

CHAPTER 1398

An act to amend Sections 1 and 5 of Chapter 29 of the Statutes of 1956, Extraordinary Session, relating to the tide and submerged lands conveyed in trust to the City of Long Beach and the revenues derived therefrom.

[Approved by Governor July 11, 1963. Filled with
Secretary of State July 12, 1963.]

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

SECTION 1. Section 1 of Chapter 29 of the Statutes of 1956, Extraordinary Session, is amended to read:

Section 1. As used in this act:

(a) "Long Beach tidelands" means those certain tide and submerged lands heretofore conveyed to the City of Long Beach upon certain trusts and conditions by Chapter 676, Statutes of 1911, Chapter 102, Statutes of 1925 and Chapter 158, Statutes of 1935.

(b) "Oil revenue" means the net proceeds received by the City of Long Beach from the sale of oil, gas and other hydrocarbon substances (other than dry gas) derived from the Long Beach tidelands, after deducting moneys expended for the extraction and sale thereof and for the satisfaction of obligations attributable to such extraction or sale; "oil reve-

nue" also includes the net receipts from the sale of property used in such extraction or sale, the cost of which has been or may be defrayed from proceeds from such hydrocarbon substances; "oil revenue" does not include an amount equal to the money expended by the State, as determined by the Director of the Department of Finance, in administering this act.

(c) "Dry gas" means the gas directly produced from wells, which contains one-half ($\frac{1}{2}$) of a gallon or less of recoverable gasoline per 1,000 cubic feet, or from which gasoline has been removed by processing.

(d) "Dry gas revenue" means the reasonable wholesale market value of dry gas derived from, or attributable to production from, said Long Beach tidelands and received into the system of the municipal gas department of said City of Long Beach, and the net receipts to the City of Long Beach from the sale of tideland dry gas as such and which is not received into said system.

(e) "Tideland trust funds" means the Public Improvement Fund, Harbor Revenue Fund, Tideland Oil Fund and Harbor Reserve Fund in the City Treasury of the City of Long Beach, as said funds are presently established by the charter of said city.

(f) "Subsidence costs" means costs expended by the City of Long Beach with the prior approval of the State Lands Commission to remedy and protect against the effects of subsidence of the land surface within the boundaries of the Long Beach Harbor District (as such boundaries are defined on April 1, 1956) and within the boundaries of the Long Beach tidelands situated outside of said harbor district. "Subsidence costs" shall not include moneys expended for the construction or reconstruction of bridges, nor any subsidence expense directly incurred for continued hydrocarbon production and deductible under subdivision (b) of this section.

SEC. 2. Section 5 of said act is amended to read:

Sec. 5. (a) In addition to the payment prescribed in the stipulation provided for in this act, the City of Long Beach has received and will continue to receive for the use and benefit of the State of California free from the public trust for navigation, commerce and fisheries and from such uses, trusts, conditions and restrictions as were imposed by the acts of 1911, 1925 and 1935, and shall account for and pay over monthly to the State of California the following sums:

(1) Fifty per centum (50%) of all oil revenue derived from the Long Beach tidelands, received by said city on and after February 1, 1956, less twenty-five per centum (25%) of all subsidence costs disbursed by said city on and after April 1, 1956, until such time as the sum total of subsidence costs disbursed on and after April 1, 1956, reaches the sum of thirty million dollars (\$30,000,000);

(2) After the sum total of subsidence costs disbursed on and after April 1, 1956, shall have reached the sum of thirty

million dollars (\$30,000,000), fifty per centum (50%) of all oil revenue thereafter derived from the Long Beach tidelands, less fifty per centum (50%) of all subsidence costs thereafter disbursed;

(3) All dry gas revenue received by said city on and after February 1, 1956;

(4) An amount equal to the money expended by the State, as determined by the Director of Finance, in administering this act.

(b) Upon receipt of said sums, the Controller shall cause the same to be deposited in the State Treasury.
