

CHAPTER 1068

An act to amend Sections 3 and 18 of Chapter 1086 of the Statutes of 1970, relating to tide and submerged lands.

[Approved by Governor September 14, 1982. Filed with Secretary of State September 15, 1982.]

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

SECTION 1. Section 3 of Chapter 1086 of the Statutes of 1970 is amended to read:

Sec. 3. The city shall establish the Humboldt Bay Fund in such manner as may be approved by the State Lands Commission, and the city shall deposit therein all moneys received directly from, or indirectly attributable to, the tide and submerged lands granted to the city. An annual statement of financial condition and operations, to conform with such requirements as the State Lands Commission may prescribe, shall be submitted to the State Lands Commission by the city on or before September 30th of each year for the preceding fiscal year. In furtherance of its management and administration over granted tide and submerged lands, the State Lands Commission shall audit, or cause to be audited, the operations and all books and records of the city. Further, the city shall prepare and submit to the State Lands Commission, for its review and approval, an annual budget with respect to all revenues and expenditures regarding tide and submerged lands granted to the city. All moneys received from the Controller pursuant to Section 18 of this act shall be deposited in

the Humboldt Bay Fund and may be used by the city for the purposes for which revenues accruing from or out of the use of the granted tidelands may be used pursuant to the provisions of this act.

Prior to June 30, 1979, and prior to June 30 of each succeeding year, the city shall pay to the Controller a sum that is not less than 15 percent of the amount of the money deposited by the city into the Humboldt Bay Fund during the preceding fiscal year, after deducting from the fund the principal and interest payments required by the currently outstanding 1973 Municipal Harbor Improvement Revenue Bond issue, and after the credit for reverted funds provided for in Section 18 of this act. Moneys received from the Controller pursuant to Section 18 of this act shall not be included in the calculation of the amount deposited into the Humboldt Bay Fund. Payments made to the Controller pursuant to this section shall be in lieu of all obligations incurred by the city pursuant to this section as amended by Section 2 of Chapter 1252 of the Statutes of 1971 and prior to the amendment of this section during the 1977-78 Regular Session of the Legislature.

In the event the city fails to make any payment required to be made hereby for any reason whatsoever, the State Board of Equalization, upon the order of the Controller, shall deduct the amount of that payment from the sales and use taxes to be paid to the city thereafter pursuant to Section 7204 of the Revenue and Taxation Code and shall pay the same to the Controller.

All payments made by the city and the State Board of Equalization shall be considered as oil revenues and dry gas revenues payable to the state pursuant to Chapter 138 of the Statutes of 1964, First Extraordinary Session, during the year they are received.

For the purposes of Section 7 of this act, such amounts paid to the Controller by the city shall be considered as current and accrued operating costs and expenditures directly related to the operation and maintenance of tideland trust activities.

SEC. 2. Section 18 of Chapter 1086 of the Statutes of 1970 is amended to read:

Sec. 18. The sum of seven hundred fifty thousand dollars (\$750,000), or so much thereof as may be necessary, is hereby appropriated to the General Fund from the oil and dry gas revenues payable to the state under Chapter 138 of the Statutes of 1964, First Extraordinary Session, pursuant to Section 6217 of the Public Resources Code during the 1978-79 fiscal year, and shall be transferred by the Controller to the General Fund during the 1978-79 fiscal year immediately prior to making the allocation to the California Water Fund pursuant to subdivision (b) of Section 6217 and after making the allocations pursuant to subdivision (a) of Section 6217. The sum thus transferred to the General Fund is hereby appropriated to the Controller, who shall pay that sum to the Humboldt Bay Fund as follows: in the 1978-79 fiscal year and each fiscal year thereafter, a sum equal to 50 percent of the sum expended by the City of Eureka during each fiscal year in the prosecution or

defense of any action or proceeding involving the title to, or the boundaries of, tidelands or submerged lands granted to the City of Eureka by the Legislature along the Humboldt Bay waterfront; and during the 1978-79 fiscal year, the additional sum of two hundred fifty thousand dollars (\$250,000) from the seven hundred fifty thousand dollars (\$750,000) appropriated by this section.

However, notwithstanding the foregoing, any funds in excess of the sum of two hundred thousand dollars (\$200,000) remaining in the General Fund pursuant to this section on the effective date of the amendment of this section at the 1981-82 Regular Session of the Legislature which have not been paid to the Humboldt Bay Fund pursuant to this section shall no longer be available in the General Fund for the purposes of this section, and shall on that date be deemed to be oil and dry gas revenues payable by the Controller to the state under Chapter 138 of the Statutes of 1964, First Extraordinary Session, pursuant to Section 6217 of the Public Resources Code. Commencing with the payment required to be made prior to June 30, 1983, the City of Eureka shall receive a credit against the amount required to be paid to the Controller pursuant to Section 3 of this act for the amount of funds which revert from the General Fund pursuant to the provisions of this section, and the city shall not thereafter be required to make any payment to the Controller pursuant to Section 3 of this act until the city receives a credit for the entire amount so reverted from the General Fund.
