potential direct, indirect, and cumulative health and environmental effects of onshore and offshore well stimulation and well stimulation treatment-related activities.

Introduced: 2/20/2014

Last Amend: 5/27/2014

Status: Failed Deadline pursuant to Rule 61(b)(11). (Last location was Senate – Third Reading on 5/27/2014)

Sea Level Rise and Climate Change**AB 2348 (Stone D) Natural Resources Climate Improvement Program.**

Summary: Would establish the Natural Resources Climate Improvement Program, which would be administered by the Natural Resources Agency, in coordination with the state board, to assist in the development and implementation of natural resources projects selected by state conservancies and the Wildlife Conservation Board that maximize greenhouse gas emission reductions or sequestration. This bill would authorize moneys from the Greenhouse Gas Reduction Fund to be available, upon appropriation by the Legislature, to implement the Natural Resources Climate Improvement Program.

Introduced: 2/21/2014

Last Amend: 4/22/2014

Status: Failed Deadline pursuant to Rule 61(b)(8). (Last location was Assembly Appropriations Committee Suspense File on 5/23/2014)

Legislative Report

[AB 2516](#) ([Gordon D](#)) **Sea level rise planning: database.**

Summary: Would require, on or before January 1, 2016, the Natural Resources Agency, in collaboration with the Ocean Protection Council, to create, update biannually, and post on an Internet Web site a Planning for Sea Level Rise Database describing steps being taken throughout the state to prepare for, and adapt to, sea level rise.

Introduced: 2/21/2014

Last Amend: 6/30/2014

Commission Position: Support

Status: Chaptered by Secretary of State - Chapter 522, Statutes of 2014.

[SB 1184](#) ([Hancock D](#)) **San Francisco Bay Conservation and Development Commission: sea level rise: regional resilience strategy.**

Summary: Would require the San Francisco Bay Conservation and Development Commission, in collaboration with various other state, regional, and local government agencies, to take action to protect San Francisco Bay area residents from potential inundation and flooding resulting from sea level rise by preparing a regional resilience strategy for adapting to rising sea levels in the San Francisco Bay, containing specified components.

Introduced: 2/20/2014

Last Amend: 3/24/2014

Status: Failed Deadline pursuant to Rule 61(b)(8). (Last location was Senate Appropriations Committee Suspense File on 5/23/2014)

[SB 1217](#) ([Leno D](#)) **Climate change: preparedness.**

Summary: Would require the Natural Resources Agency on or before July 1, 2018, and every 3 years thereafter, to prepare a California climate risk assessment that provides original research on regionally appropriate climate risk vulnerabilities, risk management options, and other needed scientific research to support California's development of informed climate policy and actions to address climate change. The bill would require the Natural Resources Agency, on or before January 1, 2019, and every 5 years thereafter, to update the Safeguarding California Plan to reduce risks to California from the impacts of climate change.

Introduced: 2/20/2014

Last Amend: 7/2/2014

Status: Failed Deadline pursuant to Rule 61(b)(14). (Last location was Assembly Appropriations Committee on 8/14/2014)

Federal

[S. 2094](#) ([Begich D-AK](#)) **Vessel Incidental Discharge Act.**

Summary: On July 23, 2014, the Senate Committee on Commerce, Science, and Transportation met in an executive session and passed S 2094, the Vessel Incidental Discharge Act that would preempt a States' authority to address vessel discharges, including ballast water, within state waters. The bill will now go to the Senate floor for a vote at a later date to be determined.

Introduced: 3/6/2014

Commission Position: Oppose

Status: Senate Floor