



- **Board of Directors**  
***Legislation and Communications Committee***

9/10/2024 Board Meeting

---

7-6

## Subject

---

Express support for Proposition 4, The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

## Executive Summary

---

The California Legislature passed SB 867 (Allen, D – Santa Monica), a bill to enact a climate bond measure, which is now set to appear before voters on the November 2024 ballot as Proposition 4 (**Attachment 1**).

Metropolitan’s Board of Directors adopted five priorities for advocacy and Metropolitan participated in coalitions to advocate for significant water infrastructure funding in the climate bond. Following extensive engagement from the water community and a range of other interest groups, the Legislature ultimately passed a \$10 billion bond package focused on water resilience, wildfire, sea level rise, nature-based solutions, clean air, outdoor recreation, agriculture and extreme heat mitigation, with \$3.8 billion identified for water issues (the largest individual category).

With the passage of this legislation and its consideration as a ballot measure, Metropolitan staff seek board direction for a position on Proposition 4.

## Proposed Action(s)/Recommendation(s) and Options

---

### Staff Recommendation: Option #1

#### Option #1

Express support for Proposition 4, The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024.

**Fiscal Impact:** \$0

**Business Analysis:** No direct fiscal impact to Metropolitan; if passed by the voters, Metropolitan could benefit through funding for priority projects.

#### Option #2

Take no action.

**Fiscal Impact:** \$0

**Business Analysis:** No direct fiscal impact to Metropolitan; if passed by the voters, Metropolitan could benefit through funding for priority projects.

## Alternatives Considered

---

None

## Applicable Policy

---

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 53500, dated January 9, 2024, Legislative Priorities and Principles for 2024 with the revisions by staff and the committee members.

By Minute Item 53288, dated June 13, 2023, the Board agreed to express support, if amended, on two legislative bond proposals, Assembly Bill 1567 (Garcia, D - Coachella) and Senate Bill 867 (Allen, D - Santa Monica), to provide funding for water projects to address climate change impacts.

By Minute Item 53012, dated October 11, 2022, the Board adopted the Revision and Reinstatement of Bay-Delta Policies.

### **Related Board Action(s)/Future Action(s)**

---

By Minute Item 53595, dated April 9, 2024, the Board agreed to express support for broadening Metropolitan's board priorities to include funding for Delta levee maintenance in the State of California's climate resiliency bond proposals, AB 1567 (Garcia, D - Coachella) and SB 867 (Allen, D - Santa Monica).

By Minute Item 53288, dated June 13, 2023, the Board agreed to express support, if amended, on two legislative bond proposals, Assembly Bill 1567 (Garcia, D - Coachella) and Senate Bill 867 (Allen, D - Santa Monica), to provide funding for water projects to address climate change impacts.

### **Summary of Outreach Completed**

---

Metropolitan staff spoke with leading representatives from both the support and opposition campaigns for Proposition 4, which include staff from Yes on Prop 4 California and the Howard Jarvis Taxpayers Association. The arguments of both parties are detailed in the support and opposition stakeholder section below. Staff also briefed and solicited input from Metropolitan's member agencies.

### **California Environmental Quality Act (CEQA)**

---

#### **CEQA determination(s) for Option #1:**

The proposed action is not defined as a project under CEQA because it involves a bond measure placed on the ballot by the State Legislature to be voted on by the public. (State CEQA Guidelines Section 15378(b)(1)).

#### **Details and Background**

---

In February 2023, two legislative measures were introduced—AB 1567 (Garcia, D - Coachella) and SB 867 (Allen, D - El Segundo)—as frameworks for a climate bond to provide the state resources to help address the significant impacts of climate change and support investments that improve statewide adaptability and resilience.

In June 2023, Metropolitan's Board of Directors adopted a support if amended position on both proposals, contingent upon investments in recycled water, regional conveyance, conservation and dam safety. Metropolitan's Board also acted in April 2024 to support funding for Delta levees, in partnership with the Delta Counties Coalition, establishing a fifth legislative priority.

To further these board-adopted priorities, in May 2024, Metropolitan joined a coalition including water, labor, business, local government and social justice organizations to advance collective priorities with an overall request that at least two-thirds of the climate bond be committed for water infrastructure.

In the final negotiations, the Legislature agreed to advance SB 867, providing a \$10 billion total bond with \$3.8 billion for water categories. However, Metropolitan and coalition partners refrained from taking a support position on this final bill due to its low total investment in our coalition priorities. SB 867 was signed into law on July 3.

**Coalition Priorities**

Category	Requested	Actual
Recycling and Desalination: ***	\$1 B	\$386.25 M
Water Quality and Safe Drinking Water:	\$500 M	\$610 M
Conservation and Water Use Efficiency: ***	\$400 M	\$75 M
Dam Safety: ***	\$700 M	\$480 M
Groundwater Management:	\$750 M	\$386.25 M
Surface Storage:	\$550 M	\$75 M
Regional Conveyance: ***	\$600 M	\$75 M
Flood Protection and Reactivation ***	\$950 M	\$550 M
State Water Project Public Benefits:	\$500 M	\$0
Regional and Coastal Watershed Resilience:	\$700 M	\$100 M
<b>Total</b>	<b>\$6.65 B</b>	<b>\$2.74 B</b>

(\*\*\* = Metropolitan Board Priority)

Now that Proposition 4, California Climate Bond will appear on the November 2024 ballot, Metropolitan is bringing this item back to the Board of Directors for further consideration on taking a position. In assessing the bond’s total contents, the climate bond provides \$10 billion spread across eight primary categories.

**Final Climate Bond Allocation**

Chapter	Totals
Safe Drinking Water, Drought, Flood, and Water Resilience	3.8 B
Wildfire and Forest Resilience	1.5 B
Sea Level Rise and Coastal Resilience	1.2 B
Protect Biodiversity and Accelerating Nature-Based Climate Solutions	1.2 B
Clean Air	850 M
Park Creation and Outdoor Access	700 M
Climate Smart, Sustainable, and Resilient Farms, Ranches, and Working Lands	300 M
Extreme Heat Mitigation	450 M
<b>Total</b>	<b>\$10 B</b>

Beyond the prior focus on water infrastructure, further analysis identified several direct and indirect benefits for Metropolitan throughout the bond. These funds could provide direct funding benefits or reduce operational costs indirectly by improving water quality, watershed health, habitat restoration and renewable energy development.

- **Water Quality:** The bond provides over \$600 million in funding for grants and loans related to clean and safe drinking water, providing funds for groundwater contamination and Per- and Polyfluoroalkyl Substances and hexavalent chromium remediation. These represent significant areas of focus for Metropolitan historically, and the funding in these categories could greatly benefit Metropolitan and our member agencies.
- **Watershed Health:** The bond includes over \$500 million in funding for forest health to address the impacts of wildfires and would benefit our water operations and long-term water supply interests by reducing the impacts of fire on the environment and our sources of water, helping to protect water quality and system operations. In addition, the bond provides \$100 million for integrated regional watershed management programs, which would be allocated through local conservancies. Funding for this program

supports collaboration between local agencies, like Metropolitan and the member agencies, and stakeholders to improve regional self-reliance through the development of multi-benefit projects.

- **Habitat Restoration:** Several categories in the bond provide funding for habitat restoration, supporting ecosystems and advancing species preservation. More than \$1 billion in the bond is designated specifically for utilizing nature-based solutions to advance environmental conservation and respond to climate change. This funding could help offset Metropolitan costs for ecosystem restoration projects on district properties or for the acquisition of Metropolitan-owned properties for conservation purposes. In addition, \$100 million is available to advance the Newsom Administration’s Salmon Strategy, which has been a Metropolitan priority and would provide funding for dam removal and fish hatchery expansions. The bond would also provide \$170 million for the Salton Sea Management Plan. Environmental restoration of the Salton Sea is important to address habitat and public health concerns and supports Metropolitan’s Colorado River negotiations given prior concerns around the lack of funding for Salton Sea impacts.
- **Renewable Energy Development:** Multiple bond categories include funding that could be used to advance Metropolitan’s and our Member Agency’s renewable energy and climate response goals, including \$50 million for battery energy storage and \$35 million for transmission line hardening.

**Notable Support:**

San Diego County Water Authority  
 West Basin Municipal Water District  
 California Firefighters (CalFire Local 2881)  
 Clean Water Action  
 The National Wildlife Federation  
 The Nature Conservancy

Excerpts from Ballot Arguments in Support from Proposition 4 Official Title and Summary (**Attachment 2**):

“California faces increasing threats from wildfires, water pollution, and extreme heat. Investments *today* can prevent future costs and damage from a changing climate and more frequent natural disasters.”

“Proposition 4 will clean up and protect California’s drinking water supplies in all regions of California—remove toxic pollutants from our drinking water, addressing infrastructure risks like weakened dams and levees, and increasing supplies. Today, nearly 1 million Californians lack access to drinking water that meets safety and reliability standards, according to the State Water Board. Yes on 4 helps ensure we all have safe water to drink.”

“Recent California wildfires have burned 2 million acres, released toxic smoke into our air, and polluted drinking water supplies. Fire damage and smoke have harmed quality of life and health, including children’s lungs, in every corner of California. Proposition 4 invests in projects to prevent wildfires, reduce their intensity when they do occur, and improve disaster response.”

“Protecting natural areas and wildlife is more urgent today than ever before, as we lose wildlife habitat, farm and ranchland, and even beaches wash away. Prop. 4 protects these natural areas from wildfire, pollution, and other threats from a changing climate.”

“California is already paying the price for failing to adequately prepare for drought and a changing climate. This measure helps shift from disaster response to *prevention*. Our state and communities will save billions more by avoiding and reducing damage from wildfires, droughts, and floods.”

**Notable Opposition:**

Senate Minority Leader Brian W. Jones  
 Assemblyman Jim Patterson  
 Howard Jarvis Taxpayers Association

Excerpts from Ballot Arguments in Opposition from Proposition 4 Official Title and Summary: (**Attachment 2**):

“Bonds are the most expensive way for the government to pay for things. Proposition 4 would add a whopping \$10 billion of debt to the taxpayers—PLUS an estimated \$9.3 billion in interest—to pay for climate-related programs. This funding would also cover administrative costs and salaries for grant recipients. But remember, this is borrowed money.”

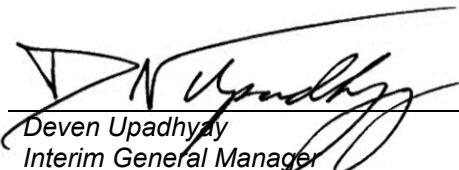
“Two years ago, California had a nearly \$100 billion SURPLUS. If these climate projects had been prioritized then, we could have covered the entire cost of this bond with just 10 percent of that surplus. Now, due to the government’s inability to manage its spending, they are asking voters for more of their hard-earned money.”

“Bonds should be reserved for financing essential projects that will build infrastructure lasting beyond the 30-year payoff period. However, many elements of Proposition 4 fail to meet that standard, resulting in \$10 billion of spending just being added to the taxpayers’ credit card—with a lack of accountability or measured metrics for success! Proposition 4 is full of money being funneled to unproven technologies that may sound promising on paper but have no concrete evidence of success.”

Given the opportunities to pursue funding for various Metropolitan water resource and operational priorities, staff recommends the Board support Proposition 4 and, if passed by voters, pursue funding for the benefit of the region.

  
 \_\_\_\_\_  
 Susan H. Sims  
 Group Manager, External Affairs

9/5/2024  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 Deven Upadhyay  
 Interim General Manager

9/6/2024  
 \_\_\_\_\_  
 Date

**Attachment 1 – SB 867, Allen (D – Santa Monica). Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024**

**Attachment 2 – Proposition 4 Official Title and Summary**

**Senate Bill No. 867**

CHAPTER 83

An act to add Division 50 (commencing with Section 90000) to the Public Resources Code, relating to safe drinking water, wildfire prevention, drought preparedness, and clean air, by providing the funds necessary therefor through an election of the issuance and sale of bonds of the State of California and for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 3, 2024. Filed with Secretary of State July 3, 2024.]

LEGISLATIVE COUNSEL'S DIGEST

SB 867, Allen. Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024.

The California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, approved by the voters as Proposition 68 at the June 5, 2018, statewide primary election, authorizes the issuance of bonds in the amount of \$4,100,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program. Article XVI of the California Constitution requires measures authorizing general obligation bonds to specify the single object or work to be funded by the bonds and further requires a bond act to be approved by a  $\frac{2}{3}$  vote of each house of the Legislature and a majority of the voters.

This bill would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$10,000,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate-smart, sustainable, and resilient farms, ranches, and working lands, park creation and outdoor access, and clean air programs.

This bill would declare that it is to take effect immediately as an urgency statute.

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

SECTION 1. The people of California find and declare all of the following:

**Ch. 83**

— 2 —

(a) Every human being has the right to safe, clean, affordable drinking water. California was the first state in the nation to legally declare this right.

(b) More than 60 percent of California's rivers and streams fail to meet federal clean water standards, and more than 1,000,000 Californians still lack easy access to safe, affordable, and clean drinking water. California must make needed investments to keep toxic pollution out of our water and ensure every person in the state has clean water to drink.

(c) In recent years, California has experienced the deadliest and most destructive wildfires on record. Fifteen of the 20 most destructive wildfires in state history have occurred in the last decade alone, including the deadliest, the 2018 Camp Fire. These wildfires have claimed more than 100 lives, tens of thousands of homes and structures lost, and more than 2,000,000 acres burned.

(d) California's changing climate creates increased risk of catastrophic wildfires, drought, severe heat events, and sea level rise, as well as impacts to agriculture, water supply and water quality, and the health of the forests, watershed, and wildlife.

(e) These risks and impacts vary by region and can overwhelm the resources of local governments that must cope with severe climate change-related events.

(f) Reducing vulnerability to fire, flood, drought, and other climate change-related events requires a statewide investment to increase climate resilience of communities and natural systems.

(g) Planning, investment, and action to address current and future climate change impacts must be guided by the best available science, including local and traditional knowledge.

(h) Governor Gavin Newsom has issued several reports and executive orders that have created a roadmap to climate resiliency in California that will help guide and direct investments.

(i) California's Water Supply Strategy Adapting to a Hotter, Drier Future outlines actions needed in order to recycle and reuse at least 800,000 acre-feet of water per year by 2030, make available up to 500,000 acre-feet of water through more efficient water use and conservation, and make new water available for use by capturing stormwater and desalinating brackish water in groundwater basins.

(j) The Water Resilience Portfolio serves as a blueprint for equipping California to cope with more extreme droughts and floods and rising temperatures, while addressing longstanding challenges that include declining fish populations, over-reliance on groundwater and lack of safe drinking water in many communities.

(k) California's Wildfire and Forest Resilience Action Plan outlines a strategy to increase the pace and scale of forest health projects, strengthen protection of communities, and manage forests, to achieve the state's economic and environmental goals and drive innovation and measure progress.

(l) The Extreme Heat Action Plan outlines a strategy to protect communities from rising temperatures in order to accelerate readiness and

protection of communities most impacted by extreme heat, including through cooling schools and homes, supporting community resilience centers, and expanding nature-based solutions.

(m) California's strategy for achieving the first-in-the-nation 30x30 conservation goal is described in the Pathways to 30x30: Accelerating Conservation of California's Nature report, which outlines a vision to conserve an additional 6,000,000 acres of lands and 500,000 acres of coastal waters needed to reach 30-percent conservation goals by 2030.

(n) Executive Order No. N-82-20 outlines a strategy to expand nature-based solutions across California. The executive order calls for restoring nature and landscape health to deliver on our climate change goals and other critical priorities, including improving public health and safety, securing our food and water supplies, and achieving greater equity across California.

(o) California Salmon Strategy for a Hotter, Drier Future outlines a path to a healthier, thriving salmon population in California, actions state agencies are already taking to stabilize and recover salmon populations, and additional or intensified actions needed in coming years.

(p) Governor Gavin Newsom signed Senate Bill 1 of the 2021–22 Regular Session (Chapter 236 of the Statutes of 2021) that directed the California Coastal Commission to take sea level rise into account in its planning, policies, and activities, and established a cross-government group tasked with educating the public and advising local, regional, and state government on feasible sea level rise mitigation efforts.

(q) California's Natural and Working Lands Climate Smart Strategy showcases that sustainable agricultural practices have important implications for equity and public health, and can promote economic resilience, buffer communities from extreme heat, improve air and water quality, and provide local food sources. These outcomes benefit all Californians, and are particularly important for rural, vulnerable communities.

(r) The 2022 Scoping Plan for Achieving Carbon Neutrality focuses on the importance of investing in strategies for reducing California's dependency on petroleum, including transitioning to clean energy options that address climate change, improve air quality, and support economic growth and clean sector jobs.

(s) Without intervention, the cost of climate change to California is estimated to reach \$113,000,000,000 annually by 2050, according to the Natural Resources Agency's California's Fourth Climate Change Assessment.

(t) The Federal Emergency Management Agency estimates that every dollar spent on resiliency saves \$6 in disaster relief. A \$10,000,000,000 investment could help avoid \$60,000,000,000 in disaster relief.

(u) Providing a source of funding for comprehensive investment in climate resilience in all regions of the state is cost effective and in the public interest. These investments will result in public benefits that will address the most critical statewide needs and priorities for public funding.



**Ch. 83**

— 4 —

(v) The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 provides a comprehensive and fiscally responsible approach for addressing the varied challenges facing California's current and future climate impacts.

(w) Investing in water infrastructure will provide jobs, improve resiliency, and reduce local government spending.

(x) Continued investments in California's parks, trails, natural and working lands, and greening urban areas will help mitigate the impacts of climate change, making cities more livable, and will protect California's natural resources for future generations.

(y) The expenditure of funds from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 will help communities avoid and recover from the impacts of wildfire, flood, drought, or other climate-related events, and help restore and protect natural systems from the impacts of wildfire, flooding, drought, or other climate-related events.

SEC. 2. Division 50 (commencing with Section 90000) is added to the Public Resources Code, to read:

**DIVISION 50. SAFE DRINKING WATER, WILDFIRE PREVENTION, DROUGHT PREPAREDNESS, AND CLEAN AIR BOND ACT OF 2024**

**CHAPTER 1. GENERAL PROVISIONS**

90000. This division shall be known, and may be cited, as the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024.

90050. (a) In expending funds pursuant to this division, an administering state agency shall give priority to projects that leverage private, federal, and local funding or produce the greatest public benefit.

(b) To the extent practicable, a project funded pursuant to this division shall include signage informing the public that the project received funding from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024.

(c) Projects funded pursuant to this division shall, where appropriate, include the planning, monitoring, and reporting necessary to ensure successful implementation of this division's objectives.

90100. For purposes of this division, the following definitions apply:

(a) "Committee" means the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Finance Committee created pursuant to Section 95002.

(b) "Community" has the same meaning as set forth in paragraph (1) of subdivision (a) of Section 65302.10 of the Government Code.

(c) "Critical community infrastructure" means infrastructure that is necessary to providing vital community and individual functions, including, but not limited to, drinking and wastewater infrastructure, emergency

shelters, communication and warning systems, evacuation routes, emergency power and public medical facilities, schools, town halls, hospitals, health clinics, community centers, community nonprofit facilities providing essential services, libraries, homeless shelters, senior and youth centers, childcare facilities, food banks, grocery stores, and parks and recreation sites.

(d) “Disadvantaged community” means a community with a median household income of less than 80 percent of the area average or less than 80 percent of statewide median household income.

(e) “Economically distressed areas” has the same meaning as set forth in Section 79702 of the Water Code.

(f) “Natural infrastructure” has the same meaning as set forth in paragraph (3) of subdivision (c) of Section 71154.

(g) “Nonprofit organization” means a nonprofit corporation qualified to do business in California and qualified under Section 501(c)(3) of the Internal Revenue Code.

(h) “Protection” includes those actions necessary to prevent harm or damage to persons, property, or natural, cultural, and historic resources, actions to improve access to public open-space areas, or actions to allow the continued use and enjoyment of property or natural, cultural, and historic resources. Protection includes site monitoring, acquisition, development, restoration, preservation, and interpretation.

(i) (1) “Restoration” includes the improvement of physical structures or facilities and, in the case of natural systems and landscape features, includes, but is not limited to, any of the following:

(A) The control of erosion.

(B) Stormwater capture, treatment, reuse, and storage, or to otherwise reduce stormwater pollution.

(C) The control and elimination of invasive species and harmful algal blooms.

(D) The planting of native species.

(E) The removal of waste and debris.

(F) Prescribed burning and other fuel hazard reduction measures.

(G) Fencing out threats to existing or restored natural resources.

(H) Improving instream, riparian, floodplain, or wetland habitat conditions.

(I) Other plant and wildlife habitat improvement to increase the natural system value of the property or coastal or ocean resources.

(J) Activities described in subdivision (b) of Section 79737 of the Water Code.

(2) “Restoration” also includes activities, including the planning, permitting, monitoring, and reporting that are necessary to ensure successful implementation of the restoration objectives.

(j) “Severely disadvantaged community” means a community with a median household income of less than 60 percent of the area average or less than 60 percent of statewide median household income.

**Ch. 83**

— 6 —

(k) “Socially disadvantaged farmer or rancher” has the same meaning set forth in Section 512 of the Food and Agricultural Code. This provision shall apply to the extent allowable by law.

(l) “State General Obligation Bond Law” means the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), as it may be amended from time to time.

(m) “Structure hardening” includes the installation, replacement, or retrofitting of building materials, systems, or assemblies used in the exterior design and construction of existing nonconforming structures with features that are in compliance with Chapter 7A (commencing with Section 701A.1) of Part 2 of Title 24 of the California Code of Regulations, or any appropriate successor regulatory code, with the primary purpose of reducing risk to structures from wildfire or conforming to the low-cost retrofit list, and updates to that list, developed pursuant to paragraph (1) of subdivision (c) of Section 51189 of the Government Code.

(n) “Tribe” means a federally recognized Native American tribe or a nonfederally recognized Native American tribe listed on the California Tribal Consultation List maintained by the Native American Heritage Commission.

(o) “Vulnerable population” means a subgroup of population within a region or community that faces a disproportionately heightened risk or increased sensitivity to impacts of climate change and that lacks adequate resources to cope with, adapt to, or recover from such impacts.

(p) “Water board” means the State Water Resources Control Board.

90105. Funds provided by this division shall not be expended to fulfill any environmental mitigation requirements or compliance obligations imposed by law.

90107. Funds provided by this division shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of isolated Delta conveyance facilities. Those costs shall be the responsibility of the water agencies that benefit from the design, construction, operation, mitigation, or maintenance of those facilities.

90110. An eligible applicant under this division is a public agency, local agency, nonprofit organization, special district, joint powers authority, tribe, public utility, local publicly owned utility, or mutual water company.

90115. The Legislature may enact legislation necessary to implement programs funded by this division.

90120. It is the intent of the Legislature that bond moneys shall not be used for shareholder incentives or profits for shareholders of private corporations.

90130. For grants awarded for projects under this division, the administering agency may provide advanced payments in the amount of 25 percent of the grant award to the recipient, including state-related entities, to initiate the project in a timely manner. The administering agency shall adopt additional requirements for the recipient of the grant regarding the use of the advanced payments to ensure that the moneys are used properly.

90133. For grants awarded for projects under this division, the administering agency may, when awarding a grant, reimburse the grantee's indirect costs. When reimbursing a grantee for indirect costs, the administering agency shall apply one of the following rates, as requested by the grantee:

(a) The grantee's negotiated indirect cost rate, pursuant to its negotiated indirect cost rate agreement.

(b) The de minimis indirect cost rate specified in Part 200 of Title 2 of the Code of Federal Regulations.

(c) A rate negotiated by the grantee with another state agency within the last five years.

(d) A rate proposed by the grantee in the grantee's program application with the administering state agency if the grantee does not have an existing state rate.

90135. (a) The Secretary of the Natural Resources Agency shall publish a list of all program and project expenditures pursuant to this division not less than annually, in written form, and shall post an electronic form of the list on the agency's internet website in a downloadable spreadsheet format. The spreadsheet shall include all of the following information:

(1) Information about the location and footprint of each funded project.

(2) The project's objectives.

(3) The status of the project.

(4) Anticipated outcomes.

(5) The public benefits to be derived from the project, including whether the project has meaningful and direct benefits to vulnerable populations, disadvantaged communities, or severely disadvantaged communities.

(6) The total cost of the project, if known.

(7) The amount of bond funding provided.

(8) Any matching moneys provided for the project by the grant recipient or other partners.

(9) The applicable chapter of this division pursuant to which the recipient received moneys.

(b) The Department of Finance shall provide for an independent audit of expenditures pursuant to this division. If an audit, required by law, of any entity that receives funding authorized by this division is conducted pursuant to state law and reveals any impropriety, the California State Auditor or the Controller may conduct or arrange for a full audit of any or all of the activities funded pursuant to this division. Any audit of a federal Department of Energy or National Aeronautics and Space Administration research and development center pursuant to this section shall be conducted in accordance with the Federal Laboratory Contracting Act (Chapter 7 (commencing with Section 12500) of Part 2 of Division 2 of the Public Contract Code).

(c) A state agency issuing any grant with funding authorized by this division shall require adequate reporting of the expenditures of the funding from the grant.

**Ch. 83**

— 8 —

(d) The costs associated with the publications, audits, statewide bond tracking, cash management, and related oversight activities provided for in this section shall be funded from the proceeds of bonds authorized by this division. These costs shall be shared proportionally by each program funded by this division. Actual costs incurred to administer nongrant programs authorized by this division shall be paid from the proceeds of bonds authorized by this division.

90140. At least 40 percent of the total funds available pursuant to this division shall be allocated for projects that provide meaningful and direct benefits to vulnerable populations or disadvantaged communities. At least 10 percent of the total funds available pursuant to this division shall be allocated for projects that provide meaningful and direct benefits to severely disadvantaged communities.

90150. To the extent feasible, a project whose application includes the use of services of the California Conservation Corps or certified community conservation corps, as defined in Section 14507.5, shall be given preference for receipt of a grant under this division.

90500. (a) The proceeds of bonds issued and sold pursuant to this division, exclusive of refunding bonds issued and sold pursuant to Section 95012, shall be deposited in the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Fund, which is hereby created in the State Treasury. Moneys in the fund shall be available, upon appropriation by the Legislature, for purposes of this division.

(b) Proceeds of bonds issued and sold pursuant to this division shall be allocated according to the following schedule:

(1) Three billion eight hundred million dollars (\$3,800,000,000) for safe drinking water, drought, flood, and water resilience programs, in accordance with Chapter 2 (commencing with Section 91000).

(2) One billion five hundred million dollars (\$1,500,000,000) for wildfire and forest resilience programs, in accordance with Chapter 3 (commencing with Section 91500).

(3) One billion two hundred million dollars (\$1,200,000,000) for coastal resilience programs, in accordance with Chapter 4 (commencing with Section 92000).

(4) Four hundred fifty million dollars (\$450,000,000) for extreme heat mitigation programs, in accordance with Chapter 5 (commencing with Section 92500).

(5) One billion two hundred million dollars (\$1,200,000,000) for biodiversity protection and nature-based climate solution programs, in accordance with Chapter 6 (commencing with Section 93000).

(6) Three hundred million dollars (\$300,000,000) for climate-smart, sustainable, and resilient farms, ranches, and working lands programs, in accordance with Chapter 7 (commencing with Section 93500).

(7) Seven hundred million dollars (\$700,000,000) for park creation and outdoor access programs, in accordance with Chapter 8 (commencing with Section 94000).

(8) Eight hundred fifty million dollars (\$850,000,000) for clean air programs, in accordance with Chapter 9 (commencing with Section 94500).

90600. (a) An amount that equals not more than the lesser of 7 percent of the funds or twenty million dollars (\$20,000,000) allocated for a grant program pursuant to this division may be used to pay the administrative costs of that program.

(b) (1) Up to 10 percent of the funds available pursuant to each chapter of this division may be allocated for technical assistance to disadvantaged communities, severely disadvantaged communities, or vulnerable populations. The agency administering the moneys shall operate a multidisciplinary technical assistance program for disadvantaged communities, severely disadvantaged communities, or vulnerable populations.

(2) Funds used for providing technical assistance to disadvantaged communities, severely disadvantaged communities, or vulnerable populations may exceed 10 percent of the funds allocated under each chapter of this division if the state agency administering the moneys determines that there is a need for the additional funding.

90610. To the extent practicable, a project that receives moneys pursuant to this division may provide workforce education and training, contractor, and job opportunities for vulnerable populations.

90620. Funds allocated pursuant to this division may be used by the Natural Resources Agency and its departments, boards, and conservancies to collaboratively fund projects at a landscape or multijurisdictional scale to provide multiple benefits.

#### CHAPTER 2. SAFE DRINKING WATER, DROUGHT, FLOOD, AND WATER RESILIENCE

91000. The sum of three billion eight hundred million dollars (\$3,800,000,000) shall be available, upon appropriation by the Legislature, for safe drinking water, drought, flood, and water resilience programs.

91010. Of the funds made available by Section 91000, one billion eight hundred eighty-five million dollars (\$1,885,000,000) shall be available, upon appropriation by the Legislature, to protect and increase California water supply and water quality.

91011. (a) Of the funds made available by Section 91010, six hundred ten million dollars (\$610,000,000) shall be available, upon appropriation by the Legislature, to the State Water Resources Control Board for grants or loans that improve water quality or help provide clean, safe, and reliable drinking water. Eligible projects include, but are not limited to, any of the following:

- (1) Projects that help to provide clean, safe, and reliable drinking water.
- (2) Projects that increase water quality monitoring and remediation of perfluoroalkyl and polyfluoroalkyl substances.
- (3) Innovative projects to increase the affordability of safe drinking water.

**Ch. 83**

— 10 —

(4) Projects that implement countywide drought and water shortage contingency plans adopted pursuant to Chapter 10 (commencing with Section 10609.40) of Part 2.55 of Division 6 of the Water Code.

(5) Projects that prevent, reduce, or treat the contamination of groundwater that serves as a major source of drinking water for a community.

(6) Projects to consolidate water or wastewater systems or to extend wastewater service to residences currently served by inadequate onsite sewer treatment systems.

(7) Grants for projects and technical and financial assistance to address hexavalent chromium in drinking water.

(8) (A) Tribal water infrastructure projects that provide safe, clean, and reliable drinking water to tribal communities.

(B) Not less than twenty-five million dollars (\$25,000,000) shall be allocated to projects described in subparagraph (A).

(b) If there is a responsible party identified to have contributed to contamination of a drinking water well, or system, the water system or public agency responsible for the infrastructure may apply for competitive state grant program funding for a drinking water infrastructure project to address water quality issues. The grant applicant may apply for funding in the amount above and beyond what the responsible party is required to contribute to the infrastructure project.

(c) Reasonable geographic allocation to eligible projects throughout the state shall be considered, including both northern and southern California and inland and coastal regions.

(d) At least 40 percent of the allocation made pursuant to this section shall benefit disadvantaged communities, severely disadvantaged communities, or vulnerable populations.

(e) For severely disadvantaged communities with populations of no more than 500 persons that serve no more than 100 service connections, there shall be no maximum amount per service connection for eligible projects.

91012. (a) Of the funds made available by Section 91010, three hundred eighty-six million two hundred fifty thousand dollars (\$386,250,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources for projects related to groundwater storage, groundwater banking, groundwater recharge, or instream flow projects that support the conjunctive use of groundwater and surface water supplies. Of the funds made available pursuant to this subdivision, a minimum of twenty-five million dollars (\$25,000,000) shall be for projects that provide direct benefits to tribal communities.

(b) Of the funds made available by subdivision (a), one hundred ninety-three million one hundred twenty-five thousand dollars (\$193,125,000) shall be available for projects that increase groundwater storage, improve the management and operation of groundwater storage, or are for groundwater banking, and support implementation of the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code).

(c) (1) Of the funds made available by subdivision (a), one hundred ninety-three million one hundred twenty-five thousand dollars (\$193,125,000) shall be available for projects that support conjunctive use and groundwater recharge. The projects shall provide the following benefits:

(A) Provide improved regional watershed management.

(B) Address current and projected drought conditions and demonstrate adaptation to climate change for a region.

(C) Provide ecosystem benefits to fish and wildlife and improve stream flow for anadromous fish.

(2) Reasonable geographic allocation to eligible projects throughout the state shall be considered, including both northern and southern California and inland and coastal regions.

91013. Of the funds made available by Section 91010, two hundred million dollars (\$200,000,000) shall be available, upon appropriation by the Legislature, to the Department of Conservation's Multibenefit Land Repurposing Program for groundwater sustainability projects that reduce groundwater use, repurpose irrigated agricultural land, provide wildlife habitat, improve drought resilience or floodwater management, or support implementation of the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code).

91014. (a) Of the funds made available by Section 91010, three hundred eighty-six million two hundred fifty thousand dollars (\$386,250,000) shall be available, upon appropriation by the Legislature, to the State Water Resources Control Board for grants and projects related to water reuse and recycling, including, but not limited to, the following:

(1) Treatment, storage, conveyance, and distribution facilities for potable and nonpotable recycling projects.

(2) Dedicated distribution infrastructure to serve residential, commercial, agricultural, and industrial end user retrofit projects to allow use of recycled water.

(3) Multiple-benefit recycled water projects that improve water quality.

(b) At least a 50-percent local cost share shall be required for projects funded pursuant to this section. That cost share may be suspended or reduced for disadvantaged communities or severely disadvantaged communities, or prorated for disadvantaged communities or severely disadvantaged communities within a larger service area project. A loan, grant, or other funding received, regardless of funding source, shall qualify as local cost share.

(c) The water board shall adopt modified grant funding requirements for large-scale water recycling or reuse projects, including all of the following requirements:

(1) Ancillary facilities that are part of large-scale water recycling or reuse projects shall be eligible for funding. Ancillary facilities include, but are not limited to, pipelines, extraction wells, injection wells, recharge basins, and nitrogen removal treatment systems, pertinent structures, and connection assemblies.



**Ch. 83**

— 12 —

(2) This section does not preclude the water board from awarding funding to a large-scale water recycling or reuse project for multiple project phases or components, or more than once during the project development period. The water board shall not require user agreements or contracts for water delivery, nor shall full completion of the project be required before the submission of a subsequent grant application, as a condition for award of grant funding.

(3) At least 10 percent of the grant funding shall be awarded for the purpose of planning and design.

(4) Reasonable geographic allocation to eligible projects throughout the state, including both northern and southern California and coastal and inland regions.

91015. Of the funds made available by Section 91010, seventy-five million dollars (\$75,000,000) shall be available, upon appropriation by the Legislature, to the California Water Commission for projects under the Water Storage Investment Program. Priority for these funds and any funds returned to the commission shall be to support timely completion of existing approved projects by providing supplemental grants to reflect the increase in costs due to inflation since the original grant applications and any increase in public benefits.

91016. Of the funds made available by Section 91010, sixty-two million five hundred thousand dollars (\$62,500,000) shall be available, upon appropriation by the Legislature, for capital investments in brackish desalination, contaminant and salt removal, and salinity management projects to improve California water and drought resilience. Priority shall be given to projects that use new incremental eligible renewable energy resources during operation and reduce greenhouse gas emissions associated with their construction and operation.

91017. Of the funds made available by Section 91010, fifteen million dollars (\$15,000,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources and the State Water Resources Control Board to improve water data management and to implement Section 144 of the Water Code to reactivate existing stream gages and deploy new gages.

91018. Of the funds made available by Section 91010, seventy-five million dollars (\$75,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency and the Department of Water Resources for competitive grants for regional conveyance projects or repairs to existing conveyances. Priority shall be given to projects that provide one or more of the following benefits:

(a) Improvements in regional or interregional water supply or water supply reliability.

(b) Increased groundwater recharge or mitigation of conditions of groundwater overdraft, salinity intrusion, water quality degradation, or subsidence.

(c) Adaptation to the impacts of hydrologic changes.

(d) Improvements in water security from drought, natural disasters, or other events that could interrupt water supplies.

(e) Providing safe drinking water for disadvantaged communities and economically distressed areas.

91019. Of the funds made available by Section 91010, seventy-five million dollars (\$75,000,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources for projects that increase water conservation in agricultural and urban areas.

91020. Of the funds made available by Section 91000, one billion one hundred forty million dollars (\$1,140,000,000) shall be available, upon appropriation by the Legislature, to reduce flood risk and improve stormwater management.

91021. Of the funds made available by Section 91020, five hundred fifty million dollars (\$550,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency and its departments, boards, and conservancies for flood management projects. Priority shall be given to projects designed and implemented to achieve both flood safety and ecosystem functions, while providing additional benefits. At least 40 percent of the allocation made pursuant to this section shall benefit disadvantaged communities, severely disadvantaged communities, or vulnerable populations. Funding shall be allocated as follows:

(a) One hundred fifty million dollars (\$150,000,000) shall be available for projects in the Sacramento-San Joaquin Delta to improve existing levees to increase flood protection and improve climate resiliency. For purposes of this subdivision, "Sacramento-San Joaquin Delta" has the same meaning as described in Section 12220 of the Water Code.

(b) One hundred fifty million dollars (\$150,000,000) shall be available for projects that implement the Flood Control Subventions Program.

(c) Two hundred fifty million dollars (\$250,000,000) shall be available for projects related to the systemwide evaluation, repair, rehabilitation, reconstruction, expansion, or replacement of levees, weirs, bypasses, and facilities of the State Plan of Flood Control.

91022. Of the funds made available by Section 91020, four hundred eighty million dollars (\$480,000,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources for the Dam Safety and Climate Resilience Local Assistance Program for competitive grants for projects that enhance dam safety and reservoir operations and protect public benefits pursuant to Section 6700 of the Water Code.

91023. Of the funds made available by Section 91020, one hundred ten million dollars (\$110,000,000) shall be available, upon appropriation by the Legislature, to the State Water Resources Control Board for grants for multiple-benefit urban stormwater management projects. Projects funded pursuant to this section shall address flooding in urbanized areas and provide multiple benefits, with preference given to natural infrastructure projects. Eligible stormwater projects shall include, but are not limited to, stormwater capture and reuse, planning and implementation of low-impact development,

**Ch. 83**

— 14 —

restoration of urban streams and watersheds, debris flow mitigation, and increasing permeable surfaces to help reduce flooding.

91030. Of the funds made available by Section 91000, six hundred five million dollars (\$605,000,000) shall be available, upon appropriation by the Legislature, to protect and restore rivers, lakes, and streams, and to improve watershed resilience, including the resilience of fish and wildlife within the watershed.

91031. Of the funds made available by Section 91030, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources for projects related to integrated regional water management to improve climate resilience on a watershed basis. The department shall update and revise the guidelines for the integrated regional water management program to address impacts associated with climate risk.

91032. Of the funds made available by Section 91030, three hundred thirty-five million dollars (\$335,000,000) shall be available, upon appropriation by the Legislature, for projects that protect and restore rivers, wetlands, streams, lakes, and watersheds, and improve the resilience of fish and wildlife. Projects shall improve climate resilience, water supplies, or water quality. To the extent feasible, preference shall be given to natural infrastructure projects. At least 40 percent of the allocation made pursuant to this section shall benefit disadvantaged communities, severely disadvantaged communities, or vulnerable populations. The funds made available pursuant to this section shall be allocated as follows:

(a) Forty million dollars (\$40,000,000) shall be available pursuant to Division 22.8 (commencing with Section 32600) for projects that improve the climate resiliency or the protection of the Los Angeles River Watershed or are consistent with the Lower Los Angeles River Revitalization Plan.

(b) Forty million dollars (\$40,000,000) shall be available pursuant to Division 23 (commencing with Section 33000) for projects that improve the climate resiliency or the protection of the Los Angeles River Watershed and are a part of the revitalization plan developed by the Upper Los Angeles River and Tributaries Working Group pursuant to Section 33220 or the Los Angeles River Master Plan.

(c) Fifty million dollars (\$50,000,000) shall be available to the Riverine Stewardship Program established pursuant to Section 7049 of the Water Code for projects that improve climate resiliency.

(d) Twenty-five million dollars (\$25,000,000) shall be available to the State Coastal Conservancy for the Santa Ana River Conservancy Program.

(e) Twenty-five million dollars (\$25,000,000) shall be available for multiple-benefit urban stream and river projects under the Urban Streams Restoration Program established pursuant to Section 7048 of the Water Code that protect and restore riparian habitats, improve climate resilience, enhance natural drainages, protect and restore watersheds, and provide public access.

(f) Twenty-five million dollars (\$25,000,000) shall be available to the Natural Resources Agency for projects that improve conditions on wildlife

refuges and wetland habitat areas. Projects may include the acquisition and delivery of water from willing sellers and water conveyance rights to achieve compliance with subsection (d) of Section 3406 of the federal Central Valley Project Improvement Act (Title 34 of Public Law 102-575) and the acquisition of water and conveyance rights for the Lower Klamath National Wildlife Refuge.

(g) Ten million dollars (\$10,000,000) shall be available to the Wildlife Conservation Board for the Lower American River Conservancy Program.

(h) Twenty-five million dollars (\$25,000,000) shall be available to the State Coastal Conservancy to protect and restore watersheds through the Coyote Valley Conservation Program in the County of Santa Clara.

(i) Twenty-five million dollars (\$25,000,000) shall be available to the State Coastal Conservancy to protect and restore watersheds through the West Coyote Hills Program.

(j) (1) Fifty million dollars (\$50,000,000) shall be available to the water board for loans or grants for projects that will address water quality problems arising in the California-Mexico cross-border rivers and coastal waters. Funds may be made available under this subdivision for water quality projects in the Tijuana River Valley Watershed, as described in the Tijuana River Plan created pursuant to Section 71107, and for projects consistent with the New River Water Quality, Public Health, and River Parkway Development Program, as described in Section 71103.6.

(2) Grants or loans awarded under this subdivision for projects located outside of California shall have a documented water quality benefit to California and its residents.

(3) Funding may be awarded to bilateral financial institutions as a state match pursuant to this subdivision only after federally committed funds have been secured and are available for expenditure on a one-to-one basis.

(k) Twenty million dollars (\$20,000,000) shall be available to improve the climate resiliency or for the protection of the Clear Lake Watershed.

91033. (a) Of the funds made available by Section 91030, one hundred seventy million dollars (\$170,000,000) shall be available, upon appropriation by the Legislature, to implement the Salton Sea Management Program 10-year Plan, and any subsequent revisions to that plan, or any subsequent plans, to provide air quality, public health, and habitat benefits.

(b) Of the funds made available by subdivision (a), ten million dollars (\$10,000,000) shall be available for either of the following:

- (1) The creation of a Salton Sea Conservancy.
- (2) The Salton Sea Authority.

91040. (a) Of the funds made available by Section 91000, one hundred fifty million dollars (\$150,000,000) shall be available, upon appropriation by the Legislature, to the Wildlife Conservation Board for projects pursuant to the guidelines of the Stream Flow Enhancement Program, including the acquisition of water or water rights, acquisition of land that includes water rights or contractual rights to water, and short- or long-term water transfers and leases.

**Ch. 83**

— 16 —

(b) Of the funds made available by subdivision (a), fifty million dollars (\$50,000,000) shall be available to the Wildlife Conservation Board for the Habitat Enhancement and Restoration Program for fishery enhancement projects and programs that support reintroducing salmon into cold water habitat in the Sacramento and San Joaquin Rivers watersheds.

91045. Of the funds made available by Section 91000, twenty million dollars (\$20,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for grants to nature and climate education and research facilities, nonprofit organizations and public institutions, natural history museums, California zoos and aquariums accredited by the Association of Zoos and Aquariums, and geologic heritage sites that serve diverse populations. Grants may be used for buildings, equipment, structures, and exhibit galleries that present collections to promote climate, biodiversity, and cultural literacy. Projects may support species recovery and biodiversity protection in order to advance the state's 30x30 conservation goal.

91050. Projects funded pursuant to this chapter shall be consistent with the policies and guidelines established by the Water Resilience Portfolio, California's Water Supply Strategy, the Central Valley Flood Protection Plan, and the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code), if applicable.

## CHAPTER 3. WILDFIRE AND FOREST RESILIENCE

91500. The sum of one billion five hundred million dollars (\$1,500,000,000) shall be available, upon appropriation by the Legislature, for wildfire prevention, including reducing community wildfire risk and restoring the health and resilience of forests and landscapes.

91510. (a) Of the funds made available by Section 91500, one hundred thirty-five million dollars (\$135,000,000) shall be available, upon appropriation by the Legislature, to the Office of Emergency Services for a wildfire mitigation grant program. The Office of Emergency Services shall coordinate with the Department of Forestry and Fire Protection in administering these moneys. The grant program shall assist local and state agencies to leverage additional funds, including matching grants from federal agencies. Funds may be used to provide loans, rebates, direct assistance, and matching funds for projects that prevent wildfires, increase resilience, maintain existing wildfire risk reduction projects, reduce the risk of wildfires to communities, or increase home or community hardening. Projects shall benefit disadvantaged communities, severely disadvantaged communities, or vulnerable populations. Eligible projects include, but are not limited to, any of the following:

(1) Grants to local agencies, state agencies, joint powers authorities, nonprofit organizations, resource conservation districts, and tribes for

projects that reduce wildfire risks to people and property consistent with an approved community wildfire protection plan.

(2) Grants to local agencies, state agencies, joint powers authorities, tribes, resource conservation districts, fire safe councils, and nonprofit organizations for structure hardening of critical community infrastructure, wildfire smoke mitigation, evacuation centers, including community clean air centers, structure hardening projects that reduce the risk of wildfire for entire neighborhoods and communities, water delivery system improvements for fire suppression purposes for communities in very high or high fire hazard areas, wildfire buffers, and incentives to remove structures that significantly increase hazard risk.

(3) Grants, in coordination with the Public Utilities Commission, to local agencies, state agencies, special districts, joint powers authorities, tribes, and nonprofit organizations for zero-emission backup power, energy storage, and microgrids for critical community infrastructure in order to provide continuity of electrical service, reduced wildfire ignitions, and to safeguard communities from disruption due to deenergization events, wildfire, or air pollution caused by wildfire, extreme heat, or other disaster.

(4) Grants under the Home Hardening Program to retrofit, harden, or create defensible space for homes at high risk of wildfire in order to protect California communities.

(b) The Office of Emergency Services and the Department of Forestry and Fire Protection shall prioritize wildfire mitigation grant funding applications from local agencies based on the Fire Risk Reduction Community list, pursuant to Section 4290.1.

(c) The Office of Emergency Services and the Department of Forestry and Fire Protection shall provide technical assistance to disadvantaged communities, severely disadvantaged communities, or vulnerable populations, including those with access and functional needs, socially disadvantaged farmers or ranchers, and economically distressed areas to ensure the grant program reduces the vulnerability of those most in need.

91520. Of the funds made available by Section 91500, one billion two hundred five million dollars (\$1,205,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency and to its departments, boards, and conservancies for projects and grants to improve local fire prevention capacity, improve forest health and resilience, and reduce the risk of wildfire spreading into populated areas from wildlands. Where appropriate, projects may include activities on lands owned by the United States. The funding made available by this section shall be allocated as follows:

(a) One hundred eighty-five million dollars (\$185,000,000) shall be available to the Department of Conservation's Regional Forest and Fire Capacity Program to increase regional capacity to prioritize, develop, and implement projects that improve forest health and fire resilience, implement community fire preparedness demonstration projects, facilitate greenhouse gas emissions reductions, and increase carbon sequestration in forests and other landscapes across regions and throughout the state. The funding shall

**Ch. 83**

— 18 —

be allocated based, to the extent feasible, on the Wildfire and Forest Resilience Action Plan.

(b) One hundred seventy million dollars (\$170,000,000) shall be available to implement regional projects, including, but not limited to, landscape-scale projects developed by forest collaboratives as defined in Section 4810, projects developed by regional entities as defined in Section 4208, and projects that implement strategies developed by state conservancies through block grants and direct appropriations by the Legislature.

(c) One hundred seventy-five million dollars (\$175,000,000) shall be available to the Department of Forestry and Fire Protection's Forest Health Program for long-term forest health projects, including improved forest management, prescribed fire, prescribed grazing, cultural fire, forest watershed restoration, reforestation, upper watershed, riparian, and mountain meadow restoration, and activities that promote long-term carbon storage and sequestration. Funds may be used for tribal wildfire resilience grants.

(d) One hundred eighty-five million dollars (\$185,000,000) shall be available to the Department of Forestry and Fire Protection for local fire prevention grants consistent with Article 2.5 (commencing with Section 4124) of Chapter 1 of Part 2 of Division 4 and for grants to conduct workforce development for fire prevention and wildfire resiliency work. Workforce development grants may include, but are not limited to, the construction of designated housing for wildfire prevention workers.

(e) Twenty-five million dollars (\$25,000,000) shall be available to the Department of Forestry and Fire Protection for the creation or expansion of a fire training center.

(f) Two hundred million dollars (\$200,000,000) shall be available to the Natural Resources Agency and the Department of Parks and Recreation for forest health and watershed improvement projects in forests and other habitats, including, but not limited to, redwoods, conifers, oak woodlands, mountain meadows, chaparral, and coastal forests. Projects shall involve the restoration of natural ecosystem functions in very high, high, and moderate fire hazard areas and may include prescribed fire, cultural fire, environmentally sensitive vegetation management, land protection, science-based fuel reduction, watershed protection, carbon sequestration, protection of older fire-resistant trees, or improved forest health.

(g) Fifty million dollars (\$50,000,000) shall be available for grants to conduct fuel reduction, structure hardening, create defensible space, reforestation, or targeted acquisitions to improve forest health and fire resilience.

(h) Thirty-three million five hundred thousand dollars (\$33,500,000) shall be available to the Sierra Nevada Conservancy for watershed improvement, forest health, biomass utilization, chaparral and forest restoration, and workforce development that addresses needs related to this subdivision and is designed to create career pathways for individuals from disadvantaged communities, severely disadvantaged communities, or vulnerable populations.

(i) Twenty-five million five hundred thousand dollars (\$25,500,000) shall be available to the California Tahoe Conservancy for watershed improvement, forest health, biomass utilization, chaparral and forest restoration, and workforce development that addresses needs related to this subdivision and is designed to create career pathways for individuals from disadvantaged communities, severely disadvantaged communities, or vulnerable populations.

(j) Thirty-three million five hundred thousand dollars (\$33,500,000) shall be available to the Santa Monica Mountains Conservancy for watershed improvement, wildfire resilience, chaparral and forest restoration, and workforce development that addresses needs related to this subdivision and is designed to create career pathways for individuals from disadvantaged communities, severely disadvantaged communities, or vulnerable populations.

(k) Thirty-three million five hundred thousand dollars (\$33,500,000) shall be available to the State Coastal Conservancy for watershed improvement, wildfire resilience, chaparral and forest restoration, and workforce development that addresses needs related to this subdivision and is designed to create career pathways for individuals from disadvantaged communities, severely disadvantaged communities, or vulnerable populations.

(l) Thirty-three million five hundred thousand dollars (\$33,500,000) shall be available to the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy for watershed improvement, wildfire resilience, chaparral and forest restoration, and workforce development that addresses needs related to this subdivision and is designed to create career pathways for individuals from disadvantaged communities, severely disadvantaged communities, or vulnerable populations.

(m) Twenty-five million five hundred thousand dollars (\$25,500,000) shall be available to the San Diego Rivers Conservancy for watershed improvement, wildfire resilience, chaparral and forest restoration, and workforce development that addresses needs related to this subdivision and is designed to create career pathways for individuals from disadvantaged communities, severely disadvantaged communities, or vulnerable populations.

(n) Fifteen million dollars (\$15,000,000) shall be available to the Wildfire Conservancy to improve firefighter health and safety, advance fire attack effectiveness, and promote community resilience and awareness.

(o) Fifteen million dollars (\$15,000,000) shall be available to the California Fire Foundation to support vegetation mitigation and fuels reduction projects, public education and outreach, personal protective equipment, specialized firefighting equipment, and firefighter health and safety.

91530. Of the funds made available by Section 91500, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Department of Conservation or State Energy Resources Conservation and Development Commission for projects in California that



**Ch. 83**

— 20 —

provide long-term capital infrastructure to use forest and other vegetative waste removed for wildfire mitigation for noncombustible uses that maximize reductions in greenhouse gas emissions, provide local air quality benefits, and increase local community resilience against climate change impacts.

91535. Of the funds made available by Section 91500, twenty-five million dollars (\$25,000,000) shall be available, upon appropriation by the Legislature, to the Department of Forestry and Fire Protection for technologies that improve detection and assessment of new fire ignitions.

91540. (a) Of the funds made available by Section 91500, thirty-five million dollars (\$35,000,000) shall be available, upon appropriation by the Legislature, for uses to reduce wildfire risk related to electricity transmission.

(b) The proportion of any asset funded pursuant to this section shall be funded without return on equity for the lifetime of the proportion of that asset that would have otherwise been borne by ratepayers.

(c) The proportion of any projects funded pursuant to this section shall be excluded from the ratebase, and no costs may be collected from ratepayers.

91545. (a) Of the funds made available by Section 91500, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the California Conservation Corps or certified community conservation corps, as defined in Section 14507.5, and nonprofit workforce organizations for demonstrated jobs projects, including either of the following:

(1) Projects to mitigate unemployment and assist the state with the implementation of critical natural resources, transportation, energy, and housing infrastructure to promote climate resilience.

(2) Projects to prepare for, prevent, respond to, and rehabilitate following natural disasters, declared emergencies, or climate-related impacts to communities.

(b) At least 60 percent of the amount available pursuant to subdivision (a) shall be available to certified community conservation corps, as defined in Section 14507.5.

(c) Eligible workforce organizations include nonprofits, local agencies, and joint powers authorities that have programs that provide park and conservation employment training.

(d) The California Conservation Corps may expend the funds made available as grants to certified community conservation corps for purposes specified in this section.

91550. Projects funded pursuant to this chapter shall be consistent with the policies and guidelines established by the California Wildfire and Forest Resilience Action Plan, and by the Natural Resources Agency and the Department of Forestry and Fire Protection, if applicable.

## CHAPTER 4. COASTAL RESILIENCE

92000. The sum of one billion two hundred million dollars (\$1,200,000,000) shall be available, upon appropriation by the Legislature, to increase coastal and ocean resiliency and to protect coastal lands, waters, communities, natural resources, and urban waterfronts from sea level rise and other climate impacts. Eligible projects include, but are not limited to, projects to restore coastal wetlands and projects to address sea level rise.

92010. (a) Of the funds made available by Section 92000, four hundred fifteen million dollars (\$415,000,000) shall be available, upon appropriation by the Legislature, for projects identified by the State Coastal Conservancy for coastal resilience projects and programs, including, but not limited to, grants and expenditures to protect, restore, and increase the resilience of beaches, bays, coastal dunes, wetlands, coastal forests, watersheds, trails, and public access facilities. The funds made available pursuant to this section may be allocated to any of the following:

- (1) Grants through the Climate Ready Program pursuant to Section 31113.
- (2) Projects to protect coastal lands and restore habitats, including subtidal habitats, wetlands, riparian areas, redwood forests, grasslands, oak woodlands, and other important wildlife habitats, including projects to protect and restore healthy sea otter populations.
- (3) Natural infrastructure projects that use existing natural areas to minimize coastal flooding, erosion, and runoff.
- (4) Projects to restore coastal land for public uses on surplus land for formerly fossil-fueled powerplants.
- (5) Projects for purposes of the San Francisco Bay Area Conservancy Program established pursuant to Chapter 4.5 (commencing with Section 31160) of Division 21.
- (6) Lower cost coastal accommodation grants consistent with the Lower Cost Coastal Accommodations Program established pursuant to Section 31412.
- (7) Projects that are consistent with the San Francisco Bay Restoration Authority Act (Title 7.25 (commencing with Section 66700) of the Government Code).

(b) Of the funds made available pursuant to subdivision (a), not less than eighty-five million dollars (\$85,000,000) shall be available, upon appropriation by the Legislature, for projects that are consistent with the San Francisco Bay Restoration Authority Act (Title 7.25 (commencing with Section 66700) of the Government Code) or the San Francisco Bay Area Conservancy Program established pursuant to Chapter 4.5 (commencing with Section 31160) of Division 21, including, but not limited to, projects that address sea level rise, flood management, and wetland restoration.

92015. Of the funds made available by Section 92000, three hundred fifty million dollars (\$350,000,000) shall be available, upon appropriation by the Legislature, to the State Coastal Conservancy for the purpose of coastal and combined flood management projects and activities for developed shoreline areas, including areas with critical community infrastructure,

**Ch. 83**

— 22 —

including, but not limited to, transportation and port infrastructure at risk of current flooding and flooding due to sea level rise. Funds shall be allocated to multiple-benefit projects that improve public safety, including shoreline resilience projects designed to address flooding, sea level rise, and shoreline stability that include engineering with nature or nature-based features. These funds shall be available to local agencies as matching funds for federally funded coastal flood risk management and flood risk management projects.

92020. Of the funds made available by Section 92000, one hundred thirty-five million dollars (\$135,000,000) shall be available, upon appropriation by the Legislature, for deposit into the California Ocean Protection Trust Fund for grants to increase resilience from the impacts of climate change. Preference shall be given to projects that conserve, protect, and restore marine wildlife and healthy ocean and coastal ecosystems, including, but not limited to, estuarine habitat, kelp forests, eelgrass meadows, and native oyster beds, or that maintain the state's system of marine protected areas, and support sustainable fisheries. Funding may be used to purchase and install ocean current mapping infrastructure and new maritime research infrastructure to reduce emissions. The funds made available pursuant to this section may be used to establish a program with acre-based targets to advance habitat recovery projects that will contribute to protecting and restoring kelp forests, eelgrass meadows, and native oyster beds.

92030. Of the funds made available by Section 92000, seventy-five million dollars (\$75,000,000) shall be available, upon appropriation by the Legislature, to implement the California Sea Level Rise Mitigation and Adaptation Act of 2021 (Division 20.6.5 (commencing with Section 30970)).

92040. Of the funds made available by Section 92000, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Department of Parks and Recreation to implement the Sea Level Rise Adaptation Strategy to address the impacts of sea level rise in coastal state parks, support continued access and recreational opportunities, and protect coastal natural and cultural resources.

92050. Of the funds made available by Section 92000, seventy-five million dollars (\$75,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency and the Department of Fish and Wildlife for all of the following:

(a) To protect and restore island ecosystems by mitigating the threat of island invasive species and advancing biosecurity initiatives.

(b) To advance climate-ready fisheries management by expanding opportunities for experimentation and adaptive cooperative management, modernizing electronic fisheries data management systems, and increasing the use of electronic technologies to facilitate more nimble decisionmaking and timely management responses under changing ocean conditions.

(c) To support the restoration and management of kelp ecosystems.

92060. Of the funds made available by Section 92000, seventy-five million dollars (\$75,000,000) shall be allocated, upon appropriation by the Legislature, to the State Coastal Conservancy for grants or expenditures to

remove outdated or obsolete dams and for related water infrastructure. Projects may also increase climate resilience, enhance sediment supply, improve wildlife and fish passage, and modernize related water infrastructure, including related planning, monitoring, permitting, habitat restoration, and recreational improvements.

92070. Of the funds made available by Section 92000, twenty-five million dollars (\$25,000,000) shall be available, upon appropriation by the Legislature, to the Department of Fish and Wildlife for hatchery upgrades and expansions and for new conservation hatcheries that increase fish production and include the latest technologies to support species conservation and reintroduction efforts necessary to support genetically diverse populations of Central Valley Chinook Salmon.

92080. Projects funded pursuant to this chapter shall be consistent with the policies and guidelines established by the California Coastal Commission, the Department of Parks and Recreation, the Ocean Protection Council, the State Lands Commission, the San Francisco Bay Conservation and Development Commission, and the State Coastal Conservancy, if applicable.

#### CHAPTER 5. EXTREME HEAT MITIGATION

92500. The sum of four hundred fifty million dollars (\$450,000,000) shall be available, upon appropriation by the Legislature, to respond to severe weather and increasing temperatures, and address extreme heat and extreme heat events in communities. Priority shall be given to projects that provide meaningful direct benefits to disadvantaged communities, severely disadvantaged communities, and vulnerable populations.

92510. Of the funds made available by Section 92500, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Office of Planning and Research's Extreme Heat and Community Resilience Program to fund projects that reduce the impact of extreme heat, reduce the urban heat island effect, and build community resilience in order to strengthen communities that are vulnerable to the extreme heat impacts of climate change.

92520. Of the funds made available by Section 92500, one hundred fifty million dollars (\$150,000,000) shall be available, upon appropriation by the Legislature, to the Strategic Growth Council's Transformative Climate Communities Program established pursuant to Section 75240 for projects that provide local economic, environmental, and health benefits, and improve the resilience of priority populations, as defined by the Transformative Climate Communities Program guidelines.

92530. Of the funds made available by Section 92500, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for competitive grants for urban greening. These funds shall support projects that mitigate the urban heat island effect, rising temperatures, and extreme heat impacts. Eligible projects may include, but are not limited to, the creation and expansion of

**Ch. 83**

— 24 —

green streets and alleyways, and investments that support an expanded urban greening program that supports the creation of green recreational parks and green schoolyards in park-poor communities.

92540. Of the funds made available by Section 92500, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Department of Forestry and Fire Protection to protect or augment California's urban forests pursuant to Section 4799.12. Projects shall contribute to mitigating the urban heat island effect and extreme heat impacts.

92550. (a) Of the funds made available by Section 92500, sixty million dollars (\$60,000,000) shall be available, upon appropriation by the Legislature, to the Office of Emergency Services and the Strategic Growth Council for competitive grants for the creation of strategically located community resilience centers across diverse regions of the state at eligible community facilities. These grants shall be awarded to eligible community facilities that model integrated delivery of emergency response services during disruptions, including zero-emission backup power, drinking water, clean air, cooling, food storage, shelter, telecommunications and broadband services, economic assistance, accommodation of pets, and other health protection measures and emergency resources during a disaster, state of emergency, local emergency, or deenergization event. Grants shall be prioritized to proposed centers that demonstrate involvement of community-based organizations and community residents within governance and decisionmaking processes.

(b) The Office of Emergency Services and the Strategic Growth Council shall coordinate with the Department of Food and Agriculture to ensure there is no duplication with funding awarded under Section 92560.

(c) For purposes of this section, the following definitions apply:

(1) "Deenergization event" means a preventative measure to deenergize all, or a portion, of an electric generation, distribution, or transmission system when the electricity provider reasonably believes there is an imminent and significant risk that strong winds, or other extreme and potentially dangerous weather events, increase the probability of a wildfire.

(2) "Eligible community facilities" include, but are not limited to, senior and youth centers, park and recreation sites, libraries, health clinics, hospitals, schools, town halls, food banks, homeless shelters, childcare facilities, community centers, community nonprofit facilities providing essential services, places of worship, mobile sites, and fairgrounds.

92560. Of the funds made available by Section 92500, forty million dollars (\$40,000,000) shall be available, upon appropriation by the Legislature, to the Department of Food and Agriculture for grants to fairgrounds operated by the network of California fairs for modifications or upgrades that do one or both of the following activities:

(a) Enhance the ability of those facilities to serve as multirole community, staging, and evacuation centers to provide community resilience benefits during a disaster, state of emergency, local emergency, or deenergization event.

(b) Deploy communications and broadband infrastructure at those facilities to improve their capability to serve as multirole community, staging, and evacuation centers and enhance local telecommunications service.

92570. Projects funded pursuant to this chapter shall be consistent with the policies and guidelines established by the Protecting Californians From Extreme Heat: A State Action Plan to Build Community Resilience, and the Office of Planning and Research's Extreme Heat and Community Resilience Program, if applicable.

CHAPTER 6. PROTECT BIODIVERSITY AND ACCELERATING NATURE-BASED CLIMATE SOLUTIONS

93000. The sum of one billion two hundred million dollars (\$1,200,000,000) shall be available, upon appropriation by the Legislature, for the protection of California's biodiversity and to protect nature and restore landscape health to achieve California's climate change goals.

93010. (a) Of the funds made available by Section 93000, eight hundred seventy million dollars (\$870,000,000) shall be available, upon appropriation by the Legislature, to the Wildlife Conservation Board for grant programs to protect and enhance fish and wildlife resources and habitat and achieve the state's biodiversity, public access, and conservation goals. Eligible programs include, but are not limited to, any of the following:

- (1) Land acquisition.
- (2) Habitat enhancement and restoration.
- (3) Rangeland, grazing land, and grassland protection.
- (4) Inland wetland conservation.
- (5) Ecosystem restoration on agricultural lands.
- (6) Climate adaptation and resiliency.
- (7) Monarch butterfly and pollinator rescue.
- (8) Desert conservation.
- (9) Oak woodland conservation.
- (10) Purposes of reimbursing the General Fund, pursuant to the Natural Heritage Preservation Tax Credit Act of 2000 (Division 28 (commencing with Section 37000)).

(b) Funding made available pursuant to subdivision (a) shall not be used to reduce or offset environmental mitigation or compliance obligations otherwise required, but may be used as part of a funding partnership to enhance, expand, or augment conservation efforts required by mitigation. Nothing in this subdivision authorizes the expenditure of bond funds for voluntary agreements as described in Section 80114.

93020. (a) Of the funds made available by Section 93000, three hundred twenty million dollars (\$320,000,000) shall be available, upon appropriation by the Legislature, to reduce the risks of climate change impacts upon communities, fish and wildlife, and natural resources, and increase public access, and shall be allocated in accordance with the following schedule:

- (1) Baldwin Hills Conservancy, forty-eight million dollars (\$48,000,000).

**Ch. 83**

— 26 —

(2) California Tahoe Conservancy, twenty-nine million dollars (\$29,000,000).

(3) Coachella Valley Mountains Conservancy, eleven million dollars (\$11,000,000).

(4) Sacramento-San Joaquin Delta Conservancy, twenty-nine million dollars (\$29,000,000).

(5) San Diego River Conservancy, forty-eight million dollars (\$48,000,000).

(6) San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, forty-eight million dollars (\$48,000,000).

(7) San Joaquin River Conservancy, eleven million dollars (\$11,000,000).

(8) Santa Monica Mountains Conservancy, forty-eight million dollars (\$48,000,000).

(9) Sierra Nevada Conservancy, forty-eight million dollars (\$48,000,000).

(b) Up to 5 percent of the funds made available pursuant to this section may be allocated for community access projects that benefit disadvantaged communities, severely disadvantaged communities, and vulnerable populations and that include, but are not limited to, the following:

(1) Transportation.

(2) Physical activity programming.

(3) Resource interpretation.

(4) Multilingual translation.

(5) Natural science.

(6) Workforce development and career pathways.

(7) Education.

(8) Communication related to water, parks, climate, coastal protection, and other outdoor pursuits.

93030. Of the funds made available by Section 93010, one hundred eighty million dollars (\$180,000,000) shall be available, upon appropriation by the Legislature, to the Wildlife Conservation Board for projects to improve habitat connectivity and establish wildlife crossings and corridors, including eighty million dollars (\$80,000,000) to establish the San Andreas Corridor Program for the protection and restoration of wildlife corridors along the inner Coast Ranges and the San Andreas Fault.

93040. Of the funds made available by Section 93000, ten million dollars (\$10,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for the Tribal Nature-Based Solutions Program.

93050. Of the funds made available by Section 93010, twenty two million dollars (\$22,000,000) shall be available, upon appropriation of the Legislature, to the Wildlife Conservation Board for projects for climate change adaptation improvements to protect, conserve, and restore the health and resilience of the southern Ballona Creek Watershed.

93060. Projects funded pursuant to this chapter shall be consistent with the policies and guidelines established by the Wildlife Conservation Board, the Pathways to 30x30 strategy, the Natural and Working Lands Climate

Smart Strategy, California's 2022 Scoping Plan for Achieving Carbon Neutrality, and the California Climate Adaptation Strategy, if applicable.

CHAPTER 7. CLIMATE SMART, SUSTAINABLE, AND RESILIENT FARMS,  
RANCHES, AND WORKING LANDS

93500. The sum of three hundred million dollars (\$300,000,000) shall be available, upon appropriation by the Legislature, for improving climate resilience and sustainability of agricultural lands.

93510. Of the funds made available by Section 93500, one hundred five million dollars (\$105,000,000) shall be available, upon appropriation by the Legislature, to the Department of Food and Agriculture's Office of Environmental Farming and Innovation for improvements in climate resilience of agricultural lands and ecosystem health and allocated to eligible projects as follows:

(a) Sixty-five million dollars (\$65,000,000) shall be available for grants to promote practices on farms and ranches that improve soil health, or accelerate atmospheric carbon removal or soil carbon sequestration.

(b) Forty million dollars (\$40,000,000) shall be available for the State Water Efficiency and Enhancement Program to promote onfarm water use efficiency with a focus on multiple-benefit projects that improve resilience to climate change and save water on California agricultural operations.

(c) Funds allocated pursuant to this section shall be allocated to projects that provide meaningful and direct benefits to socially disadvantaged farmers and ranchers.

93520. Of the funds made available by Section 93500, twenty million dollars (\$20,000,000) shall, upon appropriation by the Legislature, be deposited in the Invasive Species Account established pursuant to Section 7706 of the Food and Agricultural Code for purposes of funding invasive species projects and activities recommended by the Invasive Species Council of California. Preference shall be given to projects that restore and protect biodiversity and ecosystem health. Consideration shall be given to geographic equity.

93530. Of the funds made available by Section 93500, fifteen million dollars (\$15,000,000) shall be available, upon appropriation by the Legislature, to the Department of Conservation for projects for the protection, restoration, conservation, and enhancement of farmland and rangeland, including, but not limited to, the acquisition of fee title or easements, that improve climate resilience, open-space soil health, atmospheric carbon removal, soil carbon sequestration, erosion control, watershed health, water quality, or water retention. Projects shall provide multiple benefits. In awarding funds for farmland and rangeland projects pursuant to this section, the Department of Conservation shall give preference to projects for small- and medium-sized farms.

93540. Of the funds made available by Section 93500, ninety million dollars (\$90,000,000) shall be available, upon appropriation by the



**Ch. 83**

— 28 —

Legislature, to the Department of Food and Agriculture for grants that benefit small- and medium-sized farms, socially disadvantaged farmers, beginning farmers or ranchers, and veteran farmers or ranchers, as defined, and increase the sustainability of agricultural infrastructure and facilities that support food systems, and increase market access. Funding made available pursuant to this section shall be allocated as follows:

(a) Twenty million dollars (\$20,000,000) shall be available for infrastructure related to certified mobile farmers' markets, including, but not limited to, a mobile farmers' market vehicle, refrigeration, and other equipment to comply with relevant Health and Safety Code sections and regulations.

(b) Twenty million dollars (\$20,000,000) shall be available to develop year-round infrastructure for certified farmers' markets, as defined in Section 47004 of the Food and Agricultural Code, fishermen's markets, as defined in Section 113780 of the Health and Safety Code, or tribe-operated or native-serving farmers' markets, including, but not limited to, all of the following:

(1) All-weather infrastructure such as canopies and shade structures, tables and seating, market stalls, restrooms and hand wash stations, tent weights and tie-downs, produce washing stations, barricades and bollards for traffic management and pedestrian safety, bicycle parking racks, and other equipment.

(2) Facilities for food preparation, cooking demonstrations, and other nutrition education.

(3) Wireless electronic benefits transfer point-of-sale terminals for market managers and producers to process CalFresh transactions.

(4) Wireless electronic benefits transfer point-of-sale terminals for producers to accept the electronic cash value benefit through the program designed to implement the federal WIC Farmers' Market Nutrition Act of 1992 (Public Law 102-314) pursuant to Section 123279 of the Health and Safety Code, or equivalent tribal programs.

(5) Other equipment to support the seniors farmers' market nutrition program, as described in Section 3007 of Title 7 of the United States Code, or equivalent tribal programs.

(c) Twenty million dollars (\$20,000,000) shall be available for urban agriculture projects that create or expand city or suburban community farms or gardens, including community food producers, as defined in Section 113752 of the Health and Safety Code, through in-ground small plot cultivation, raised beds, mushroom growing, rooftop farms, and cultivation of vacant lots and in parks.

(d) Fifteen million dollars (\$15,000,000) shall be available for grants for regional farm equipment sharing. Preference shall be given to projects and programs that benefit small- and medium- sized farms and socially disadvantaged farmers and ranchers.

(e) Fifteen million dollars (\$15,000,000) shall be available to advance tribes' food sovereignty to grow, produce, procure, and distribute foods that reflect Native American culture and traditions and support the development

of tribal producers and vendors, including, but not limited to, the following projects:

- (1) Irrigation and water infrastructure.
- (2) Utility and power infrastructure.
- (3) Food processing infrastructure.

93550. (a) Of the funds made available by Section 93500, thirty million dollars (\$30,000,000) shall be available, upon appropriation by the Legislature, to the Department of Conservation, in consultation with the California Agricultural Land Equity Task Force at the Strategic Growth Council, to improve land access and tenure for socially disadvantaged farmers or ranchers, tribal producers, and beginning farmers and ranchers.

(b) The Department of Conservation may make low-interest loans to qualified entities, which shall include land trusts, nonprofit organizations, public agencies, farmer cooperatives, tribal governments, or tribal entities, for the purpose of acquiring agricultural lands to transfer or provide long-term leases to socially disadvantaged farmers or ranchers and beginning farmers and ranchers.

(c) Any agricultural land acquired pursuant to this section shall be required to have an agricultural land conservation easement before being leased or transferred, and the department may require additional appropriate resale restrictions, such as affordability provisions, preemptive purchase right, or shared appreciation consistent with the purposes of this subdivision.

(d) The department shall ensure that the proceeds of future resales of land continue to be used for purposes of this chapter.

93560. Of the funds made available by Section 93500, fifteen million dollars (\$15,000,000) shall be available, upon appropriation by the Legislature, to the California Vanpool Authority for grants for the deployment of vanpool vehicles, clean technologies, and related facilities, including, but not limited to, charging and alternative fuel infrastructure, for use by low-income agricultural workers.

93570. Of the funds made available by Section 93500, fifteen million dollars (\$15,000,000) shall be available, upon appropriation by the Legislature, to the State Department of Education, in consultation with the Department of Food and Agriculture, for purposes of providing grants to public postsecondary educational institutions that are designated as Agricultural Experiment Stations or Agricultural Research Institutes, to develop research farms to improve climate resiliency. Funding provided pursuant to this section shall not exceed one million dollars (\$1,000,000) per institution and shall be constructed and maintained with environmentally sustainable infrastructure practices.

93580. Of the funds made available by Section 93500, ten million dollars (\$10,000,000) shall be available, upon appropriation by the Legislature, as part of the Farmworker Housing Component of the Low-Income Weatherization Program through the Department of Community Services and Development, to low-income farmworker households for no-cost energy efficiency upgrades designed to reduce greenhouse gas emissions by saving energy. These energy efficiency upgrades shall include, but are not limited

**Ch. 83**

— 30 —

to, insulation, central heating and cooling system upgrades, lighting upgrades, and window replacement.

93590. For purposes of this chapter, the following definitions apply:

(a) “Beginning farmer or rancher” means a farmer or rancher who has not actively operated and managed a farm or ranch with a bona fide insurable interest in a crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than five crop years, as determined by the United States Secretary of Agriculture and as defined in Section 1502 of Title 7 of the United States Code.

(b) “Veteran farmer or rancher” means a farmer or rancher who is all of the following:

(1) Has served in the United States Armed Forces, as defined in Section 101 of Title 38 of the United States Code.

(2) Meets either of the following:

(A) Has not operated a farm or ranch.

(B) Has operated a farm or ranch for not more than five years.

(3) Is a veteran, as defined in Section 101 of Title 38 of the United States Code, who first obtained status as a veteran during the most recent five-year period.

(4) Is a beginning veteran farmer or rancher, as that term is used in Section 1502 of Title 7 of the United States Code.

93600. Projects funded pursuant to this chapter shall be consistent with the policies and guidelines established by the Department of Food and Agriculture and the Natural and Working Lands Climate Smart Strategy, if applicable.

#### CHAPTER 8. PARK CREATION AND OUTDOOR ACCESS

94000. The sum of seven hundred million dollars (\$700,000,000) shall be available, upon appropriation by the Legislature, for the creation and protection of parks, outdoor access, and educational institutions and facilities.

94010. (a) Of the funds made available by Section 94000, two hundred million dollars (\$200,000,000) shall be available, upon appropriation by the Legislature, to the Department of Parks and Recreation for the creation, expansion, and renovation of safe neighborhood parks in park-poor neighborhoods in accordance with the Statewide Park Development and Community Revitalization Act of 2008’s competitive grant program described in Chapter 3.3 (commencing with Section 5640) of Division 5.

(b) When administering grants pursuant to subdivision (a), priority shall be given to projects that provide multiple benefits, including, but not limited to, mitigating impacts of extreme heat, sea level rise, or flooding, enhancing stormwater capture, improving air quality, supporting local biodiversity, and other environmental benefits.

(c) Of the amount available pursuant to subdivision (a), not less than 10 percent shall be available for the rehabilitation, repurposing, or substantial improvement of existing park infrastructure that will lead to increased use

and enhanced user experiences or increase access, including, but not limited to, for individuals with disabilities, as defined by the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.).

94020. Of the funds made available by Section 94000, two hundred million dollars (\$200,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency and its departments, boards, and conservancies for the reduction of climate impacts on disadvantaged communities and vulnerable populations and the creation, protection, and expansion of outdoor recreation opportunities. Eligible projects include, but are not limited to, any of the following:

(a) Improvements to city parks, county parks, regional parks, and open-space lands to preserve infrastructure, including natural infrastructure, to promote resilience and adaptation or the promotion and enhancement of natural resources and water conservation and efficiencies on local and regional public park lands and open-space lands.

(b) Funding for park-poor communities experiencing a significant loss of parks or open and recreation space resulting from climate-related infrastructure projects.

(c) Multiple-benefit projects that reduce risks of exposure to toxic or hazardous materials that may increase as a result of wildfires, flooding, sea level rise, or reduced water flows to polluted bodies of water.

(d) Improved public access, including for individuals with disabilities, as defined by the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), and outdoor recreation at state parks, city parks, county parks, regional parks, and open-space preserves.

(e) Protection, restoration, and enhancement of the natural resource values of the state park system and projects to expand public access for disadvantaged communities, including, but not limited to, the expansion of lower cost coastal accommodation project development.

(f) Coastal public access infrastructure for disadvantaged communities, including, but not limited to, trails, parking areas, restrooms, bicycle lanes, and transportation improvements, including projects consistent with a public access program pursuant to Section 30610.81.

(g) Projects for the creation and improvement of local parks to correct historic underinvestment in communities identified by the department as park deficient for active recreational infrastructure, including aquatic centers, to encourage youth health, fitness, and recreational pursuits.

94030. Of the funds made available by Section 94000, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency and its departments, boards, and conservancies for the protection, restoration, and enhancement of the natural resource values of the state park system and for projects to expand recreational opportunities and public access to state and public park nonmotorized trails. Projects may include enhancing and expanding existing trails and creating new trails.

94040. Of the funds made available by Section 94000, one hundred seventy-five million dollars (\$175,000,000) shall be available, upon

**Ch. 83**

— 32 —

appropriation by the Legislature, to the Department of Parks and Recreation to implement projects to address the department's backlog of deferred maintenance.

94050. Of the funds made available by Section 94000, twenty-five million dollars (\$25,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for grants to nature and climate education and research facilities, nonprofit organizations and public institutions, natural history museums, California zoos and aquariums accredited by the Association of Zoos and Aquariums, and geologic heritage sites that serve diverse populations. Grants may be used for buildings, equipment, structures, and exhibit galleries that present collections to promote climate, biodiversity, and cultural literacy. Projects may support species recovery and biodiversity protection in order to advance the state's 30x30 conservation goal.

94060. Projects funded pursuant to this chapter shall be consistent with the policies and guidelines established by the Natural Resources Agency, the Outdoors for All strategy, and the Pathways to 30x30 strategy, if applicable.

## CHAPTER 9. CLEAN AIR

94500. The sum of eight hundred fifty million dollars (\$850,000,000) shall be available, upon appropriation by the Legislature, for clean energy projects.

94510. (a) The proportion of any asset funded pursuant to this section or Section 94520 or 94530 shall be funded without return on equity for the lifetime of the proportion of that asset that would have otherwise been borne by ratepayers.

(b) The proportion of any projects funded pursuant to this section or Section 94520 or 94530 shall be excluded from the ratebase, and no costs may be collected from ratepayers.

(c) It is the intent of the Legislature that bond moneys shall not be used for shareholder incentives or profits for shareholders of private corporations.

94520. (a) Of the funds made available by Section 94500, three hundred twenty-five million dollars (\$325,000,000) shall be available, upon appropriation by the Legislature, to the California Infrastructure and Economic Development Bank, the State Energy Resources Conservation and Development Commission, or any other entity chosen by the Legislature, upon appropriation by the Legislature, for the public financing of clean energy transmission projects that are necessary to meet the state's clean energy goals to reduce or offset ratepayer costs associated with the public benefits of transmission projects.

(b) Preference may be given to projects under this section that provide multiple benefits, including, but not limited to, reducing the risk of wildfire, reducing reliance on fossil fuel plants in disadvantaged communities, and

reducing rate pressure, including reconductoring and other grid-enhancing technologies.

94530. Of the funds made available by Section 94500, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the State Energy Resources Conservation and Development Commission for grants or loans to support the Long-Duration Energy Storage Program. Eligible uses may also include zero-emissions distributed energy backup assets, virtual power plants, and demand side grid support.

94540. (a) Of the funds made available by Section 94500, four hundred seventy-five million dollars (\$475,000,000) shall be available, upon appropriation by the Legislature, to the State Energy Resources Conservation and Development Commission to support any of the following activities related to the development of offshore wind generation:

(1) Construction of publicly owned port facilities for manufacturing, assembly, staging, and integration of entitlements and components for offshore wind generation.

(2) Expansion and improvement of public port infrastructure to accommodate vessels involved in the installation, maintenance, and operation of offshore wind generation.

(3) Upgrades to port facilities.

(b) The commission may expend moneys made available pursuant to subdivision (a) consistent with the strategic plan developed pursuant to Section 25991.

(c) The commission shall prioritize projects that can show matching funds or that are located at staging and integration ports that have released a notice of preparation pursuant to the California Environmental Quality Act process on or before February 29, 2024.

#### CHAPTER 10. FISCAL PROVISIONS

95000. (a) Bonds in the total amount of ten billion dollars (\$10,000,000,000), not including the amount of any refunding bonds issued in accordance with Section 95012, may be issued and sold for carrying out the purposes expressed in this division and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, issued, and delivered, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both the principal of, and interest on, the bonds as the principal and interest become due and payable.

(b) The Treasurer shall cause the issuance and sell the bonds authorized by the committee pursuant to subdivision (a) in the amount determined by the committee to be necessary or desirable pursuant to Section 95003. The bonds shall be issued and sold upon the terms and conditions specified in a resolution to be adopted by the committee pursuant to Section 16731 of the Government Code.

**Ch. 83**

— 34 —

95001. The bonds authorized by this division shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law, and all of the provisions of that law, except subdivisions (a) and (b) of Section 16727 of the Government Code, apply to the bonds and to this division and are hereby incorporated in this division as though set forth in full in this division.

95002. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this division, the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Finance Committee is hereby created. For purposes of this division, the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Finance Committee is the “committee,” as that term is used in the State General Obligation Bond Law.

(b) The committee consists of the Director of Finance, the Treasurer, the Controller, the Secretary of the Natural Resources Agency, and the Secretary for Environmental Protection. Notwithstanding any other law, any member may designate a representative to act as that member in that member’s place for all purposes, as though the member were personally present.

(c) The Treasurer shall serve as the chairperson of the committee.

(d) A majority of the committee may act for the committee.

95003. The committee shall by resolution determine whether or not it is necessary or desirable to issue and sell bonds authorized by this division in order to carry out the actions specified in this division and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

95004. For purposes of the State General Obligation Bond Law, “board,” as defined in Section 16722 of the Government Code, means the Secretary of the Natural Resources Agency.

95005. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds becoming due in that year. It is the duty of all officers charged by law with any duty regarding the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

95006. Notwithstanding Section 13340 of the Government Code, there is hereby continuously appropriated from the General Fund in the State Treasury, for the purposes of this division, and without regard to fiscal years, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this division, as the principal and interest become due and payable.

(b) The sum that is necessary to carry out Section 95009.

95007. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account or any other form

of interim financing in accordance with Section 16312 of the Government Code, for the purpose of carrying out this division. The amount of the request shall not exceed the amount of the unsold bonds that the committee has, by resolution, authorized to be sold for the purpose of carrying out this division, excluding any refunding bonds authorized pursuant to Section 95012, less any amount loaned and not yet repaid pursuant to this section and any amount withdrawn from the General Fund pursuant to Section 95009 and not yet returned to the General Fund. The board shall execute those documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated in accordance with this division.

95008. Notwithstanding any other provision of this division, or of the State General Obligation Bond Law, if the Treasurer sells bonds pursuant to this chapter that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes under designated conditions or is otherwise entitled to any federal tax advantage, the Treasurer may maintain separate accounts for the bond proceeds invested and for the investment earnings on those proceeds and may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or take any other action with respect to the investment and use of those bond proceeds, as may be required or desirable under federal law in order to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

95009. For purposes of carrying out this division, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds that have been authorized by the committee to be sold for the purpose of carrying out this division, excluding refunding bonds authorized pursuant to Section 95012, less any amount loaned pursuant to Section 95007 and not yet repaid and any amount withdrawn from the General Fund pursuant to this section and not yet returned to the General Fund. Any amounts withdrawn shall be deposited in the fund to be allocated in accordance with this division. Any moneys made available under this section shall be returned to the General Fund, with interest at the rate earned by the moneys in the Pooled Money Investment Account, from proceeds received from the sale of bonds for the purpose of carrying out this division.

95010. All moneys deposited in the fund that are derived from premiums and accrued interest on bonds sold pursuant to this division shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest, except that amounts derived from premiums may be reserved and used to pay costs of bond issuance before any transfer to the General Fund.

95011. Pursuant to the State General Obligation Bond Law, the cost of bond issuance shall be paid or reimbursed out of the bond proceeds, including premiums, if any. To the extent the cost of bond issuance is not paid from premiums received from the sale of bonds, these costs shall be allocated



**Ch. 83**

— 36 —

proportionally to each program funded through this division by the applicable bond sale.

95012. The bonds issued and sold pursuant to this division may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state for the issuance of the bonds under this division shall include approval of the issuance, sale, or exchange of any bonds issued to refund any bonds originally issued under this division or any previously issued refunding bonds. Any bond refunded with the proceeds of a refunding bond as authorized by this section may be legally defeased to the extent permitted by law in the manner and to the extent set forth in the resolution, as amended from time to time, authorizing that refunded bond.

95013. Notwithstanding Section 16727 of the Government Code, funds provided pursuant to this division may be used for grants and loans to nonprofit organizations to repay financing described in Section 22064 of the Financial Code related to projects that are consistent with the purpose of the respective provisions of this division.

95014. The proceeds from the sale of bonds authorized by this division are not “proceeds of taxes” as that term is used in Article XIII B of the California Constitution, and the disbursement of these proceeds is not subject to the limitations imposed by that article.

95015. Bonds issued under this division may, whenever practical, be aligned with generally recognized principles and best practices guidelines for financing climate mitigation, adaptation, or resilience projects.

SEC. 3. Section 2 of this act shall take effect upon the approval by the voters of the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024, as set forth in Section 2 of this act.

SEC. 4. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

SEC. 5. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to place the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 on the November 5, 2024, statewide general election ballot and to expedite the implementation of the projects supported by that bond act for the protection of public health, safety, and the environment, it is necessary for this measure to take effect immediately.

O

PROPOSITION **4** **AUTHORIZES BONDS FOR SAFE DRINKING WATER, WILDFIRE PREVENTION, AND PROTECTING COMMUNITIES AND NATURAL LANDS FROM CLIMATE RISKS. LEGISLATIVE STATUTE.**

**OFFICIAL TITLE AND SUMMARY**

PREPARED BY THE ATTORNEY GENERAL

The text of this measure can be found on page 75 and the Secretary of State’s website at [voterguide.sos.ca.gov](http://voterguide.sos.ca.gov).

4

- Authorizes \$10 billion in state general obligation bonds for various projects to reduce climate risks and impacts: \$3.8 billion for safe drinking water and water resilience; \$1.95 billion for wildfire prevention and extreme heat mitigation; \$1.9 billion for protection of natural lands, parks, and wildlife; \$1.2 billion for protection of coastal lands, bays, and oceans; \$850 million for clean energy; and \$300 million for agriculture.
- Prioritizes projects benefitting disadvantaged communities.
- Requires annual audits.
- Appropriates money from General Fund to repay bonds.

**SUMMARY OF LEGISLATIVE ANALYST’S ESTIMATE OF NET STATE AND LOCAL GOVERNMENT FISCAL IMPACT:**

- Increased state costs of about \$400 million annually for 40 years to repay the bond.

**State Bond Cost Estimate**

Amount borrowed	\$10 billion
Average repayment cost	\$400 million per year over 40 years
Source of repayment	General tax revenue

FINAL VOTES CAST BY THE LEGISLATURE ON SB 867 (PROPOSITION 4)  
(CHAPTER 83, STATUTES OF 2024)

Senate:	Ayes 33	Noes 6
Assembly:	Ayes 66	Noes 6

**ANALYSIS BY THE LEGISLATIVE ANALYST**

**BACKGROUND**

**State Pays for Natural Resources and Climate Activities.** The state pays for many activities aimed at conserving natural resources, as well as responding to the causes and effects of climate change (“natural resources and climate activities”). These activities focus on increasing the amount of water available for use, conserving land to benefit fish and wildlife, increasing recreational opportunities at state and local parks, and other purposes. In some cases, state government agencies perform natural resources and climate activities. In other cases, the state provides grants and loans to local governments, not-for-profit organizations, and businesses to support similar activities.

**State Pays for Natural Resources and Climate Activities in Various Ways.** Sometimes the state pays up front for natural resources and climate

activities with money it already has. In other cases, the state pays for these activities by using bonds. Bonds are a way that the state borrows money and then repays the money plus interest over time. (For more information about bonds, please see “Overview of State Bond Debt” later in this guide.)

Over the past decade, the state has spent an average of about \$13 billion each year (annually) on natural resources and climate activities. About 15 percent of this amount has been from bonds. The state still has a few billion dollars remaining from prior natural resources and climate bonds that have not yet been committed for specific activities.

**Local and Federal Governments Also Pay for Similar Activities.** In addition to the state funding, other entities also pay for natural resources and climate activities. For example,

AUTHORIZES BONDS FOR SAFE DRINKING WATER, WILDFIRE PREVENTION, AND PROTECTING COMMUNITIES AND NATURAL LANDS FROM CLIMATE RISKS. LEGISLATIVE STATUTE. **PROPOSITION 4**

4

**ANALYSIS BY THE LEGISLATIVE ANALYST**

CONTINUED

in some areas, local governments pay for water and energy infrastructure as part of their roles as local utilities. Local governments such as cities and counties also pay for local parks. The federal government also pays for various natural resources and climate activities. For example, the federal government provides money to improve local drinking water systems and to build energy infrastructure.

\$10 billion bond for natural resources and climate activities. Much of the bond money would be used for loans and grants to local governments, Native American tribes, not-for-profit organizations, and businesses. Some bond money also would be available for state agencies to spend on state-run activities.

**PROPOSAL**

***New Bond for Natural Resources and Climate Activities.*** Proposition 4 allows the state to sell a

***Funding Would Pay for a Variety of Activities.*** As shown in Figure 1, Proposition 4 pays for activities within eight broad categories, each with different goals. Some of the main activities in each category are summarized below:

Figure 1

**Key Goals of Proposition 4 Bond Funds**  
(In Millions)

Category	Key Goals	Amount
<b>Drought, Flood, and Water Supply</b>	Increase the amount and quality of water available for people to use and reduce the risk of flooding.	\$3,800
<b>Forest Health and Wildfire Prevention</b>	Improve the health of forests and protect communities from wildfires.	1,500
<b>Sea-Level Rise and Coastal Areas</b>	Reduce the risks from sea-level rise, restore coastal areas, and protect fish.	1,200
<b>Land Conservation and Habitat Restoration</b>	Protect and restore natural areas.	1,200
<b>Energy Infrastructure</b>	Support the state’s shift to more renewable sources of energy, such as offshore wind.	850
<b>Parks</b>	Expand, renovate, and repair local and state parks.	700
<b>Extreme Heat</b>	Reduce the effects of extreme heat on communities.	450
<b>Farms and Agriculture</b>	Help farms respond to the effects of climate change and become more sustainable.	300
<b>Total</b>		<b>\$10,000</b>

PROPOSITION  
**4** AUTHORIZES BONDS FOR SAFE DRINKING WATER, WILDFIRE PREVENTION, AND PROTECTING COMMUNITIES AND NATURAL LANDS FROM CLIMATE RISKS. LEGISLATIVE STATUTE.

## ANALYSIS BY THE LEGISLATIVE ANALYST

CONTINUED

4

- ***Drought, Flood, and Water Supply (\$3.8 Billion)***. Roughly half of this money would be for activities to increase the amount and quality of water available for people to use (\$1.9 billion). This would include storing water so it can be used during future droughts, as well as cleaning polluted water to make it safe to drink. Money would also be used to help reduce the risk of floods, such as by repairing dams and capturing and reusing stormwater (\$1.1 billion). The rest of the money would be used for various activities, such as restoring rivers and lakes.
  - ***Forest Health and Wildfire Prevention (\$1.5 Billion)***. All of this money would support activities to improve the health of forests and reduce the risk of severe and destructive wildfires. This would include thinning trees in forests that are overgrown and clearing vegetation near where people live. Money would also be used for other activities, such as helping homeowners make their properties more resistant to wildfire damage.
  - ***Sea-Level Rise and Coastal Areas (\$1.2 Billion)***. Most of this money would pay for activities to restore coastal areas and protect them from the effects of rising sea levels (\$890 million). This could include restoring wetlands so they can serve as buffers to rising sea levels. The rest of this money would be used to improve ocean habitats and protect fish and other marine wildlife (\$310 million).
  - ***Land Conservation and Habitat Restoration (\$1.2 Billion)***. This money would be used to protect and restore land for the benefit of fish and wildlife. For example, it could support purchasing land to set aside so that it is not developed.
  - ***Energy Infrastructure (\$850 Million)***. More than half of this money would support the development of wind turbines off the California coast (\$475 million). Most of the remaining money would pay for building infrastructure such as transmission lines to carry electricity long distances (\$325 million). The rest of the money would pay for projects to build large batteries that store electricity for when it is needed (\$50 million).
  - ***Parks (\$700 Million)***. The bulk of this money would support various activities that expand recreational opportunities at parks or reduce the impacts of climate change on parks (\$300 million). These activities could include adding new trails and parking areas. Some of this money would provide grants to local communities to build new parks or renovate existing parks (\$200 million). The rest of this money would be used to repair state parks and provide nature education (\$200 million).
  - ***Extreme Heat (\$450 Million)***. Much of this money would pay for activities focused on protecting communities from extreme heat (\$200 million). These activities could include adding trees and greenspaces. Money would also support places for people to go during heatwaves or disasters (\$100 million). The rest of the money would provide grants for local communities to conduct activities that provide environmental benefits, such as reducing air pollution (\$150 million).
  - ***Farms and Agriculture (\$300 Million)***. Much of this money would be used for activities that encourage farmers to improve soil health, reduce air pollution, and use less water (\$105 million). This money would also support community gardens and farmers' markets, such as by purchasing shade canopies (\$60 million). The rest of this money would support a range of other activities, such as purchasing vans to transport farmworkers and conserving farmland.
- Establishes Other Requirements for the Use of Funds.*** Proposition 4 requires the bond money to be used in certain ways. For example, at least 40 percent of bond money must be used for activities that directly benefit communities that

AUTHORIZES BONDS FOR SAFE DRINKING WATER, WILDFIRE PREVENTION, AND PROTECTING COMMUNITIES AND NATURAL LANDS FROM CLIMATE RISKS. LEGISLATIVE STATUTE. PROPOSITION **4**

**4**

## ANALYSIS BY THE LEGISLATIVE ANALYST

CONTINUED

have lower incomes or are more vulnerable to the impacts of climate change. Proposition 4 also requires regular public reporting of how the bond money is spent.

## FISCAL EFFECTS

**Increased State Costs of About \$400 Million Annually for 40 Years to Repay the Bond.** The estimated cost to repay the bond would be **about \$400 million annually over a 40-year period.**

Payments would be made from the state General Fund. (The General Fund is the account the state uses to pay for most public services, including education, health care, and prisons.) This would be less than one-half of 1 percent of the state's total General Fund budget. Since the state has to pay interest on the money it borrows, the total cost of the bond would be about 10 percent more (after adjusting for inflation) than if the state paid up front with money it already has.

**Likely Reduced Local Costs for Natural Resources and Climate Activities.** The availability of state bond funds could have various fiscal effects on local governments. In some cases, the additional state funding could replace local government money that would otherwise be needed to pay for a project. For example, this could include using bond funds to help support an essential water treatment facility the local government otherwise would have needed to fund by itself. In other

cases, however, the availability of state funds could encourage local governments to spend more money to build larger projects than they otherwise would. For example, this could include adding additional amenities to a local park. On net, Proposition 4 likely would result in savings to local governments. The amount of these savings is uncertain but could average tens of millions of dollars annually over the next few decades.

**Potential State and Local Savings if Funding Prevents Disasters.** To the extent the bond funds result in completing activities that reduce the risk or amount of damage from disasters, it could reduce state and local costs for responding to and recovering from those events. For example, improving a levee could reduce the amount of flooding that occurs. Additionally, thinning trees in a forest could reduce the severity of wildfires. The amount of such potential savings is uncertain.

**Visit [sos.ca.gov/campaign-lobbying/cal-access-resources/measure-contributions/2024-ballot-measure-contribution-totals](https://sos.ca.gov/campaign-lobbying/cal-access-resources/measure-contributions/2024-ballot-measure-contribution-totals) for a list of committees primarily formed to support or oppose this measure.**

**Visit [fppc.ca.gov/transparency/top-contributors.html](https://fppc.ca.gov/transparency/top-contributors.html) to access the committee's top 10 contributors.**

PROPOSITION 4 AUTHORIZES BONDS FOR SAFE DRINKING WATER, WILDFIRE PREVENTION, AND PROTECTING COMMUNITIES AND NATURAL LANDS FROM CLIMATE RISKS. LEGISLATIVE STATUTE.

### ★ ARGUMENT IN FAVOR OF PROPOSITION 4 ★

#### YES on 4: TO CLEAN AND PROTECT OUR DRINKING WATER, PREVENT WILDFIRES

Prop. 4 makes urgent, commonsense investments to protect our communities, health, economy, and natural resources by:

- Cleaning up and protecting water supplies
- Preventing devastating wildfires
- Protecting forests, beaches, fresh water sources, and wildlife habitat

Voting Yes on 4 is urgently needed. California faces increasing threats from wildfires, water pollution, and extreme heat. Investments *today* can prevent future costs and damage from a changing climate and more frequent natural disasters.

#### PROVIDING CLEAN, SAFE DRINKING WATER

Prop. 4 will clean up and protect California's drinking water supplies in all regions of California—remove toxic pollutants from our drinking water, addressing infrastructure risks like weakened dams and levees, and increasing supplies.

Today, nearly 1 million Californians lack access to drinking water that meets safety and reliability standards, according to the State Water Board. Yes on 4 helps ensure we all have safe water to drink.

#### PREVENTING DEVASTATING WILDFIRES AND SMOKE

Recent California wildfires have burned 2 million acres, released toxic smoke into our air, and polluted drinking water supplies. Fire damage and smoke have harmed quality of life and health, including children's lungs, in every corner of California. Prop. 4 invests in projects to prevent wildfires, reduce their intensity when they do occur, and improve disaster response.

"Giving firefighters the tools to prevent wildfires is the best, most cost effective way to prevent the human and financial costs of these disasters. Prop. 4 makes the right investments to save lives and billions in response and recovery costs."—Tim Edwards, President, CALFIRE Firefighters

#### PROTECTING FORESTS, BEACHES, RIVERS, STREAMS, AND WILDLIFE

Our beaches, forests, and mountains make California special, and we have a responsibility to protect them for our children and future generations. Protecting natural areas and wildlife is more urgent today than ever before, as we lose wildlife habitat, farm and ranchland, and even beaches wash away. Prop. 4 protects these natural areas from wildfire, pollution, and other threats from a changing climate.

#### PROTECTING PUBLIC HEALTH

By removing pollution from the air and toxins from our water, Prop. 4 protects the health of vulnerable seniors and children.

#### STRONG FISCAL RESPONSIBILITY, ACCOUNTABILITY & TRANSPARENCY

California is already paying the price for failing to adequately prepare for drought and a changing climate. This measure helps shift from disaster response to *prevention*.

Our state and communities will save billions more by avoiding and reducing damage from wildfires, droughts, and floods.

Prop. 4 contains strict fiscal accountability and transparency:

- Annual independent audits
- Full public disclosure of all future funding

Join California firefighters (CalFire Local 2881), the National Wildlife Federation, the Nature Conservancy, Clean Water Action, and water agencies including San Diego Co Water Authority: YES on 4.

**Jennifer Clary**, State Director  
Clean Water Action

**Tim Edwards**, President  
CALFIRE Firefighters

**Beth Pratt**, California Regional Executive Director  
National Wildlife Federation

### ★ REBUTTAL TO ARGUMENT IN FAVOR OF PROPOSITION 4 ★

*Clean drinking water and preventing destructive wildfires are necessities, not luxuries.* These should be addressed within our state budget, not by demanding \$10 billion more from the taxpayers in the form of a bond that will cost nearly double to repay—\$19.3 billion.

The challenges we face with wildfires and water supply are the result of decades of neglect and mismanagement of our resources. Empowering tribal leaders for forest management and investing in water infrastructure could have prevented these crises. These aren't random occurrences, but repercussions of misguided policies.

Despite politicians' frequent promises for accountability, since 2000 California voters have approved over \$30 billion in natural resources bonds—with little to show. After years of refusing to prioritize spending on forest management, we are suffering the aftermath of major wildfires that could have been prevented, or at least minimized. After years of refusing to invest in water storage, we are facing water supply instability.

Instead of burdening taxpayers with a bond that overpromises, we should tackle these issues in the budget. *Real change stems from commitment, not quick fixes.* This isn't just policy, it's our future. Let's choose pragmatism over procrastination.

Sacramento politicians should not demand more money from the taxpayers or pressure voters to pass an unrealistic bond package that lacks any lasting change to state policy. Vote NO on Proposition 4.

*Vote NO on deferring our environmental responsibility at double the cost.* Let's invest in a greener tomorrow today.

**Senate Minority Leader Brian W. Jones**

**Assemblyman Jim Patterson**

**Jon Coupal**, President

Howard Jarvis Taxpayers Association

★ ARGUMENT AGAINST PROPOSITION 4 ★

**TOO MUCH DEBT, TOO LITTLE BENEFIT: THE PROBLEM WITH PROPOSITION 4**

Bonds are the most expensive way for the government to pay for things. Proposition 4 would add a whopping *\$10 billion* of debt to the taxpayers—PLUS an estimated *\$9.3 billion* in interest—to pay for climate-related programs. This funding would also cover administrative costs and salaries for grant recipients. But remember, this is borrowed money.

At the start of the year, California already had over *\$78 billion* of bond debt. Proposition 1 in March added another *\$6.38 billion*. Now there's a proposal to add an additional *\$10 billion* for ambiguous climate programs. Guess who's going to foot the bill? That's right—we taxpayers. Our tax dollars will be diverted from essential services to cover interest payments and principal repayment of the bond.

Bonds are borrowed money that must be paid back, PLUS INTEREST, no matter what the state must cut to do it. Governor Newsom already declared a budget emergency because the state spends more than it takes in. How many programs will have to be cut in the future to pay for Proposition 4? According to the nonpartisan Legislative Analyst's Office, we had a *\$62 billion* deficit this year. What will happen when we have both a deficit AND the obligation to repay this enormous bond debt?

Two years ago, California had a nearly *\$100 billion SURPLUS*. If these climate projects had been prioritized then, we could have covered the entire cost of this bond with just 10 percent of that surplus. Now, due to the government's inability to manage its spending, they are asking voters for more of their hard-earned money.

**AS A VOTER, YOUR TAX DOLLARS SHOULD FUND YOUR HIGHEST PRIORITIES, NOT PET PROJECTS.**

Bonds should be reserved for financing essential projects that will build infrastructure lasting beyond the 30-year payoff period. However, many elements of Proposition 4 fail to meet that standard, resulting in *\$10 billion* of spending just being added to the taxpayers' credit card—with a lack of accountability or measured metrics for success! Proposition 4 is full of money being funneled to unproven technologies that may sound promising on paper but have no concrete evidence of success. By committing funds to speculative projects, Proposition 4 overlooks long-term water storage and critical wildfire fuel management programs in favor of short-term, unproven projects.

**IT'S RECKLESS TO USE COSTLY BORROWED MONEY TO PAY FOR UNPROVEN PROGRAMS.**

Proposition 4 represents a reckless increase in state debt with questionable benefits. The government should prioritize essential services and ensure that any borrowing is reserved for projects that provide lasting, tangible benefits to the state and its residents. Vital programs should be funded in the budget with the taxes we already pay, not through costly borrowing. What's in the budget that's a higher priority than safe drinking water and wildfire prevention? Politicians should answer that question before racking up another *\$10+ billion* in debt that will have to be paid back, WITH INTEREST.

**Senate Minority Leader Brian W. Jones**  
**Assemblyman Jim Patterson**  
**Jon Coupal, President**  
 Howard Jarvis Taxpayers Association

4

★ REBUTTAL TO ARGUMENT AGAINST PROPOSITION 4 ★

**YES on 4: ADDRESSES CALIFORNIA'S HIGHEST PRIORITY DRINKING WATER and FIRE PREVENTION NEEDS**

California firefighters, clean water organizations, public health experts, and conservation groups urge YES on 4, to address our state's *most vital needs* for a safe water supply, wildfire prevention, and clean air.

The opposition itself admits, clean water and wildfire prevention are critical priorities.

Prop. 4 makes efficient, sensible investments in proven solutions: upgrading drinking water treatment to remove contaminants, fixing crumbling dams and levees to prevent floods, creating groundwater storage and recycling plants to boost supply and prepare for drought, and investing in effective wildfire prevention and containment strategies.

**YES on 4: SMART, URGENT INVESTMENTS WITH STRICT ACCOUNTABILITY REQUIREMENTS, PROTECTS COMMUNITIES AND PREVENTS BILLIONS IN FUTURE COSTS**

Yes on 4 is fiscally responsible and fully transparent.

Nearly 1 million Californians lack access to clean drinking water. Yes on 4's investments strengthen safe water

supplies and flood control infrastructure—saving billions in temporary fixes and economic losses.

A UCLA study found 10 years of wildfire smoke have caused 50,000 premature deaths and \$400 billion in economic losses. Wildfire prevention saves six times its cost in reduced damage, while protecting our health.

"California's financial health is vulnerable to natural disasters, neglected infrastructure, and a changing climate. Without raising taxes, Yes on Prop. 4 saves California money while helping state and local governments protect our communities."—Tim Gage, former state Director of Finance. California communities can't wait.

**YES on 4: CLEAN DRINKING WATER, WILDFIRE PREVENTION, and OUR HEALTH.**

**Susana De Anda, Executive Director**  
 Community Water Center  
**Sarah Gibson, Fire Manager**  
 The Nature Conservancy

**Christopher Chavez, Deputy Policy Director**  
 Coalition for Clean Air