## The Metropolitan Water District of Southern California



The mission of the Metropolitan Water District of Southern California is to provide its service area with adequate and reliable supplies of high-quality water to meet present and future needs in an environmentally and economically responsible way.

#### **LRA&C Committee**

- F. Jung, Chair
- A. Kassakhian, Vice Chair
- J. Abdo
- L. Ackerman
- B. Dennstedt
- A. Fellow
- J. Garza
- G. Grav
- M. Luna
- J. McMillan
- T. Phan
- B. Pressman
- M. Ramos
- T. Smith

## Legislation, Regulatory Affairs, and **Communications Committee**

Meeting with Board of Directors \*

June 12, 2023

1:00 p.m.

## Monday, June 12, 2023 **Meeting Schedule**

08:30 a.m. EOT 10:30 a.m. DMCPP 12:30 p.m. Break 01:00 p.m. LRAC 03:00 p.m. OWS

Agendas, live streaming, meeting schedules, and other board materials are available here: https://mwdh2o.legistar.com/Calendar.aspx. A listen only phone line is available at 1-877-853-5257; enter meeting ID: 862 4397 5848. Members of the public may present their comments to the Board or a Committee on matters within their jurisdiction as listed on the agenda via in-person or teleconference. To participate via teleconference (833) 548-0276 and enter meeting ID: 815 2066 4276 or click https://us06web.zoom.us/j/81520664276? pwd=a1RTQWh6V3h3ckFhNmdsUWpKR1c2Zz09

MWD Headquarters Building • 700 N. Alameda Street • Los Angeles, CA 90012 **Teleconference Locations:** 

8700 Beverly Boulevard, Ste M313 • Los Angeles, CA 90048 Fullerton City Hall Council Chambers • 303 W. Commonwealth Avenue • Fullerton, CA 92832 3008 W. 82nd Place • Inglewood, CA 90305 2680 W. Segerstrom Avenue Unit I, • Santa Ana CA 92704

- \* The Metropolitan Water District's meeting of this Committee is noticed as a joint committee meeting with the Board of Directors for the purpose of compliance with the Brown Act. Members of the Board who are not assigned to this Committee may participate as members of the Board, whether or not a quorum of the Board is present. In order to preserve the function of the committee as advisory to the Board, members of the Board who are not assigned to this Committee will not vote on matters before this Committee.
- 1. Opportunity for members of the public to address the committee on matters within the committee's jurisdiction (As required by Gov. Code Section 54954.3(a))

#### 2. SUBCOMMITTEE REPORT

Report from Subcommittee on Public Affairs Engagement a.

\*\* CONSENT CALENDAR ITEMS -- ACTION \*\*

3. CONSENT CALENDAR OTHER ITEMS - ACTION **a.** Approval of the Minutes of the Legislation, Regulatory Affairs, and Communications Committee for May 8, 2023 (Copies have been submitted to each Director, Any additions, corrections, or omissions)

**21-2182** 

Attachments: 06132023 LRAC 3A (05082023) Minutes

## 4. CONSENT CALENDAR ITEMS - ACTION

NONE

## \*\* END OF CONSENT CALENDAR ITEMS \*\*

## 5. OTHER BOARD ITEMS - ACTION

8-3 Express support, if amended, on two legislative bond proposals, Assembly Bill 1567 (Garcia) and Senate Bill 867 (Allen), to provide funding for water projects to address climate change impacts; the General Manager has determined that the action is exempt. [REVISED LETTER 6/6/2023]

Attachments: 06132023 LRAC 8-3 B-L Revised

06122023 LRAC 8-3 Presentation

## 6. BOARD INFORMATION ITEMS

NONE

#### 7. COMMITTEE ITEMS

a. Presentation on Regional Survey of Public Attitudes on Water
 Issues; Presented by President and CEO of EMC Research, Ruth
 Bernstein

Attachments: 06122023 LRAC 7a Presentation

b. Update on Inspection Trips 21-2311

Attachments: 06122023 LRAC 7b Presentation

c. Update on Community Partnering Program 21-2312

Attachments: 06122023 LRAC 7c Presentation

**d.** Report on Activities from Washington, D.C.

21-2313

Attachments: 06122023 LRAC 7d Federal Legislative Matrix

06122023 LRAC 7d Presentation

**e.** Report on Activities from Sacramento

21-2314

Attachments: 06122023 LRAC 7e State Legislative Matrix

06122023 LRAC 7e Presentation

## 8. MANAGEMENT REPORTS

a. External Affairs Management Report

21-2181

### 9. FOLLOW-UP ITEMS

NONE

## 10. FUTURE AGENDA ITEMS

### 11. ADJOURNMENT

NOTE: This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Committee agendas may be obtained on Metropolitan's Web site https://mwdh2o.legistar.com/Calendar.aspx. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site https://mwdh2o.legistar.com/Calendar.aspx.

Requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.

# THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA MINUTES

### LEGISLATION, REGULATORY AFFAIRS AND COMMUNICATIONS COMMITTEE

May 8, 2023

Chair Jung called the hybrid teleconference meeting to order at 11:01 a.m.

Members present: Directors Abdo, Ackerman, Dennstedt, Garza, Jung (teleconference posted location), Kassakhian (entered after roll call), Luna (entered after roll call), Phan (teleconference posted location), Ramos (entered after roll call), and Smith.

Members absent: Directors Fellow, Gray, McMillan and Pressman.

Other Board Members present: Chair Ortega, Directors Armstrong, Camacho, Cordero, Dick, Erdman, Faessel, Goldberg, Kurtz, Lefevre, Miller, Morris, Peterson and Seckel.

Committee Staff present: Hagekhalil, Zinke, Stites, Sims, and Novoa.

1. OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE COMMITTEE ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION (as required by Gov. Code Section 54954.3(a))

None

#### **CONSENT CALENDAR ITEMS – ACTION**

#### 2. CONSENT CALENDAR OTHER ITEMS - ACTION

A. Approval of the Minutes of the Meeting of the Legislation, Regulatory Affairs, and Communications Committee for April 10,2023

## 3. CONSENT CALENDAR ITEMS – ACTION

None

May 8, 2023

Director Smith made a motion, seconded by Director Dennstedt to approve item 2A.

Ayes: Directors Abdo, Ackerman, Dennstedt, Garza, Jung, Kassakhian, Luna,

Phan, Ramos, and Smith.

Noes: None Abstentions: None

Absent: Directors Fellow, Gray, McMillan, and Pressman

The motion passed by a vote of 10 ayes, 0 noes, 0 abstain, and 4 absent.

#### END OF CONSENT CALENDAR ITEMS

### 4. OTHER BOARD ITEMS – ACTION

None

#### 5. BOARD INFORMATION ITEMS

None

#### 6. COMMITTEE ITEMS

a. Subject: Update on legislative bond proposals to provide funding to

address impacts of climate change, including AB 1567 (Garcia)

and SB 867 (Allen)

Presented by: Rosie Thompson, Principal Legislative Representative

Ms. Thompson provided an update on legislative bond proposals AB 1567 (Garcia) and SB 867. AB 1567 includes funding for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and the Workforce Development Bond Act of 2024. SB 867 (Allen) includes funding for drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate smart agriculture, park creation and outdoor access, and the Clean Energy Bond Act of 2024.

The following Directors provided a comment or asked a question:

#### 1.) Smith

Staff responded to the Directors' comments and questions.

b. Subject: Update on Water Conservation, Advertising, and Outreach

Presented by: Debra Sass, Team Manager-Creative Design

Ms. Sass provided an update on water conservation, advertising and outreach with an emphasis on Metropolitan's commitment to maintain momentum on conservation Subjecth programs Reportlang Activities between Westrington, budget and board direction, fiscal year 2022/23 flight one media buy and results, the success of the Presentadity influeActiveSalpaidereExaginity od agistative Representativa valuences, evolving messaging based on conditions, reaching new audiences and Whetricopoliteas's partness ship dwith the tigele Cost thin the last of the cost of the co

The following Directors provided a comment or asked a question:

- 1.) Dennstedt
- 2.) Dick

Staff responded to the Directors' comments and questions.

Subject:	Report on Activities from Sacramento
Presented by:	Reporting Assivition and Massingtone Representative

Presented by: c.

Presented by was Abbyreschneideric Executive Iteminative Representative

Ms. Schneider provided an update on permitting reform, FY 2024 budget request hearings, appropriations bills, and Metropolitan's Congressional staff tour to the Colorado River and the Pure Water Southern California facility.

The following Directors provided a comment or asked a question:

1.) Kassakhian

Staff responded to the Directors' comments or questions.

d. Subject: Report on Activities from Sacramento

> Presented by: Jay Jefferson, Executive Legislative Representative

Mr. Jefferson provided an update on legislative deadlines, Metropolitan's 50 50 \$50 million budget request to support drought resilience in State Water Dependent areas, the Colorado River Information Hearing, Senate and Assembly bills of interest to Metropolitan and water rights bills.

## 7. MANAGEMENT REPORTS

a. Subject: External Affairs Management Report

Presented by: Sue Sims, External Affairs Group Manager

Ms. Sims provided an update on our earned media buy, LA Times story on DVL refilling press conference, media impressions locally and nationally, GM Hagekhalil's appearances on public affairs and news talk shows, Metropolitan's primary agency brochure and Metropolitan's leadership and environmental stewardship booklet.

## 8. FOLLOW-UP ITEMS

None

## 9. FUTURE AGENDA ITEMS

None

#### 10. ADJOURNMENT

Meeting adjourned at 11:58 a.m.

Chair Jung



## Board of Directors Legislation, Regulatory Affairs, and Communications Committee

6/13/2023 Board Meeting

**Revised 8-3** 

## **Subject**

Express support, if amended, on two legislative bond proposals, Assembly Bill 1567 (Garcia) and Senate Bill 867 (Allen), to provide funding for water projects to address climate change impacts; the General Manager has determined that the action is exempt or otherwise not subject to CEQA

## **Executive Summary**

Two climate change general obligation bond measures have been introduced in the current legislative session in Sacramento that will provide funding for several resource-related objectives, including water:

- AB 1567 (Garcia, D Coachella): Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024. (A-5/26/2023) (Attachment 1)
- SB 867 (Allen, D Santa Monica): Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024. (A-5/18/2023) (Attachment 2).

The proposed bonds are intended to provide funding that will make California more climate resilient in addressing the severity and frequency of challenges that include wildfire, drought, flood, extreme heat, coastal resilience, clean energy, and workforce development.

Staff recommends the Board adopt a position of support, if amended, to authorize staff to work collaboratively with other statewide associations to seek amendments that would increase funding in the bills <u>for recycled water</u>, <u>dam safety, regional conveyance, drought and conservation projects</u> that will directly assist Southern California's regional sustainability.

#### **Timing and Urgency**

To effectively influence the funding categories, Metropolitan will need to actively engage on both bills in a timely way. AB 1567 and SB 867 have moved from their house of origin and are in the second house for consideration. Discussions are expected to continue through the legislative summer recess in July. Immediate direction and positions on the bills are important to identify board priorities and ensure the time needed to obtain amendments that are reflective of Metropolitan and regional priorities.

#### **Details**

#### **Background**

Climate sustainability is a top priority for Governor Newsom and the Legislature. Over the past two years, the state budget allocated \$54 billion over five years to advance the state's climate agenda. However, in fall 2022, the Legislative Analyst's Office identified a pending revenue shortfall of \$24 billion. In January 2023, Governor Newsom expressed his commitment to prioritize climate sustainability and interest in pursuing a resources bond to address long-standing needs that would strengthen California's ability to adapt to the changing climate.

A water bond is both timely and urgently needed. Metropolitan and its member agencies have invested heavily in projects and programs to advance local water resource projects and regional conservation to ensure water supply reliability and resiliency. Water recycling and water conservation are important cornerstones of Metropolitan, and regional water supply management plans to meet current and future needs. State funding is needed to supplement local investments, modernize aging infrastructure, and build new projects to ensure regional reliability and adapt to the challenges of climate change.

Two climate-resilient bond measures were introduced this session; the current proposed funding in each bill is detailed below:

AB 1567 (as amended on May 26, 2023), if passed, would be on the ballot for the March 5, 2024, statewide primary election. The \$15.995 billion general obligation bond includes the following:

Category	Proposed Funding
Wildfire prevention	\$2.275 billion
Protection of coastal lands, bays, and oceans	\$1.655 billion
Safe drinking water, drought preparation and response, and flood protection	\$5.255 billion
Protection of natural lands and biodiversity and preserving fish and wildlife	\$1.5 billion
Protection of agricultural resources, communities, and open spaces	\$520 million
Extreme heat mitigation	\$1.59 billion
Strengthen regional climate resilience	\$1.2 billion
Clean energy	\$2 billion

SB 867 (as amended May 18, 2023) has an unspecified date for voter approval. The \$15.5 billion general obligation bond includes the following:

Category	Proposed Funding
Drought, flood, and water resilience	\$5.2 billion
Wildfire and forest resilience	\$3 billion
Increase coastal and ocean resilience	\$2 billion
Extreme heat mitigation	\$500 million
Biodiversity protection and nature-based solutions	\$2 billion
Improving climate smart agriculture	\$300 million
Park creation and outdoor access	\$500 million
Clean energy	\$2 billion

Both bond bills would authorize more than \$5 billion for water projects and programs. AB 1567 and SB 867 each allocate \$300 million for recycled water projects. In addition, SB 867 allocates \$100 million for conservation for urban and agriculture, and there is some potential funding for conservation in AB 1567. More funding is needed in these categories to ensure California can meet regional and state objectives with water efficiency and recycled water projects.

Staff respectfully recommends a position of support, if amended, to authorize collaborative work to support the needs of the Southern California region and to increase funding to board priority projects.

## **Policy**

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

By Minute Item 53051, 2023 Metropolitan Legislative Priorities and Principles, Legislative Priority A.2, A.3, and Sections I.A, I.B, I.D, I.B.5, III.B., III.D.1, III.D.5, III.F.1, IV.A.3, VI.A, VII.A.3.

## California Environmental Quality Act (CEQA)

#### **CEQA** determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves legislative proposals that do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Public Resources Code Section 21065 and Section 15378(b)(1) of the State CEOA Guidelines).

## **Board Options**

#### Option #1

Express support, if amended, on two legislative bond proposals, Assembly Bill 1567 (Garcia) and Senate Bill 867 (Allen), to provide funding for water projects to address climate change impacts

Fiscal Impact: Unknown at this time

Business Analysis: A support, if amended, position would authorize Metropolitan staff to work with the author, stakeholders, and statewide associations to obtain desired amendments that will ensure available funding reflects needs, and to increase funding amounts related to conservation and water recycling.

#### Option #2

Do not express a support, if amended, position on both AB 1567 (Garcia) and SB 867 (Allen)

**Fiscal Impact:** Unknown at this time.

Business Analysis: Available funding currently authorized in the bills is limited and may not result in desired statewide benefits, including water conservation savings and recycled water that will support Southern California's regional reliability and resiliency.

#### Staff Recommendation

Option #1

6/6/2023 Date

Group Manager, External Affairs

Adel Haqekhalil

6/6/2023 Date

General Manager

Attachment 1 – AB 1567 (Garcia, D – Coachella)

Attachment 2 – SB 867 (Allen, D – Santa Monica)

Ref# ea12687993

## AMENDED IN ASSEMBLY APRIL 26, 2023 AMENDED IN ASSEMBLY APRIL 7, 2023

CALIFORNIA LEGISLATURE—2023-24 REGULAR SESSION

#### ASSEMBLY BILL

No. 1567

Introduced by Assembly Members Garcia, Wendy Carrillo, Connolly, Friedman, and Papan Papan, Reyes, and Luz Rivas (Principal coauthors: Assembly Members Arambula, Lee, and McCarty)

(Coauthors: Assembly Members Mike Fong, Haney, Lowenthal, Robert Rivas, and Schiavo) Addis, Bryan, Calderon, Mike Fong, Haney, Holden, Kalra, Lowenthal, Muratsuchi, Ramos, Robert Rivas, Schiavo, and Wood)

February 17, 2023

An act to add Division 48 (commencing with Section 80500) to the Public Resources Code, relating to safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs, 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.

#### LEGISLATIVE COUNSEL'S DIGEST

AB 1567, as amended, Garcia. Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development 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

Revised 5-18-23—See last page.

8

10

11 12

13

14

15

16

17

18

AB 1567 -2-

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 <sup>2</sup>/<sub>3</sub> vote of each house of the Legislature and a majority of the voters.

This bill would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15,105,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs.

This bill would provide for the submission of these provisions to the voters at the March 5, 2024, statewide primary election.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

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

  (a) The climate crisis presents a significant threat to the health.
  - (a) The climate crisis presents a significant threat to the health, safety, and prosperity of the people of California. The changing climate increases the risk of extreme weather events, biodiversity loss, catastrophic wildfire, drought, rising temperatures and heat, and sea level rise, resulting in harm to California's agricultural industry, water supply, unique ecosystems, and economy.
    - (b) According to the state's Fourth Climate Change Assessment, "[e]merging findings for California show that costs associated with direct climate impacts by 2050 are dominated by human mortality, damages to coastal properties, and the potential for droughts and mega-floods," and could lead to economic costs to the economy that exceed \$100 billion by midcentury.
    - (c) Low-income communities and communities of color are already experiencing disproportionate effects of climate change and will continue to bear the brunt of climate impacts going forward unless the state prioritizes investments in these

8-3

**AB 1567** 

communities. Investment in these communities can build resiliency, develop and harness local talent for quality jobs, and promote community-based leadership to withstand the shocks and stresses of future anticipated and unforeseen events, resulting in improved environmental conditions, better health outcomes, social cohesion, and increased economic opportunity.

-3-

- (d) Improving climate resilience will require investments in planning and both capital and noncapital costs.
- (e) Restoration and stewardship of California's ecosystems and natural infrastructure will increase the state's resilience to the changing climate and can prevent or reduce many of the forecasted impacts of climate change. Investment in improving California's ecosystems and natural infrastructure substantially benefits food and water systems, community health, and livelihoods.
- (f) Climate risks and impacts vary by region so state investments to improve climate resilience must reflect the varying type and severity of climate impacts across the state.
- (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) The investment of public funds pursuant to Division 48 (commencing with Section 80500) of the Public Resources Code will result in public benefits that will address the most critical statewide needs and priorities for public funding.
- (i) It is the intent of the Legislature that agencies administering funds from Division 48 (commencing with Section 80500) of the Public Resources Code should not fund programs or projects that exacerbate, perpetuate, or sustain environmental injustice through air pollution, water contamination, or other forms of environmental degradation in already disproportionately affected communities or that will shift climate and environmental burdens to disadvantaged or otherwise disproportionately burdened communities.
- (j) It is the intent of the Legislature that agencies administering funds from this act ensure investments create high-wage, high-quality jobs that comply with all laws, rules, and regulations, including labor, training, safety, contracting, and environmental requirements and standards.
- (k) It is the intent of the Legislature that, in the interest of people of color, vulnerable communities, and indigenous populations, in

AB 1567 —4—

meeting the climate and conservation objectives to contemplate investments beyond those specific to traditional conservation and protections, to look towards objectives that are transformative in nature in California's urban settings through the establishment of new paradigms for conservation that puts forth proactive and strategic restoration of degraded lands, especially in communities where vulnerable populations and environmental burdens are concentrated by virtue of, among *other* things, the development of new definitions and programmatic parameters to inform entities, such as the Wildlife Conservation Board, the State Coastal Conservancy, the Department of Parks and Recreation, and others, when allocating funding, and to direct proportionate shares toward investments in urban landscape and ecosystem restoration.

SEC. 2. Division 48 (commencing with Section 80500) is added to the Public Resources Code, to read:

DIVISION 48. SAFE DRINKING WATER, WILDFIRE PREVENTION, DROUGHT PREPARATION, FLOOD PROTECTION, EXTREME HEAT MITIGATION, AND WORKFORCE DEVELOPMENT BOND ACT OF 2024

#### CHAPTER 1. GENERAL PROVISIONS

- 80500. This division shall be known, and may be cited, as the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2024.
- 80501. (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 Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2024.
- (c) Projects funded pursuant to this division shall include the planning, monitoring, and reporting necessary to ensure successful implementation of this division's objectives.

2

4 5

10

11 12

13

14

15

16

17

18 19

20

21

22

23

2425

26

2728

29

30

31

32

33

34

35

3637

8-3

**AB 1567** 

(d) When disbursing funds available pursuant to this division, an administering state agency shall give preference to projects that do any of the following:

-5-

- (1) Reduce near-term risks of climate change impacts while promoting long-term resilience.
- (2) Promote equity, foster community resilience, and protect the most vulnerable by prioritizing projects that meaningfully benefit disadvantaged communities, severely disadvantaged communities, and vulnerable populations.
- (3) Avoid solutions that would likely worsen climate impacts or transfer risks unreasonably from one area, location, or social group, to another.
- (4) Advance solutions to prevent displacement of low-income residents and businesses that could occur as an unintended consequence of a project that causes an increase in the cost of owning or renting property.
- (5) Incorporate partnerships with community stakeholders, including community-based organizations, to ensure that projects have support from disproportionately affected communities, where applicable, develop and harness local talent for quality jobs, and promote community-based leadership.
- (e) To the extent practicable, a project that receives moneys pursuant to this division shall provide workforce education and training, contractor, and job opportunities for vulnerable populations. populations or socially disadvantaged groups.
- 80503. For purposes of this division, the following definitions apply:
- (a) "Air board" means the State Air Resources Board.
- (b) "Climate resilience" means the ability of an entity or system, including an individual, a community, an ecosystem, or a natural system, and its component parts, to absorb, accommodate, or recover from the effects of a climate event in a timely and efficient manner, including through ensuring the preservation, restoration, or improvement of its essential basic structures and functions. In the case of natural and working lands, climate resilience includes the preservation, restoration, or enhancement of the ability to sequester carbon.
- 38 (c) "Committee" means the Safe Drinking Water, Wildfire 39 Prevention, Drought Preparation, Flood Protection, Extreme Heat

AB 1567 -6-

- Mitigation, and Workforce Development Bond Finance Committee
   created pursuant to Section 80602.
   (d) "Critical community infrastructure" means infrastructure
  - (d) "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.
  - (e) "Disadvantaged community" means a community with a median household income that is less than 80 percent of the statewide average.
  - (f) "Economically distressed area" means a municipality with a population of 20,000 persons or fewer, a rural county, or a reasonably isolated and divisible segment of a larger municipality where the segment of the population is 20,000 persons or fewer, with an annual median household income that is less than 85 percent of the statewide median household income and with one or more of the following conditions as determined by an agency administering funding under this division:
    - (1) Financial hardship.
  - (2) Unemployment rate at least 2 percent higher than the statewide average.
    - (3) Low population density.
  - (g) "Equity destination project" means a project located in a highly desired region of the state, including, but not limited to, coastal and mountainous park and nature settings that have a demonstrated history or, upon completion of the project, can demonstrate new or increased use and usership among California's more marginalized populations through, among other things, the establishment of low-cost or subsidized camping or free and reduced rate reduced-rate entry.
  - (h) "Fund" means the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Fund created pursuant to Section 80518.

AB 1567

(i) "Groundwater sustainability agency" has the same meaning as defined in Section 10721 of the Water Code.

**—7** —

- (j) "Interpretation" includes, but is not limited to, a visitor-serving amenity that enhances the ability to understand and appreciate the significance and value of natural, historical, and cultural resources and that may use educational materials in multiple languages, digital information in multiple languages, and the expertise of a naturalist or other skilled specialist.
- (k) "Local agency" means a city, county, city and county, special district, joint powers authority, resource conservation district, or other political subdivision of the state.
- (1) "Natural infrastructure" means a network of ecological areas, man-made systems, or practices that use or mimic natural processes to benefit people or wildlife. "Natural infrastructure" reduces vulnerability to the impacts of climate change and includes, but is not limited to, permeable pavements, bioswales, wetlands, floodplains, forests, urban forests, beaches, dunes, tidal marshes, reefs, seagrass, parks, rain gardens, and engineered systems, such as levees, that are combined with restored natural systems, to provide a wide array of benefits to people or wildlife.
- (m) "Nonprofit organization" means a nonprofit corporation qualified to do business in California and qualified under Section 501(c)(3) of the Internal Revenue Code.
- (n) "Preservation" means rehabilitation, stabilization, restoration, conservation, development, and reconstruction, or any combination of those activities.
- (o) "Protection" means 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.
- (p) (1) "Restoration" means 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.

#### -8-**AB 1567**

- 1 (C) The control and elimination of invasive species and harmful 2 algal blooms. 3
  - (D) The planting of native species.
  - (E) The removal of waste and debris.
- (F) Prescribed burning and other fuel hazard reduction measures. 5
  - (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, such as the planning, permitting, monitoring, and reporting that are necessary to ensure successful implementation of the restoration objectives.
  - (q) "Severely disadvantaged community" means a community with a median household income that is less than 60 percent of the statewide average.
  - (r) "Socially disadvantaged group" means a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. These groups include all of the following:
- (1) African Americans. 24
- 25 (2) Alaskan Natives.
- 26 (3) Asian Americans.
- 27 (4) Hispanics.
- 28 (5) Native Americans.
- 29 (6) Native Hawaiians and Pacific Islanders.
- 30 (7) Women.
- 31 <del>(r)</del>

4

6 7

10

11 12

13

14 15

16 17

18

19

20

21

22 23

- 32 (s) "Small- and medium-sized farms" means farms and ranches 33 of 500 acres or less.
- 34
- (t) "Socially disadvantaged farmers and ranchers" has the same 35 meaning as defined in Section 512 of the Food and Agricultural 37 Code.
- 38 (t)
- 39 (u) "Structure hardening" means the installation, replacement, 40 or retrofitting of building materials, systems, or assemblies used

**AB 1567** 

8-3

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.

<del>(u)</del>

9

10

11 12

13

17

18

19 20

21 22

23

25

26

27

28 29

31 32

33

34

35

36 37 (v) "Tribe" means a federally recognized Native American tribe or a California Native American tribe that appears on the California Tribal Consultation List maintained by the Native American Heritage Commission.

14 <del>(v)</del>

- 15 (w) "Under-resourced community" means either of the 16 following:
  - (1) A community identified as a disadvantaged community pursuant to Section 39711 of the Health and Safety Code.
  - (2) A low-income community as defined in Section 39713 of the Health and Safety Code.

<del>(w)</del>

(x) "Vulnerable population" means a subgroup of a 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.

<del>(x)</del>

(y) "Water board" means the State Water Resources Control Board.

30 <del>(y)</del>

- (z) "Wildfire buffer" means greenspaces or open spaces that are managed to reduce the spread of wildfires, and are located between structures and wildlands in a community to reduce structure vulnerability to wildfire risks. Wildfire buffers shall be designed to provide additional benefits that may include shelter from natural disasters, recreation, habitat, stormwater capture, and active transportation.
- 38 80504. An amount that equals not more than 5 percent of the 39 funds allocated for a program funded pursuant to this division may 40 be used to pay the administrative costs of that program.

AB 1567 — 10 —

- 80505. (a) The Department of Finance shall provide for an independent audit of expenditures pursuant to this division. 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 information about the location and footprint of each funded project, the project's objectives, the status of the project, anticipated outcomes, the public benefits to be derived from the project, any matching moneys provided for the project by the grant recipient or other partners, and the applicable chapter of this division pursuant to which the grant recipient received moneys.
  - (b) 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.
  - (c) The state agency issuing any grant with funding authorized by this division shall require adequate reporting of the expenditures of the funding from the grant.
  - (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 through 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.
  - 80506. If any moneys allocated pursuant to this division are not encumbered or expended by the recipient entity within the time period specified by the administering state agency, the unexpended moneys shall revert to the administering state agency for allocation consistent with the applicable chapter.
  - 80507. Funds provided pursuant to this division, and any appropriation or transfer of those funds, shall not be deemed to be a transfer of funds for the purposes of Chapter 9 (commencing with Section 2780) of Division 3 of the Fish and Game Code.
- 80508. At least 35 percent of the funds available pursuant to this division shall be allocated for projects that provide meaningful

**AB 1567** 

and direct benefits to at least one of the following: vulnerable populations, under-resourced communities, or disadvantaged communities. At least 10 percent of the moneys available pursuant to each chapter of this division shall be allocated for projects that provide meaningful and direct benefits to severely disadvantaged communities.

-11-

80509. For grants awarded for projects under this division, the administering state 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 state 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.

- 80510. (a) Up to 10 percent of the funds available pursuant to each chapter of this division may be allocated for technical assistance and capacity building by the administering state agency. The administering state agency shall operate a multidisciplinary technical assistance program for these purposes.
- (b) Funds used for providing technical assistance and capacity building for disadvantaged communities, severely disadvantaged communities, under-resourced communities, or vulnerable populations may exceed 10 percent if the administering state agency determines that there is a need for the additional funding.
- 80511. Projects funded under this division shall demonstrate ongoing monitoring and scientific review. Up to 5 percent of project funds may be used for this purpose.
- 80512. Funds provided by this division shall not be expended to fulfill any environmental mitigation requirements or compliance obligations imposed by law or to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities. Those costs shall be the responsibility of the entities that benefit from the design, construction, operation, mitigation, or maintenance of those facilities.
- 80513. Before disbursing grants through any new grant programs established pursuant to this division, each state agency that receives funding to administer a grant program under this division shall do all of the following:
- (a) Develop and adopt project solicitation and evaluation guidelines. The guidelines shall include monitoring and reporting requirements and may include a limitation on the dollar amount

AB 1567 -12-

of grants to be awarded. If the state agency has previously developed and adopted project solicitation and evaluation guidelines that comply with the requirements of this subdivision, the state agency may use those guidelines.

- (b) Conduct at least one public meeting to consider public comments before finalizing the guidelines. The state agency shall publish the draft solicitation and evaluation guidelines on its internet website at least 30 days before the public meetings.
- (c) Any public meetings held pursuant to this section shall allow for virtual attendance and public participation through any internet platform used to host the meeting.
- (d) Guidelines shall be made available online and shall be consistent with all applicable statutes.
- 80514. An apprenticeship or preapprenticeship program funded pursuant to this division shall be approved by the Division of Apprenticeship Standards.
- 80515. 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.
- 80516. An eligible applicant under this division is a public agency, local agency, nonprofit organization, park and open-space district and authority, resource conservation district, joint powers authority, tribe, public water agency, groundwater sustainability agency, or regional collaborative for climate adaptation.
- 80517. The Legislature may enact legislation necessary to implement programs funded by this division.
- 80518. (a) The proceeds of bonds issued and sold pursuant to this division, exclusive of refunding bonds issued and sold pursuant to Section 80612, shall be deposited in the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development 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.
- 37 (b) Proceeds of bonds issued and sold pursuant to this division 38 shall be allocated according to the following schedule:

**AB 1567** 

8-3

- (1) Two billion one hundred eighty million dollars (\$2,180,000,000) for wildfire prevention and climate risk reduction, in accordance with Chapter 2 (commencing with Section 80520).
- (2) One billion nine hundred twenty-five million dollars (\$1,925,000,000) for the protection of coastal lands, bays, and oceans from climate risks, in accordance with Chapter 3 (commencing with Section 80530).
- (3) Five billion fifteen million dollars (\$5,015,000,000) for the protection of California's water supplies from multiyear droughts, reducing flood risk from extreme events, and providing safe drinking water, in accordance with Chapter 4 (commencing with Section 80540).
- (4) One billion six hundred twenty-five million dollars (\$1,625,000,000) for the protection of California's wildlife, biodiversity, and fisheries from climate risks, in accordance with Chapter 5 (commencing with Section 80560).
- (5) Eight hundred twenty million dollars (\$820,000,000) for protecting farms, ranches, and working lands from the impacts of climate change in accordance with Chapter 6 (commencing with Section 80570).
- (6) One billion seven hundred forty million dollars (\$1,740,000,000) for addressing extreme heat, community enhancement, and resiliency in accordance with Chapter 7 (commencing with Section 80580).
- (7) One billion eight hundred million dollars (\$1,800,000,000) for regional climate resilience projects that address multiple risks, in accordance with Chapter 8 (commencing with Section 80590).

Chapter 2. Wildfire Prevention, Climate Risk Reduction, and Protection Against Power Shutoffs

80520. The sum of two billion one hundred eighty million dollars (\$2,180,000,000) shall be available, upon appropriation by the Legislature, for the prevention and reduction in the risk of wildfires to lives, properties, and natural resources.

80521. (a) Of the funds made available by Section 80520, four hundred million dollars (\$400,000,000) shall be available, upon appropriation by the Legislature, to the Office of Emergency Services for a prehazard mitigation grant program. The Office of Emergency Services shall coordinate with the Department of

AB 1567 — 14 —

- 1 Forestry and Fire Protection in administering these moneys. The
- 2 grant program shall assist local and state agencies to leverage
- 3 additional funds, including matching grants from federal agencies.
- 4 Funds may be used to provide loans, rebates, direct assistance, and
- 5 matching funds for projects that prevent wildfires, increase 6 resilience, reduce the risk of wildfires to communities, or increase
- 7 community hardening. Eligible projects include, but are not limited to, the following:
  - (1) Grants to local agencies, state agencies, joint powers authorities, 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, evacuation centers, structure hardening projects that reduce the risk of wildfire for entire neighborhoods and communities, 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, and safeguard communities from disruption due to public safety power shutoffs, wildfire, or air pollution caused by wildfire, extreme heat, or other disaster.
  - (4) Grants to local agencies, state agencies, joint powers authorities, and tribes for water delivery system improvements for fire suppression purposes for communities in high fire hazard severity zones or very high fire hazard severity zones, as designated by the Director of Forestry and Fire Protection pursuant to Article 9 (commencing with Section 4201) of Chapter 1 of Part 2 of Division 4 or by a local agency pursuant to Chapter 6.8 (commencing with Section 51175) of Part 1 of Division 1 of Title 5 of the Government Code.
- 37 (b) Not less than seventy-five million dollars (\$75,000,000) shall be allocated for each project described in subdivision (a).
- 39 (c) The Office of Emergency Services and the Department of 40 Forestry and Fire Protection shall prioritize prehazard mitigation

2 3

**AB 1567** 

8-3

grant funding applications from local agencies based on the "Fire Risk Reduction Community" list, upon development of that list, pursuant to Section 4290.1.

- (d) 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.
- 80522. (a) Of the funds made available by Section 80520, seven hundred seventy-five million dollars (\$775,000,000) 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:
- (1) One hundred fifty million dollars (\$150,000,000) shall be available to the Department of Conservation's Regional Fire and Forest 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 be allocated based, to the extent feasible, on the findings of the review of the regional capacity required by Section 4123.7.
- (2) Two hundred fifty million dollars (\$250,000,000) shall be available to the Department of Forestry and Fire Protection for long-term forest health projects, including reforestation; conservation easements; activities that promote long-term carbon storage and sequestration; upper watershed, riparian, and mountain meadow restoration; and prescribed burn.
- (3) One hundred fifty million dollars (\$150,000,000) shall be available for watershed improvements projects in forests and other habitats, including, but not limited to, redwoods, conifers, oak woodlands, mountain meadows, chaparral, deserts, and coastal

AB 1567 -16-

- forests. Projects shall include the use of prescribed fire and improve water supply or water quality. Projects shall involve the restoration of natural ecosystem functions in high fire hazard areas and provide multiple benefits, including, but not limited to, habitat protection, science-based fuel reduction, watershed protection, carbon sequestration, protection of older fire-resistant trees, or improved forest health. The Natural Resources Agency shall give priority to projects with matching funds or in-kind work, as determined appropriate, from beneficiaries of the watershed, which may include, but are not limited to, water districts, public utilities, local agencies, or private users. The Natural Resources Agency shall ensure long-term benefits for projects funded pursuant to this subdivision, including through an ongoing commitment to future maintenance and a commitment to long-term forest resilience that reduces fire risk and enhances carbon sequestration capacity.
  - (4) Seventy-five million dollars (\$75,000,000) shall be available to the Sierra Nevada Conservancy for watershed improvement, forest health, biomass utilization, and forest restoration workforce development. At least 70 percent of the funds made available by this subdivision shall be available to the Sierra Nevada Watershed Improvement Program created by Section 33345.1.
  - (5) One hundred fifty million dollars (\$150,000,000) shall be available to the Department of Forestry and Fire Protection for the administration of grants pursuant to the Wildfire Prevention Program.
  - (b) State entities receiving funds pursuant to paragraphs (1) to (4), inclusive, of subdivision (a) may award grants pursuant to a competitive grant process or on a regional block grant basis to maximize landscape level wildfire resilience objectives.
  - 80523. Of the funds made available by Section 80520, thirty million dollars (\$30,000,000) shall be available, upon appropriation by the Legislature, to the air board, in consultation with the Natural Resources Agency and the Department of Forestry and Fire Protection, to incentivize new projects in California that provide long-term capital infrastructure to convert forest and other vegetative waste removed for wildfire mitigation to uses that maximize reductions in greenhouse gas emissions, provide local air quality benefits, and increase local community resilience against climate change impacts.

**AB 1567** 

8-3

80524. (a) Of the funds made available by Section 80520, two hundred million dollars (\$200,000,000) shall be available, upon appropriation by the Legislature, for allocation pursuant to subdivision (b).

- (b) Of the funds made available pursuant to subdivision (a), 50 percent shall be allocated to the Department of Parks and Recreation and 50 percent shall be allocated to regional park entities, including districts, counties, tribes, and authorities, and regional land trusts on a competitive basis administered by the Natural Resources Agency to plan for and implement projects to reduce the risks of fire and for the fire hardening of infrastructure for units of the state park system, and for grants to restore, enhance, and protect public lands and improve carbon sequestration through, among other things, ecologically sensitive vegetation management practices, or reduce black carbon emissions. A project funded pursuant to this section shall include at least two of the following public cobenefits:
  - (1) Fire risk reduction.
  - (2) Improved wildlife corridors.
- 20 (3) Improved ability for wildlife species to adapt to climate change.
  - (4) Reduced forest fragmentation.
  - (5) 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.
  - (6) Improved vegetation management associated with projects developed pursuant to Section 4123.5.
    - (7) Improved stormwater or groundwater benefits.
  - (c) Of the funds made available pursuant to subdivision (a), not less than fifty million dollars (\$50,000,000) shall be for equity destination projects located on the lands of regional park entities, including districts, counties, tribes, and authorities.
  - 80525. (a) Of the funds made available by Section 80520, three hundred fifty million dollars (\$350,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for grants on a block grant basis to eligible city, county, district, and regional park and open-space entities for projects that do any of the following:
- 39 (1) Reduce the risk of fire, flood, or drought in order to 40 safeguard public lands and communities.

2

4

5

7

10 11

12

13

14 15

16

17

18 19

20

21

22

23

2425

26

30

31 32

33

34

35

36 37

AB 1567 -18-

- (2) Enhance water conservation or efficiencies for existing outdoor facilities.
- (3) Promote access, including, where feasible, for individuals with disabilities, as defined by the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), and facilitate social distancing, as needed, among park users.
- (b) Minimum awards for grants issued pursuant to this section are one hundred fifty thousand dollars (\$150,000) for cities and districts and three hundred thousand dollars (\$300,000) for counties and regional entities.
- 80526. (a) Of the funds made available by Section 80520, one hundred twenty-five million dollars (\$125,000,000) shall be available, upon appropriation by the Legislature, to the California Conservation Corps and certified community conservation corps, as defined in Section 14507.5, 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.
- (2) Projects to prepare for, prevent, respond to, and rehabilitate following natural disasters, declared emergencies, or climate-related impacts to communities, including, but not limited to, the following projects:
  - (A) Community greenspace improvements or restoration.
  - (B) Restoration of watersheds and riparian zones.
  - (C) Regional and community-level fuel load reduction.
- 27 (D) Development and maintenance of urban tree canopies.
- 28 (E) Post-wildfire restoration.
- 29 (F) Resource conservation and restoration projects.
  - (G) Construction of emergency housing.
  - (H) Construction of transition and affordable housing to protect vulnerable populations from the impacts of wildfire and other climate threats.
  - (I) Identified community emergency response support, such as construction and support at temporary evacuation centers, hospitals, housing, and shelters needed during emergencies and disasters.
- 37 (J) Facility or equipment acquisition, development, restoration, 38 and rehabilitation.
- 39 (b) Not less than 30 percent of the amount available pursuant 40 to subdivision (a) shall be available for the construction of

8-3

permanent California Conservation Corps and certified community conservation corps residential accommodations with not less than one established in northern California and one in southern California.

- (c) 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.
- (d) Up to 5 percent of the amount available pursuant to subdivision (a) shall be available for training, support, recruitment, and retention, and other wraparound services for corps members.

## Chapter 3. Protecting Coastal Lands, Bays, and Oceans from Sea Level Rise and Other Climate Risks

80530. The sum of one billion nine hundred twenty-five million dollars (\$1,925,000,000) shall be available, upon appropriation by the Legislature, for protection of coastal communities from sea level rise, restoration of coastal and ocean resources, mitigation of ocean acidification, and addressing the impacts of climate change along California's coast. Projects funded pursuant to this chapter shall provide for public access to the shoreline and to inland and coastal waterways consistent with public safety needs.

80531. (a) Of the funds made available by Section 80530, one billion one hundred million dollars (\$1,100,000,000) shall be available, upon appropriation by the Legislature, to the State Coastal Conservancy for grants or expenditures to protect, restore, and increase the resilience of beaches, bays, coastal dunes, wetlands, coastal forests, watersheds, trails, and public access facilities, including, where feasible, for individuals with disabilities, as defined by the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), pursuant to Division 21 (commencing with Section 31000), including land acquisition, or conservation easements on land with open space, recreational, biological, cultural, scenic, or agricultural values, or lands adjacent to marine protected areas, whose preservation and continued operation will contribute to the ecological quality of those marine protected areas.

(b) Of the funds made available by subdivision (a), two hundred fifty million dollars (\$250,000,000) shall be available for projects that are consistent with the San Francisco Bay Restoration

AB 1567 -20-

Authority Act (Title 7.25 (commencing with Section 66700) of the Government Code), including, but not limited to, projects that address sea level rise, flood management, and wetland restoration.

- (c) Of the funds made available by subdivision (a), not less than two hundred fifty million dollars (\$250,000,000) shall be available for the San Francisco Bay Area Conservancy Program.
- (d) Of the funds made available by subdivision (a), one hundred million dollars (\$100,000,000) shall be available for grants for projects that use natural infrastructure to promote climate resilience and protect critical infrastructure that is vulnerable to sea level rise and flooding.
- (e) Of the funds made available by subdivision (a), sixty-five million dollars (\$65,000,000) shall be available for projects to remove outdated or obsolete dams and to upgrade associated downstream infrastructure to increase climate resilience, enhance natural sediment transport, improve wildlife and fish passage, and modernize associated infrastructure, including related planning, monitoring, permitting, habitat restoration, and recreational improvements.

80532. Of the funds made available by Section 80530, thirty million dollars (\$30,000,000) shall be available, upon appropriation by the Legislature, to the California Coastal Commission for grants for local adaptation planning and updating local coastal programs and twenty million dollars (\$20,000,000) shall be available, upon appropriation by the Legislature, to the San Francisco Bay Conservation and Development Commission for coastal planning and projects within its jurisdiction. Eligible activities include, but are not limited to, the development of, or updates to, relevant portions of a local hazard mitigation plan or local general plan to address sea level rise and coastal hazards pursuant to paragraph (4) of subdivision (g) of Section 65302 of the Government Code.

80533. Of the funds made available by Section 80530, three hundred million dollars (\$300,000,000) shall be available, upon appropriation by the Legislature, for deposit into the California Ocean Protection Trust Fund for grants consistent with Section 35650. Priority shall be given to projects that assist coastal communities, including those reliant on commercial fisheries, with adaptation to climate change, including projects that address ocean acidification, increasing ocean temperatures, sea level rise,

**AB 1567** 

8-3

stewardship of the state's marine protected areas, kelp restoration, or habitat restoration and protection.

80534. Of the funds made available by Section 80530, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Department of Parks and Recreation to plan for and implement projects to reduce the risks of sea level rise for units of the state park system.

80535. Of the funds made available by Section 80530, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, for projects identified by the Natural Resource Agency and the Invasive Species Council of California to implement projects to protect and restore island ecosystems and prevent and mitigate island invasive species.

80536. Of the funds made available by Section 80530, twenty-five million dollars (\$25,000,000) shall be available, upon appropriation by the Legislature, for projects identified by the Department of Fish and Wildlife to implement climate-ready fisheries management approaches that expand opportunities for experimentation and adaptive cooperative management, and to implement modernized electronic fisheries data management systems and increase the use of electronic technologies to improve fisheries management responses and resiliency under changing ocean conditions.

80537. Of the funds made available by Section 80530, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, for projects identified by the Department of Fish and Wildlife to support the management of kelp ecosystems. Funds shall be used for the ongoing monitoring of kelp ecosystems and for the implementation of an adaptive kelp management plan.

80538. Projects funded pursuant to this chapter shall be consistent with climate and sea level rise policies and guidelines established by the California Coastal Commission, the Ocean Protection Council, the San Francisco Bay Conservation and Development Commission, and the State Coastal Conservancy, if applicable.

AB 1567 -22-

Chapter 4. Ensuring Safe Drinking Water, Drought Preparation, and Enhancing the State's Flood Protection

80540. The sum of five billion fifteen million dollars (\$5,015,000,000) shall be available, upon appropriation by the Legislature, for the delivery of safe drinking water, drought preparation and response, and flood protection.

- 80541. Grant guidelines adopted pursuant to Section 80513 for funding under this chapter shall encourage, where feasible, the inclusion of the following project components:
  - (a) Efficient use and conservation of water supplies.
- (b) The capture of stormwater to reduce stormwater runoff, reduction of water pollution, or recharge of groundwater supplies, or a combination of those activities.
- (c) Provision of safe and reliable drinking water supplies to park and open-space visitors, and state fairgrounds that serve as emergency evacuation facilities.
- (d) Support to groundwater sustainability agencies for regional groundwater sustainability.
- (e) Increased climate resilience for wildlife and fish species. 80542. Nothing in this chapter determines or alters water rights or water right priorities.
- 80543. (a) Of the funds made available by Section 80540, two hundred fifty million dollars (\$250,000,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources in collaboration with the water board, for grants and projects that advance groundwater sustainability consistent with the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code). Funds may be used for projects, including groundwater recharge or water banking projects, and management actions identified in a groundwater sustainability plan, an alternative plan submitted and approved pursuant to Section 10733.6 of the Water Code, or a judgment in an adjudication issued pursuant to Section 850 of the Code of Civil Procedure.
- 36 (b) Funding preference shall be given to either of the following37 projects:
- 38 (1) Projects that address water quality and quantity needs of disadvantaged communities, including well mitigation programs,

**AB 1567** 

8-3

short- and long-term drinking water quality and quantity projects, and projects that enhance drought and water shortage resiliency.

- (2) Projects that provide multiple benefits or encourage local and regional coordination with land use planning agencies.
- (c) At least 10 percent of the funds available pursuant to this section shall be allocated for grants that provide outreach and technical assistance that directly benefit disadvantaged communities, vulnerable communities, and under-resourced communities. An eligible applicant is a nonprofit organization, technical assistance provider, or tribe.
- 80543.5. Of the funds made available by Section 80540, two hundred million dollars (\$200,000,000) shall be available, upon appropriation by the Legislature, for expenditures on, and competitive grants and loans to, projects that are included in, and implemented in, an adopted integrated regional water management plan consistent with Part 2.2 (commencing with Section 10530) of Division 6 of the Water Code and that respond to climate change and contribute to regional water security.
- 80544. (a) Of the funds made available by Section 80540, four hundred million dollars (\$400,000,000) shall be available, upon appropriation by the Legislature, to the water board for competitive grants or loans for the purposes described in Chapter 5 (commencing with Section 79720) of Division 26.7 of the Water Code to help provide clean, safe, and reliable drinking water to all Californians.
- (b) Of the funds made available by subdivision (a), thirty million dollars (\$30,000,000) shall be available, upon appropriation by the Legislature, to the water board for competitive grants or loans to develop and implement regional or countywide drought and water shortage contingency plans, resilience measures, and programs, including those adopted according to the recommendations and guidance proposed by the Department of Water Resources pursuant to Chapter 10 (commencing with Section 10609.40) of Part 2.55 of Division 6 of the Water Code.
- 80545. (a) Of the funds made available by Section 80540, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the water board for loans or, subject to subdivision (b), grants or forgivable loans to public agencies or public-private partnerships for projects that will prevent or substantially reduce the contamination of groundwater or surface

AB 1567 — 24 —

water supplies that serve as a source of drinking water and improve access to wastewater infrastructure.

- (b) The water board may use grants or forgivable loans for projects that benefit vulnerable populations, under-resourced communities, disadvantaged communities, or severely disadvantaged communities.
- (c) The water board shall give preference in the allocation of these grant or loan funds to one or both of the following:
- (1) Projects that include the abandonment of onsite wastewater systems through connections with local sewer systems. Funding for these projects may include, but is not limited to, the cost of extensions needed to connect with the local sewer system, the cost of expanding the local sewer system to meet the additional need for treatment, and the cost of decommissioning existing onsite wastewater systems.
- (2) Complete projects rather than incrementally funding phases of a single project.
- (d) Grants or loans awarded under this section may be for any amount deemed appropriate by the water board, consistent with the purpose of providing safe and clean drinking water to all Californians.
- (e) A public agency or a public-private partnership may receive more than one grant or loan for projects if the proposed projects meet the requirements of this section.
- 80545.5. (a) Of the funds made available by Section 80540, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the water board for competitive grants or loans for projects that prevent, reduce, or treat the contamination of groundwater that serves as a major source of drinking water for a community.
- (b) The water board shall prioritize project funding based on the following criteria:
- (1) The threat posed by groundwater contamination to the affected community's overall drinking water supplies, including the need for the use of alternative supplies if groundwater is not available due to contamination.
- (2) The potential for groundwater contamination to spread and reduce drinking water supply and water storage capacity for major population areas.

 **AB 1567** 

8-3

- (3) The potential of the project, if fully implemented, to enhance local water supply reliability.
- (4) The potential of the project to increase opportunities for groundwater recharge and optimization of groundwater supplies.
- (5) The project is implemented pursuant to a comprehensive basinwide groundwater quality management and remediation plan or is necessary to develop a comprehensive groundwater plan.
- (6) The affected groundwater provides a local supply that, if contaminated or left untreated, will require the importation of additional water from the Sacramento-San Joaquin Delta or the Colorado River.
- 80546. Of the funds made available by Section 80540, four hundred fifty million dollars (\$450,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency and its departments, boards, and conservancies for the protection and restoration of rivers, lakes, and streams to improve climate resilience, water supplies, or water quality. To the extent feasible, preference shall be given to natural infrastructure projects. Eligible projects include, but are not limited to, any of the following:
- (a) Multiple-benefit river and urban stream parkway projects that protect and restore riparian habitats, improve climate resilience, enhance natural drainages, protect and restore watersheds, and provide access, including for statewide obligations involving multistate agreements.
- (b) Multiple-benefit watershed protection and climate resilience projects consistent with the Lake Tahoe Environmental Improvement Program.
- (c) (1) At least two hundred forty million dollars (\$240,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for capital outlay projects that provide air quality, public health, and habitat benefits to the Salton Sea and surrounding communities.
- (2) Of the amount available pursuant to paragraph (1), thirty million dollars (\$30,000,000) shall be available to the Salton Sea Authority for purposes consistent with this subdivision.
- (3) Of the amount available pursuant to paragraph (1), a minimum of two million dollars (\$2,000,000) shall be for projects developed and prioritized using a public process that includes

AB 1567 -26-

participatory budgeting. Projects shall be consistent with paragraph (1) and with priorities identified by the affected communities.

- (d) At least fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for the Tijuana River Border Pollution Control Project.
- (e) (1) Notwithstanding subdivision (c) of Section 5753, twenty-five million dollars (\$25,000,000) shall be available, upon appropriation by the Legislature, to the Santa Monica Mountains Conservancy for projects within the San Fernando Valley that protect or enhance the Los Angeles River watershed and its tributaries or headwaters.
- (2) Notwithstanding subdivision (c) of Section 5753, twenty-five million dollars (\$25,000,000) shall be available, upon appropriation by the Legislature, to the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy for projects that protect or enhance the Los Angeles River watershed and its tributaries.
- (3) Funds allocated pursuant to this subdivision shall be expended pursuant to Section 79508 of the Water Code.
- (f) Fifteen million dollars (\$15,000,000) shall be available, upon appropriation by the Legislature, for multiple-benefit watershed protection, restoration, and public access projects that improve climate resilience pursuant to the Lower American River Conservancy Program (Chapter 10.5 (commencing with Section 5845) of Division 5).
- (g) Fifteen million dollars (\$15,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for projects in and around Clear Lake and its watershed that demonstrate a comprehensive local and regional approach to restoration, remediation, water quality research, and management of the lake and its surrounding resources.
- (h) Five million dollars (\$5,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for projects supporting a comprehensive regional use management plan for the Russian River to reduce conflict and promote water supply improvements, habitat restoration and protection, cooperative public recreation, and commercial activity.
- (i) Five million dollars (\$5,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for projects within the County of Placer to promote habitat

**AB 1567** 

8-3

restoration and protection and connect and expand trails and trail systems along county rivers, lakes, and waterways.

- (j) Ten million dollars (\$10,000,000) shall be made available, upon appropriation by the Legislature, to the Department of Water Resources to implement the Urban Streams Restoration Program, established pursuant to Section 7048 of the Water Code.
- 80547. Of the funds made available by Section 80540, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the California Environmental Protection Agency for purposes consistent with the New River Water Quality, Public Health, and River Parkway Development Program, as described in Section 71103.6.
- 80548. (a) Of the funds made available by Section 80540, two hundred million dollars (\$200,000,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources for flood management projects that are components of multiple-benefit flood management system improvements that reduce risks to public safety and provide improvements to fish and wildlife habitat. Eligible project types include, but are not limited to, levee setbacks, projects connecting rivers with flood plains, enhancement of flood plains and bypasses, offstream groundwater recharge, and land acquisitions, easements, and improvements necessary for these project types to achieve both flood management and environmental benefits. To the extent feasible, project selection shall be guided by approved local hazard mitigation plans and preference shall be given to natural infrastructure projects. Eligible projects may include any of the following:
- (1) Multiple-benefit flood management projects that reduce the impacts of climate change on inland or coastal infrastructure, communities, or ecosystems, and provide ecosystem, wildlife, or groundwater recharge benefits.
- (2) Natural infrastructure projects to reduce flood intensity and slow watershed runoff.
- (3) Projects that capture, clean, or otherwise productively use stormwater.
- (4) Projects that provide matching grants for, or otherwise leverage funding from, the Federal Emergency Management Agency, the United States Army Corps of Engineers, or other federal mitigation and resilience funding.

2 3

AB 1567 -28-

- (5) Projects that provide benefits to fish, waterfowl, wildlife, and anadromous and other native fish species along migratory corridors.
- (6) Projects that restore streams to a more natural state by removing drainage obstructions, culverts, and paved channels to enable more stormwater to be absorbed and gradually released by soil and plants.
- (b) Of the funds made available pursuant to subdivision (a), at least fifty million dollars (\$50,000,000) shall be allocated for multiple-benefit flood management projects in urban coastal watersheds.
- (c) (1) Of the funds made available pursuant to subdivision (a), fifty million dollars (\$50,000,000) shall be available for projects in the delta to improve existing levees to increase flood protection and climate resilience consistent with the Legislature's direction in Section 12981 of the Water Code. For purposes of this subdivision, "delta" has the same meaning as defined in subdivision (b) of Section 12980 of the Water Code.
- (2) (A) For purposes of this subdivision, "project levee" has the same meaning as defined in subdivision (g) of Section 5096.805.
- (B) The priority for projects that are not project levee projects undertaken pursuant to this subdivision shall be to preserve, protect, and improve the levees to meet the agricultural levee standards as provided in Department of Water Resources' Bulletin 192-82, and as may be adjusted by the Department of Water Resources to address increased flood risk due to sea level rise and climate change.
- (C) The priority for project levee projects undertaken pursuant to this subdivision shall be to meet the operations, maintenance, repair, rehabilitation, and replacement standards established by the United States Army Corps of Engineers.
- 80549. Of the funds made available by Section 80540, seven hundred fifty million dollars (\$750,000,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources for all of the following:
- (a) Four hundred million dollars (\$400,000,000) for projects related to the evaluation, repair, rehabilitation, reconstruction, expansion, or replacement of levees, weirs, bypasses, and facilities of the State Plan of Flood Control.

**AB 1567** 

8-3

- (b) Two hundred million dollars (\$200,000,000) for the Flood Control Subventions Program.
- (c) One hundred fifty million dollars (\$150,000,000) for projects in the Sacramento-San Joaquin Delta to increase flood protection and climate resiliency.
- 80550. (a) Of the funds made available by Section 80540, three hundred million dollars (\$300,000,000) shall be available, upon appropriation by the Legislature, to the water board for grants or loans for water recycling projects, including all of 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.
- (c) In allocating funding pursuant to this section, the water board shall prioritize all of the following:
  - (1) Cost effectiveness.
  - (2) Projects that serve a regional population.
- (3) Projects that include one or more partnerships between a municipality, a regional sanitation district, or a regional water distribution agency.
- (4) Projects that reduce the discharge of wastewater to the ocean and avoid or minimize adverse impacts to ocean resources.
- (5) Projects that reduce reliance on water imports from the San Francisco Bay-Delta and the Colorado River.
- (6) Projects that advance innovation in recycled water technology.
- (7) Projects that use energy efficiently, avoid using excessive amounts of energy in relation to the amount of water supplied, and result in fewer greenhouse gas emissions as compared to competing technologies.
- 38 80551. Of the funds made available by Section 80540, 39 twenty-five million dollars (\$25,000,000) shall be available, upon 40 appropriation by the Legislature, to the Department of Water

13

14 15

16 17

18 19

20

21

22

23 24

25

26 27

28

29

30

31 32

33

34

35

AB 1567 -30-

- 1 Resources for the implementation of the Open and Transparent
- 2 Water Data Act (Part 4.9 (commencing with Section 12400) of
- 3 Division 6 of the Water Code) to ensure data-informed water
- 4 management decisions during climatic extremes and periods of
- 5 scarcity. Funds may be used for grants to nonprofit organizations
- 6 or public agencies to support ongoing cross-sector collaboration
- 7 to advance open water data, identify critical water data gaps,
- 8 develop pilot projects or case studies to support data-informed
- 9 water management decisions, and develop best management
- 10 practices for water data collection and standards.
  - 80552. Of the funds made available by Section 80540, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the water board for technical and financial assistance to address hexavalent chromium at drinking water systems with average annual systemwide residential customer charges for compliance exceeding 1.5 percent of the median household income for that jurisdiction.
  - 80553. Of the funds made available by Section 80540, seventy million dollars (\$70,000,000) shall be available, upon appropriation by the Legislature, to the water board for technical and financial assistance for drinking water systems to address perfluoroalkyl and polyfluoroalkyl substances (PFAS).
  - 80554. Of the funds made available by Section 80540, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources and the water board to implement Section 144 of the Water Code to reactivate existing stream gauges and deploy new gauges.
  - 80555. Of the funds made available by Section 80540, two hundred fifty million dollars (\$250,000,000) shall be available, upon appropriation by the Legislature, to the Wildlife Conservation Board for grants pursuant to the guidelines of the Stream Flow Enhancement Program for the purposes of protecting fish and wildlife from the impacts of drought, including for short-term acquisition and construction of transfer of water.
- 36 80556. Of the funds made available by Section 80540, two 37 hundred million dollars (\$200,000,000) shall be available, upon 38 appropriation by the Legislature, for tribal water infrastructure 39 projects.

8-3

80557. Of the funds made available by Section 80540, one hundred fifty million dollars (\$150,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for competitive grants for the purposes of multibenefit projects in urbanized areas to address flooding. Eligible projects shall include, but are not limited to, stormwater capture and reuse, planning and implementation of low-impact development, restoration of urban streams and watersheds, and increasing permeable surfaces to help reduce flooding.

80558. (a) Of the funds made available by Section 80540, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, for capital investments in brackish desalination, seawater desalination, contaminant and salt removal, and salinity management projects to improve California water and drought resilience. Priority shall be given to projects that use renewable energy and reduce greenhouse gas emissions associated with their construction and operation.

- (b) For ocean desalination projects, priority shall be given to projects that do both of the following:
- (1) Incorporate measures to minimize the intake of all forms of marine, brackish, and freshwater life in their construction and operation.
- (2) Incorporate measures to minimize the adverse impacts of outfalls on marine, brackish, and freshwater life in their construction and operation.

# Chapter 5. Protecting Fish, Wildlife, and Natural Areas from Climate Risks

80560. The sum of one billion six hundred twenty-five million dollars (\$1,625,000,000) shall be available, upon appropriation by the Legislature, to protect and restore natural lands to better maintain biodiversity and ecosystem benefits as climate conditions change and enhance fish and wildlife corridors and habitat linkages to increase the ability of wildlife to adapt to changing climate conditions.

80561. To the extent feasible in implementing this chapter, a state agency receiving funding under this chapter shall seek to achieve wildlife conservation objectives through projects on public lands or voluntary projects on private lands.

2

4

5

6

8

9

10

11

14 15

16

17

18 19

20

21

22

23

2425

26

27

28

29 30

31 32

33

AB 1567 -32-

- 80562. (a) Of the funds made available by Section 80560, seven hundred fifty million dollars (\$750,000,000) shall be available, upon appropriation by the Legislature, to the Wildlife Conservation Board for programs for the protection of California's fish and wildlife resources in response to changing climate conditions, as well as for restoration and stewardship projects that restore or manage land or habitat to improve its resilience to climate impacts and natural disasters. Eligible projects include, but are not limited to, the following:
  - (1) Land acquisition projects.
  - (2) Habitat enhancement and restoration projects.
- 12 (3) Rangeland, grazing land, and grassland protection projects.
- 13 (4) Inland wetland conservation projects.
  - (5) Ecosystem restoration on agricultural lands projects.
  - (6) Climate adaptation and resiliency projects.
  - (7) Monarch butterfly and pollinator rescue projects.
  - (8) Projects for purposes of reimbursing the General Fund pursuant to the Natural Heritage Preservation Tax Credit Act of 2000 (Division 28 (commencing with Section 37000)).
  - (9) Projects that protect, restore, and enhance desert habitat consistent with the California Desert Conservation Program.
  - (b) Of the amount specified in subdivision (a), not less than eighty million dollars (\$80,000,000) shall be available for the Cascades and High Sierra Upper Watersheds Program.
  - (c) The Wildlife Conservation Board shall prioritize projects that address the impacts of climate change; provide public access or recreational amenities; or reduce the threats of wildfire, drought, flood, and other catastrophic events.
  - (d) Funding made available by subdivision (a) shall not be used to 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.
- 80563. Of the funds made available by Section 80560, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the Department of Conservation's Multibenefit Land Repurposing Program for groundwater sustainability projects that provide wildlife habitat.
- 39 Projects may support implementation of the Sustainable
- 40 Groundwater Management Act (Part 2.74 (commencing with

**AB 1567** 

8-3

Section 10720) of Division 6 of the Water Code). Eligible projects include, but are not limited to, the following:

- (a) Projects that create, protect, or restore permanent wildlife habitat.
- (b) Projects that create, protect, or restore seasonal wetland habitat that provides aquifer replenishment.
- (c) Projects that improve groundwater supply, including groundwater recharge, improved baseflows in rivers and streams, and groundwater supply improvement for fish and wildlife habitat.
- (d) Projects that convert land to less intensive water uses while maintaining natural and working lands.
- 80564. Of the funds made available by Section 80560, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Department of Fish and Wildlife to improve the climate resilience of fish and wildlife habitat. Eligible projects include, but are not limited to, the following:
- (a) Projects on lands managed by the Department of Fish and Wildlife to reduce the risks of fire, drought, flood, inundation, sea level rise, and other risks associated with climate change and for the protection and restoration of infrastructure and natural resources.
- (b) Competitive grants for projects that enhance or restore inland or anadromous native fish species habitat. Projects include, but are not limited to, enhanced stream flows, improved fish passage, reconnection of riverine and floodplain habitat, and other actions to help fish adapt to climate change.
- (c) Projects for the cleanup, remediation, and restoration of environmental damage in watersheds affected by illegal cannabis cultivation and related activities.
- (d) Salmon and other fishery preservation, enhancement, and habitat restoration projects.
- 80565. (a) Of the funds made available pursuant to Section 80560, five hundred forty million dollars (\$540,000,000) shall be available, upon appropriation by the Legislature, for climate resilience and reducing the risks of climate change impacts upon communities, fish and wildlife, and natural resources allocated in accordance with the following schedule:
- 38 (1) Baldwin Hills Conservancy, fifteen million dollars 39 (\$15,000,000).

8

9

10

11

14

15

16 17

18 19

20

21

22

23

24 25

26

27 28

33

34 35

36 37

38

**—34** — **AB 1567** 

- 1 (2) State Coastal Conservancy, eighty million dollars (\$80,000,000), of which at least forty million dollars (\$40,000,000) shall be available for the Santa Ana River Conservancy Program and thirty million dollars (\$30,000,000) shall be available for the 4 Coyote Valley Conservation Program. 5
  - (3) California Tahoe Conservancy, thirty-five million dollars (\$35,000,000).
  - (4) Coachella Valley Mountains Conservancy, thirty million dollars (\$30,000,000).
  - (5) Sacramento-San Joaquin Delta Conservancy, thirty-five million dollars (\$35,000,000).
- (6) San Diego River Conservancy, fifty million dollars 12 13 (\$50,000,000).
  - (7) San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, sixty-five million dollars (\$65,000,000).
    - (8) San Joaquin River Conservancy, fifteen million dollars (\$15,000,000).
    - (9) Santa Monica Mountains Conservancy, sixty-five million dollars (\$65,000,000).
    - (10) Sierra Nevada Conservancy, sixty-five million dollars (\$65,000,000).
    - (11) American River Conservancy, fifteen million dollars (\$15,000,000).
  - (12) Creation of new conservancies, seventy million dollars (\$70,000,000), of which fifteen million dollars (\$15,000,000) shall be available for the creation of a Salton Sea Conservancy and twenty-five million dollars (\$25,000,000) shall be available for the creation of a California Trails Conservancy.
- 29 (b) When issuing grants pursuant to this section, a conservancy 30 identified in subdivision (a) shall give preference to one or more 31 of the following: 32
  - (1) Projects that use natural infrastructure.
  - (2) Projects done jointly by more than one conservancy.
  - (3) Projects that maximize greenhouse gas reductions.
  - (4) The provision of technical assistance to disadvantaged communities, severely disadvantaged communities, vulnerable populations, including those with access and functional needs, or socially disadvantaged farmers or ranchers.
- 39 80566. (a) Before expending any of the funds allocated pursuant to Section 80565, the Baldwin Hills Conservancy, State 40

**AB 1567** 

8-3

- 1 Coastal Conservancy, California Tahoe Conservancy, Coachella
- 2 Valley Mountains Conservancy, Sacramento-San Joaquin Delta
- 3 Conservancy, San Diego River Conservancy, San Gabriel and
- 4 Lower Los Angeles Rivers and Mountains Conservancy, San
- 5 Joaquin River Conservancy, Santa Monica Mountains
- Conservancy, and Sierra Nevada Conservancy shall develop a climate resilience plan that shall be adopted by each conservancy's
- governing board. Each climate resilience plan shall do all of the following:
  - (1) Describe how the impacts of climate change relate to the conservancy's mission and how they will affect the lands within its jurisdiction.
  - (2) Describe the conservancy's past investment and work addressing the impacts of climate change, reducing greenhouse gas emissions, and improving climate resilience.
  - (3) Outline a list of all projects or programs that the conservancy would propose to fund with an allocation pursuant to Section 80565.
  - (4) Describe the potential benefits of each project or program in increasing climate resilience and reducing the risks of climate change impacts upon communities, fish and wildlife, and natural resources.
  - (b) Each conservancy shall make the climate resilience plan available on its internet website and provide the climate resilience plan to the Natural Resources Agency.
  - (c) The climate resilience plan shall be consistent with any related regional climate adaptation plans the conservancy is participating in.

Chapter 6. Protecting farms, ranches, Farms, Ranches and working lands Working Lands from the impacts of climate change. Impacts of Climate Change.

80570. The sum of eight hundred twenty million dollars (\$820,000,000) shall be available, upon appropriation by the Legislature, for purposes of protecting California's agricultural resources, communities, open spaces, and lands from climate change impacts.

80571. Of the funds made available by Section 80570, two hundred sixty million dollars (\$260,000,000) shall be available,

AB 1567 -36-

upon appropriation by the Legislature, to the Department of Food and Agriculture for improvements in climate resilience of agricultural lands and ecosystem health and allocated to eligible projects as follows:

- (a) (1) One hundred million dollars (\$100,000,000) shall be available for grants to promote practices on farms and ranches that improve soil health, accelerate atmospheric carbon removal or soil carbon sequestration, improve air or water quality, enhance groundwater recharge or surface water supplies, or improve fish or wildlife habitat.
- (2) At least 35 percent of the funds allocated pursuant to this subdivision shall be allocated to projects that provide direct and meaningful benefits to farmers and ranchers in disadvantaged communities or severely disadvantaged communities.
- (3) Preference shall be given to small- and medium-sized farms and socially disadvantaged farmers and ranchers.
- (b) (1) Fifty million dollars (\$50,000,000) shall be available for grants to promote on-farm water use efficiency with a focus on multiple-benefit projects that improve groundwater management, resilience to climate change, water quality, surface water use efficiency, drought tolerance and flood protection, or water supply and water quality conditions for fish and wildlife.
- (2) At least 35 percent of the funds allocated pursuant to this subdivision shall be allocated to projects that provide direct and meaningful benefits to farmers and ranchers in disadvantaged communities or severely disadvantaged communities.
- (3) Preference shall be given to small- and medium-sized farms and socially disadvantaged farmers and ranchers.
- (c) (1) Eighty million dollars (\$80,000,000) shall be available for projects that promote the reduction of methane emissions from dairy and livestock operations and improved water quality through manure management and handling, including, but not limited to, the creation of composted manure products.
- (2) Preference shall be given to small- and medium-sized farms and socially disadvantaged farmers and ranchers.
- (d) Twenty million dollars (\$20,000,000) shall 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

8-3

Species Council of California. Priority shall be given to projects that restore and protect biodiversity and ecosystem health.

(e) Ten million dollars (\$10,000,000) shall be available to fund improvements and enhancements to pollinator habitat and forage. 80572. Of the funds made available by Section 80570, one

hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the Department of Food and Agriculture for grants that benefit small- and medium-sized farms and socially disadvantaged farmers, and increase the sustainability of agricultural infrastructure and facilities that support food systems, market access, agricultural workforce development, worker safety equipment, or job retention and growth.

80573. (a) Of the funds made available by Section 80570, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the Department of Conservation for projects for the protection, restoration, 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 restoration, conservation projects, 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.

- (b) The Department of Conservation may develop guidelines to allow for innovative incentives to support multigenerational farmland transitions, entry of new farmers into the sector, or support for small or socially disadvantaged farms. The Department of Conservation may expend up to 20 percent of the funds made available pursuant to this section for projects funded under these guidelines.
- (c) At least 35 percent of the funds allocated pursuant to this section shall be allocated to projects that provide direct and meaningful benefits to farmers and ranchers in disadvantaged communities or severely disadvantaged communities.
- (d) The Department of Conservation shall maximize grant timeline flexibility for the funds made available pursuant to this section to ensure that applicants have multiple opportunities to apply for funding throughout each year.

AB 1567 -38-

80574. Of the funds made available by Section 80570, ten million dollars (\$10,000,000) shall be available, upon appropriation by the Legislature, to the Wildlife Conservation Board for the purpose of recovering and sustaining populations of monarch butterflies and other pollinators.

80575. Of the funds made available by Section 80570, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Department of Food and Agriculture for the administration of a resilient and higher welfare grant program. The department shall ensure the program does both of the following:

- (a) Seeks to support the implementation of higher standards of care and more climate-smart farming practices by providing incentives, including grants, to producers and processors seeking to improve farm animal welfare and increase capacity to meet growing demand for higher welfare and welfare-certified products, to comply with regulatory requirements, to make necessary climate adaptations, or any combination of these things.
- (b) Aligns with the Farmer Equity Act of 2017 (Article 6 (commencing with Section 510) of Chapter 3 of Part 1 of Division 1 of the Food and Agricultural Code).

Chapter 7. Responding to Extreme Heat, Community Enhancement, and Resilience

80580. The sum of one billion seven hundred forty million dollars (\$1,740,000,000) shall be available, upon appropriation by the Legislature, for the purposes of strengthening California's climate resilience and mitigation strategies to address increasing temperatures and extreme heat events through investments in parks, urban green infrastructure, and community forestry projects.

80581. (a) Of the funds made available by Section 80580, eight hundred fifty million dollars (\$850,000,000) shall be available, upon appropriation by the Legislature, to the Department of Parks and Recreation for the creation and expansion 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.

2 3

8-3

AB 1567

(1) When developing or revising criteria or guidelines for the grant program, the department may give additional consideration to projects that reduce urban heat island effect, mitigate extreme heat events, sea level rise, or flooding events, or promote heat avoidance or enhanced water capture for groundwater recharge, or other environmental benefits.

-39-

- (2) The department shall perform its due diligence by conducting a rigorous prequalification process to determine the fiscal and operational capacity of a potential grant recipient to manage a project to do both of the following:
  - (A) Maximize the project's public benefit.
  - (B) Implement the project in a timely manner.
- (b) Of the amount available pursuant to subdivision (a), not less than 20 percent shall be available for the rehabilitation, repurposing, or substantial improvement of existing park infrastructure in communities of the state that will lead to increased use and enhanced user experiences or increase access for individuals with disabilities, as defined by the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.).
- (c) Of the amount available pursuant to subdivision (a), to correct historic underinvestment in the central valley, Inland Empire, gateway, rural, and desert communities, fifty million dollars (\$50,000,000) shall be available for local park creation and improvement grants to the communities identified by the department as park deficient for active recreational projects, including aquatic centers, to encourage youth health, fitness, and recreational pursuits. Projects that include the partial or full donation of land, materials, or volunteer services and that demonstrate collaborations of multiple entities and the leveraging of scarce resources may be given special consideration. Entities that receive a grant under this section may also be eligible to receive other grants under subdivision (a) of Section 80526.
- (d) Of the amount available pursuant to subdivision (a), in an effort to recognize differences in regional economic factors and median household incomes, one hundred twenty-five million dollars (\$125,000,000) may be awarded to communities with 125 percent of the state median income average.
- (e) Of the amount available pursuant to subdivision (a), up to one hundred twenty-five million dollars (\$125,000,000) shall be awarded to communities and projects seeking to restore blighted

AB 1567 — 40 —

and degraded lands, including former industrial sites, landfills, and otherwise underutilized lands, for repurposing to parks, trails, and greenspaces.

80582. Of the funds made available by Section 80580, one hundred seventy-five million dollars (\$175,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for competitive grants for urban greening. Projects shall benefit vulnerable populations. 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, investments that support an expanded urban greening program that supports the creation of green recreational parks in park poor communities.

80583. Of the funds made available by Section 80580, one hundred fifty million dollars (\$150,000,000) 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.

80584. Of the funds made available by Section 80580, seventy-five million dollars (\$75,000,000) shall be available, upon appropriation by the Legislature, to the Department of Community Services and Development for low-income weatherization projects consistent with Section 12087.5 of the Government Code.

80585. Of the funds made available by Section 80580, one hundred fifty million dollars (\$150,000,000) shall be available, upon appropriation by the Legislature, to the Strategic Growth Council for a grant program to reduce the urban heat island effect and other extreme heat impacts from climate change. Eligible projects shall mitigate the impacts of the urban heat island effect and extreme heat through any of the following: the use of reflective surface materials in the built environment, the capture and beneficial reuse of water for cooling, the increased use of natural or man-made shade, and the reduction of heat-trapping surfaces. Projects shall benefit disadvantaged communities, severely disadvantaged communities, or vulnerable populations. Priority shall be given to projects that provide multiple benefits, including, but not limited to, projects that do more than one of any of the following: capture rainwater, reduce stormwater pollution, use

**AB 1567** 

8-3

cool roofs and pavements, use shade structures, or increase the use of natural spaces for urban vegetation and forestry.

80586. Of the funds made available by Section 80580, forty million dollars (\$40,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency in an effort to provide fuel breaks, risk reduction buffers, and recreational corridors through investments in natural surface, multiuse trails, and trail systems pursuant to grants awarded through the Recreational Trails and Greenways Grant Program.

80587. At least 10 percent of the funds available pursuant to this chapter shall be allocated for grants that provide outreach and technical assistance that directly benefit disadvantaged communities and vulnerable communities. An eligible applicant is a nonprofit organization, technical assistance provider, or tribe.

## Chapter 8. Strengthening California's Regional Climate Resilience

 80590. The sum of one billion eight hundred million dollars (\$1,800,000,000) shall be made available, upon appropriation by the Legislature, for the purposes of strengthening California's climate resilience based on regional needs.

- 80591. (a) Of the funds made available by Section 80590, one billion dollars (\$1,000,000,000) shall be available, upon appropriation of by the Legislature, to the Strategic Growth Council for climate resilience and the reduction in the risk of climate impacts to communities, including, but not limited to, wildfire, sea level rise, drought, flood, increasing temperatures, and extreme heat events. The goal of these funds is to encourage the development and implementation of science- and research-informed multiple-benefit, cross-sector projects that respond to each region's greatest climate vulnerabilities.
- (b) Funds shall be available to regional climate networks to implement the highest priority projects identified in approved regional climate adaptation action plans.
- (c) Funds shall be for public benefits associated with climate resilience projects that reduce climate vulnerabilities.
- (d) Funds shall be allocated to regional climate networks, as follows:

AB 1567 — 42 —

- (1) At least 60 percent of funds shall be available to regional climate networks based on the percentage of the state's population included in the jurisdiction of the network's regional climate adaptation action plan, but not less than two million dollars (\$2,000,000) per network.
- (2) The remaining funds may be provided to increase the size of the awards under paragraph (1) to the extent the approved regional climate adaptation action plan does any of the following:
- (A) Protects disadvantaged communities, severely disadvantaged communities, under-resourced communities, or vulnerable populations.
  - (B) Protects natural resources prioritized by the state.
- (C) Enhances statewide climate adaptation and resilience strategies, as identified by the most recent update of the Safeguarding California Plan developed by the Natural Resources Agency.
  - (D) Reduces or sequesters carbon emissions.
  - (E) Scales to maximize effectiveness of response.
- (F) Includes information regarding the regional climate network's ability to secure matching funds for projects identified within the plan.
- (G) Prioritizes technical assistance to disadvantaged communities, severely disadvantaged communities, vulnerable populations, under-resourced communities, including those with access and functional needs or with at-risk infrastructure, or both, socially disadvantaged farmers or ranchers, and economically distressed areas.
- 80592. Of the funds made available by Section 80590, two hundred million dollars (\$200,000,000) shall be available, upon appropriation by the Legislature, to the Strategic Growth Council for the implementation of the Transformative Climate Communities Program established pursuant to Section 75240 for projects that address wildfire, flood, drought, heat, air pollution, and other climate risks and that improve the resilience of local communities.
- 80592.5. Of the funds made available by Section 80590, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the Strategic Growth Council for implementation of multijurisdictional projects led by countywide special districts created for the purpose of building resiliency to the impacts of sea level rise and extreme storms.

2

4

5

6

8

10

11

12 13

14 15

16 17

18

19

20

21

22

23

24

25

26

27

28 29

30

31

32

33

34

35

36 37

38

39

40

**AB 1567** 

8-3

80593. (a) Of the funds made available by Section 80590, one hundred million dollars (\$100,000,000) 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 public safety power shutoff 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 80594.
  - (c) For purposes of this section, the following definitions apply:
- (1) "Eligible community facilities" include 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, grocery stores, mobile sites, community land trusts, and fairgrounds.
- (2) "Public safety power shutoff" 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.

80594. Of the funds made available by Section 80590, one hundred million dollars (\$100,000,000) 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:

AB 1567 — 44 —

- (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 public safety power shutoff 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.

80595. Of the funds made available by Section 80590, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Department of Resources Recycling and Recovery for the \_\_\_\_ Grant Program to provide funding for organic waste infrastructure.

80596. At least 10 percent of the funds available pursuant to this chapter shall be allocated for grants that provide outreach and technical assistance that directly benefit disadvantaged communities, under-resourced communities, and vulnerable communities. An eligible applicant is a nonprofit organization, technical assistance provider, or tribe.

CHAPTER 9. FISCAL PROVISIONS

- 80600. (a) Bonds in the total amount of fifteen billion one hundred five million dollars (\$15,105,000,000), not including the amount of any refunding bonds issued in accordance with Section 80612, 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 80603. The bonds shall be issued and sold upon the terms and conditions specified in a resolution to be

 **AB 1567** 

8-3

1 adopted by the committee pursuant to Section 16731 of the 2 Government Code.

80601. The bonds authorized by this division shall be prepared, executed, issued, sold, paid, and redeemed as provided in 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 amended from time to time, 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.

- 80602. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to 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), of the bonds authorized by this division, the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Finance Committee is hereby created. For purposes of this division, the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development 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, and the Secretary of the Natural Resources Agency. 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.
- 80603. 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.

AB 1567 — 46 —

1 80604. For purposes of the State General Obligation Bond Law 2 (Chapter 4 (commencing with Section 16720) of Part 3 of Division 3 4 of Title 2 of the Government Code), "board," as defined in 4 Section 16722 of the Government Code, means the Secretary of 5 the Natural Resources Agency.

80605. 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.

80606. 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 80609.

80607. 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 80612, less any amount loaned and not yet repaid pursuant to this section and any amount withdrawn from the General Fund pursuant to Section 80609 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.

80608. Notwithstanding any other provision of this division, or of the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title

**AB 1567** 

8-3

2 of the Government Code), 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.

80609. 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 80612, less any amount loaned pursuant to Section 80607 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.

80610. 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.

80611. Pursuant to 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), 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

18 19

20

21

22

23

24

25

26 27

28

29

30

31

32

33

34

35

36

AB 1567 — 48 —

paid from premiums received from the sale of bonds, these costs shall be allocated proportionally to each program funded through this division by the applicable bond sale.

4 80612. The bonds issued and sold pursuant to this division may be refunded in accordance with Article 6 (commencing with 5 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 8 Obligation Bond Law, as amended. 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 10 refund any bonds originally issued under this division or any 11 12 previously issued refunding bonds. Any bond refunded with the proceeds of a refunding bond as authorized by this section may be 13 legally defeased to the extent permitted by law in the manner and 14 15 to the extent set forth in the resolution, as amended from time to time, authorizing that refunded bond. 16 17

80613. 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.

80614. 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.

80615. Bonds issued under this division shall, whenever practical, be aligned with generally recognized principles and best practice 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 Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2024, as set forth in Section 2 of this act.

37 SEC. 4. (a) Notwithstanding Sections 9040, 9043, 9044, 9061, 38 and 9082 of the Elections Code, or any other law, Section 2 of this 39 act shall be submitted by the Secretary of State to the voters at the 40 March 5, 2024, statewide primary election.

-49 - AB 1567

(b) The Secretary of State shall include in the ballot pamphlets mailed pursuant to Section 9094 of the Elections Code the information specified in Section 9084 of the Elections Code regarding Section 2 of this act.

SEC. 5. 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.

8 9

1

4

5

6

10 11

**REVISIONS:** 

12 Heading—Lines 2, 5, and 6.

13

O

### AMENDED IN SENATE MAY 18, 2023 AMENDED IN SENATE APRIL 19, 2023

### **SENATE BILL**

No. 867

# Introduced by Senators Allen, Becker, Portantino, and Stern (Principal coauthor: Senator Dodd)

February 17, 2023

An act to add Division 50 (commencing with Section 90000) to the Public Resources Code, relating to drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate smart agriculture, park creation and outdoor access, and clean energy programs, 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.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 867, as amended, Allen. Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy 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

4

8

9

10 11

12

-2-

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 Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15,500,000,000 pursuant to the State General Obligation Bond Law to finance projects for drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate smart agriculture, park creation and outdoor access, and clean energy programs.

This bill would provide for the submission of these provisions to the voters at an unspecified statewide election.

This bill would become operative only if SB 638 of the 2023–24 Regular Session is enacted and takes effect on or before January 1, 2024.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

- 1 SECTION 1. The people of California find and declare all of 2 the following:
  - (a) 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.
  - (b) These risks and impacts vary by region and can overwhelm the resources of local governments that must cope with severe climate change-related events.
  - (c) 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.
- 13 (d) Governor Gavin Newsom has issued several reports and 14 executive orders that have created a roadmap to climate resiliency 15 in California that will help guide and direct investments.
- (e) The California's Water Supply Strategy Adapting to a Hotter,
   Drier Future outlines actions needed to take in order to recycle

**SB 867** 

8-3

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 storm water and desalinating brackish water in groundwater basins.

- (f) 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.
- (g) The 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.
- (h) 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.
- (i) 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.
- (j) 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.
- (k) 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.

SB 867 —4—

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

DIVISION 50. DROUGHT, FLOOD, AND WATER RESILIENCE, WILDFIRE AND FOREST RESILIENCE, COASTAL RESILIENCE, EXTREME HEAT MITIGATION, BIODIVERSITY AND NATURE-BASED CLIMATE SOLUTIONS, CLIMATE SMART AGRICULTURE, PARK CREATION AND OUTDOOR ACCESS, AND CLEAN ENERGY BOND ACT OF 2024

CHAPTER 1. GENERAL PROVISIONS

90000. This division shall be known, and may be cited, as the Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024.

- 90100. For purposes of this division, the following definitions apply:
- (a) "Disadvantaged community" means a community with a median household income of less than 80 percent of the area average.
- (b) "Economically distressed areas" has the same meaning set forth in Section 79702 of the Water Code.
- (c) "Severely disadvantaged community" means a community with a median household income of less than 60 percent of the area average.
- (d) "Socially disadvantaged farmer or rancher" has the same meaning set forth in Section 512 of the Food and Agricultural Code
- (e) "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.
- 37 (f) "Vulnerable population" means a subgroup of population 38 within a region or community that faces a disproportionately 39 heightened risk or increased sensitivity to impacts of climate

14 15

16 17

18 19

20

21 22

23

24

25

26 27

28

29

30

31 32

33

34 35

3637

38

**SB 867** 

8-3

change and that lacks adequate resources to cope with, adapt to,
or recover from such impacts.

- 3 90500. (a) The proceeds of bonds issued and sold pursuant to 4 this division, exclusive of refunding bonds issued and sold pursuant to Section 95012, shall be deposited in the Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity 8 Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Fund, which is hereby created in the State Treasury. Moneys in the fund shall be 10 available, upon appropriation by the Legislature, for purposes of 11 12 this division.
  - (b) Proceeds of bonds issued and sold pursuant to this division shall be allocated according to the following schedule:
  - (1) Five billion two hundred million dollars (\$5,200,000,000) for drought, flood, and water resilience programs, in accordance with Chapter 2 (commencing with Section 91000).
  - (2) Three billion dollars (\$3,000,000,000) for wildfire and forest resilience programs, in accordance with Chapter 3 (commencing with Section 91500).
  - (3) Two billion dollars (\$2,000,000,000) for coastal resilience programs, in accordance with Chapter 4 (commencing with Section 92000).
  - (4) Five hundred million dollars (\$500,000,000) for extreme heat mitigation programs, in accordance with Chapter 5 (commencing with Section 92500).
  - (5) Two billion dollars (\$2,000,000,000) 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 agriculture programs, in accordance with Chapter 7 (commencing with Section 93500).
  - (7) Five hundred million dollars (\$500,000,000) for park creation and outdoor access programs, in accordance with Chapter 8 (commencing with Section 94000).
  - (8) Two billion dollars (\$2,000,000,000) for clean energy programs, in accordance with Chapter 9 (commencing with Section 94500).

 $SB 867 \qquad \qquad -6-$ 

90600. An amount that equals not more than 5 percent of the funds allocated for a grant program pursuant to this division may be used to pay the administrative costs of that program.

4 5

Chapter 2. Drought, Flood, and Water Resilience

91000. The sum of five billion two hundred million dollars (\$5,200,000,000) shall be available, upon appropriation by the Legislature, for drought, flood, and water resilience programs.

91010. Of the funds made available by Section 91000, two billion two hundred fifty million dollars (\$2,250,000,000) shall be available, upon appropriation by the Legislature, to protect and increase California water supply and water quality.

- 91011. Of the funds made available by Section 91010, four hundred million dollars (\$400,000,000) shall be available, upon appropriation by the Legislature, to the State Water Resources Control Board for projects 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:
- (a) Competitive grants for projects that help to provide clean, safe, and reliable drinking water to disadvantaged communities.
- (b) Competitive grants for projects that increase water quality monitoring and remediation of perfluoroalkyl and polyfluoroalkyl substances.
- (c) Innovative projects to increase the affordability of safe drinking water for severely disadvantaged communities.
- (d) 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.
- (e) Competitive grants or loans for projects that prevent, reduce, or treat the contamination of groundwater that serves as a major source of drinking water for a community.
- 91012. (a) Of the funds made available by Section 91010, four hundred million dollars (\$400,000,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources for projects related to groundwater storage, banking, conjunctive use, recharge, or other groundwater projects that improve water resilience. Projects funded pursuant to this subdivision shall provide multiple benefits, such as improved water

**SB 867** 

8-3

quality and supply, improved flood water management, and provision of wildlife habitat.

- (b) Of the funds made available by subdivision (a), two hundred million dollars (\$200,000,000) shall be available for projects that increase groundwater storage.
- (c) Of the funds made available by subdivision (a), two hundred million dollars (\$200,000,000) shall be available for projects that support groundwater banking, conjunctive use, recharge, or other groundwater projects that improve water resilience.
- 91013. Of the funds made available by Section 91010, three hundred million dollars (\$300,000,000) shall be available, upon appropriation by the Legislature, to the Department of Conservation's Multibenefit Land Repurposing Program for groundwater sustainability projects that provide wildlife habitat, drought resilience, improve flood water management, and support implementation of the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code).
- 91014. Of the funds made available by Section 91010, three hundred million dollars (\$300,000,000) 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.
- 91015. Of the funds made available by Section 91010, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources for competitive grants for projects related to contaminant and salt removal projects, including, but not limited to, groundwater and associated treatment, storage, conveyance, and distribution facilities.
- 91016. Of the funds made available by Section 91010, three hundred million dollars (\$300,000,000) shall be available, upon appropriation by the Legislature, to the California Water Commission for projects under the Water Storage Investment Program.
- 91017. Of the funds made available by Section 91010, one hundred million dollars (\$100,000,000) 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.

-8-

91018. Of the funds made available by Section 91010, one hundred million dollars (\$100,000,000) 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.

- 91019. (a) Of the funds made available by Section 91010, two hundred fifty million dollars (\$250,000,000) 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:
- (1) Improvements in regional or interregional water supply or water supply reliability.
- (2) Increased ground water groundwater recharge or mitigation of conditions of groundwater overdraft, salinity intrusion, water quality degradation, or subsidence.
  - (3) Adaptation to the impacts of hydrologic changes.
- (4) Improvements in water security from drought, natural disasters, or other events that could interrupt water supplies.
- (5) Providing safe drinking water for disadvantaged communities and economically distressed areas.
- (b) Of the funds made available by subdivision (a), one hundred million dollars (\$100,000,000) shall be available to the Natural Resources Agency for implementation of the settlement agreement to restore the San Joaquin River referenced in Section 2080.2 of the Fish and Game Code and allocated as follows:
- (1) Fifty million dollars (\$50,000,000) shall be available for restoration of capacity of the Friant-Kern Canal that was lost due to subsidence, consistent with the water management goal under the Stipulation of Settlement entered September 13, 2006, in Natural Resources Defense Council v. Rodgers. For the purposes of awarding funding under this paragraph, a cost share from nonstate sources of not less than 50 percent of the total costs of the project shall be required.
- (2) Fifty million dollars (\$50,000,000) shall be available to implement the restoration goal of the Stipulation of Settlement entered September 13, 2006, in Natural Resources Defense Council v. Rodgers, including funding for restoration projects identified

8-3

in paragraph 11 of the Stipulation of Settlement, and funding to support the work of the Restoration Administrator and Technical Advisory Committee. The Restoration Administrator and Technical Advisory Committee shall use these funds in part to review and provide input regarding the implementation of projects identified in paragraph 11 of the Stipulation of Settlement.

91020. Of the funds made available by Section 91000, one billion six hundred fifty million dollars (\$1,650,000,000) 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, one billion dollars (\$1,000,000,000) 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 the objectives of 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 or vulnerable populations. Eligible projects include, but are not limited to, the following:

- (a) Projects that implement the Central Valley Flood Protection Plan. To the maximum extent feasible, projects shall provide ecosystem benefits and groundwater recharge. The Department of Water Resources shall adopt guidelines and incentives to encourage cost-effective groundwater recharge and ecosystem benefits as part of flood risk reduction and management.
- (b) Projects that implement the Coastal Watershed Flood Risk Reduction Program.
- (c) Projects in the Sacramento-San Joaquin Delta to increase flood protection and climate resiliency.
- (d) Projects that implement the Flood Control Subventions Program.
- (e) 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 million dollars (\$400,000,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources for competitive grants for projects that enhance dam safety and reservoir operations and protect public benefits. Eligible

SB 867 -10-

projects include, but are not limited to, dam safety projects at high hazard dams in poor condition, new spillways and repairs at existing dams to facilitate implementation of Forecast-Informed Reservoir Operations, and reservoir seismic retrofit projects. A grant cost share of at least 50 percent shall be required for projects funded pursuant to this section.

91023. Of the funds *made* available by Section 91020, two hundred fifty million dollars (\$250,000,000) shall be available, upon appropriation by the Legislature, to the State Water Resources Control Board for grants for multibenefit storm water management projects. Preference shall be given to multibenefit and natural infrastructure projects.

91030. Of the funds made available by Section 91000, one billion dollars (\$1,000,000,000) shall be available, upon appropriation by the Legislature, to improve watershed resilience and to protect and restore rivers, lakes, and streams.

- 91031. (a) Of the funds made available by Section 91030, three hundred million dollars (\$300,000,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources for grants and direct expenditures related to integrated regional water management to improve climate resilience on a watershed basis.
- (b) The Department of Water Resources shall develop standards and provide technical and financial support for the development of watershed climate risk assessments that do all of the following:
- (1) Identify watershed scale climate resilience targets related to water supply, water quality, habitat protection and enhancement, flood protection, and other climate resilience targets appropriate for the watershed.
- (2) Provide investment and implementation plans for projects to achieve the targets in the most cost-effective manner.
- (3) Include uniform analytic standards to facilitate project selection and performance evaluation.
- (4) Provide for the deployment of appropriate instrumentation, measurement, and monitoring to allow for evaluation of project effectiveness in achieving progress toward resilience targets.
- (5) Include consideration of equity and environmental justice needs.
- 39 (6) Include requirements for adaptive management and 40 refinement in project selection and implementation.

8-3

**SB 867** 

(7) Build on and coordinate with existing integrated regional water management plans.

-11-

- (c) The Department of Water Resources may select pilot watersheds to test methods to improve watershed climate resilience and guide the implementation of this section including, but not limited to, both of the following:
- (1) Development of standard models and analytic approaches that improve climate risk assessment, and project selection and evaluation.
- (2) Methods to reduce the cost of achieving climate resilience targets and outcomes.
- (d) (1) The Department of Water Resources shall make grants to public agencies for the implementation of projects identified in watershed climate risk assessments based on both of the following:
  - (A) The severity of the identified climate risk.
- (B) The potential to reduce that risk in the most cost-effective manner.
- (2) The Department of Water Resources shall consider the extent the project achieves multiple benefits, addresses equity issues, and provides a model for other watersheds.
- (3) Existing plans that provide equivalent climate risk assessment may be used as the basis to fund grants that improve regional climate resilience, including conjunctive use projects, groundwater recharge projects, and other projects that provide increased water supply flexibility or other resilience benefits.
- (e) The Department of Water Resources shall develop guidelines to improve governance of integrated regional water management plans and for program implementation of watershed climate resilience that facilitate multiple benefit projects, allow program funds to be used as matching funds for other funding sources, and requires require detailed reporting on project outcomes and progress toward achieving climate risk targets.
- 91032. (a) Of the funds made available by Section 91030, six hundred million dollars (\$600,000,000) shall be available, upon appropriation by the Legislature, for projects that protect and restore rivers, streams, lakes, and watersheds. 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

SB 867 — 12 —

or vulnerable populations. The funds made available pursuant to this section shall be allocated to any of the following:

- (1) Projects that protect and restore rivers, streams, and lakes to improve fish and wildlife habitat.
- (2) Multibenefit watershed protection or restoration projects that improve climate resilience within the Los Angeles River Watershed and the San Gabriel River Watershed that are implemented pursuant to Section 79508 of the Water Code.
- (3) Multibenefit urban stream and river parkway 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.
- (4) Projects that are included in the Lake Tahoe Environmental Improvement Program.
- (b) Of the funds made available by subdivision (a), seventy-five million dollars (\$75,000,000) 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.
- (c) (1) Of the funds made available by subdivision (a), seventy-five million dollars (\$75,000,000) 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.
- (2) Of the funds made available by paragraph (1), forty million dollars (\$40,000,000) shall be allocated for projects that include, but are not limited to, projects that protect or enhance the Los Angeles River, parkway projects that include connectivity to parks and open space in neighboring communities within the San Fernando Valley, including Aliso Creek, and the Tujunga Wash, and projects along the Arroyo Seco waterway.
- (d) Of the funds made available by subdivision (a), fifty million dollars (\$50,000,000) shall be available for projects that improve the climate resiliency or for the protection of the San Mateo Creek Watershed in the San Francisco Bay Area.

8-3

**SB 867** 

91033. Of the funds made available by Section 91030, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to implement the Salton Sea Management Program 10-year Plan to provide air quality, public health, and habitat benefits.

**—13** —

91040. Of the funds made available by Section 91000, three hundred million dollars (\$300,000,000) 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.

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 three billion dollars (\$3,000,000,000) shall be available, upon appropriation by the Legislature, for wildfire prevention, including reducing community wildfire risk and restoring the health and resilience of forests.

91510. (a) Of the funds made available by Section 91500, two hundred seventy-five million dollars (\$275,000,000) shall be available, upon appropriation by the Legislature, to the Office of Emergency Services for a prehazard 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, reduce the risk of wildfires to communities, or increase community hardening. Eligible projects include, but are not limited to, any of the following:

(1) Grants to local agencies, state agencies, joint powers authorities, and tribes for projects that reduce wildfire risks to

SB 867 —14—

people and property consistent with an approved community
wildfire protection plan.
Grants to local agencies, state agencies, joint powers

- (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, evacuation 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 high fire hazard severity zones or very high fire hazard severity zones, as designated by the Director of Forestry and Fire Protection pursuant to Article 9 (commencing with Section 4201) of Chapter 1 of Part 2 of Division 4 or by a local agency pursuant to Chapter 6.8 (commencing with Section 51175) of Part 1 of Division 1 of Title 5 of the Government Code, 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 public safety power shutoffs, wildfire, or air pollution caused by wildfire, extreme heat, or other disaster.
- (b) The Office of Emergency Services and the Department of Forestry and Fire Protection shall prioritize prehazard mitigation grant funding applications from local agencies based on the Fire Risk Reduction Community list, upon development of that 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, two billion five hundred million dollars (\$2,500,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency and to its departments, boards, and

**SB 867** 

8-3

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) Three hundred million dollars (\$300,000,000) 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 be allocated based, to the extent feasible, on the Wildfire and Forest Resilience Action Plan.
- (b) Five hundred million dollars (\$500,000,000) shall be available to implement regional strategies, including, but not limited to, strategies developed by forest collaboratives as defined in Section 4810 or regional entities as defined in Section 4208 through block grants and direct appropriations by the Legislature.
- (c) Three hundred million dollars (\$300,000,000) shall be available to the Department of Forestry and Fire Protection for long-term forest health projects, including improved forest management, prescribed fire, cultural fire, forest watershed restoration, and activities that promote long-term carbon storage and sequestration.
- (d) Five hundred million dollars (\$500,000,000) 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.
- (e) Twenty-five million dollars (\$25,000,000) shall be available to the Department of Forestry and Fire Protection for the creation of a prescribed fire training center consistent with the proposal developed pursuant to Section 4477.
- (f) Five hundred million dollars (\$500,000,000) shall be available for watershed improvement projects in forests and other habitats, including, but not limited to, redwoods, conifers, oak

-16

- 1 woodlands, mountain meadows, chaparral, and coastal forests.
- 2 Projects shall involve the restoration of natural ecosystem functions
- 3 in very high and high fire hazard areas and provide multiple
- 4 benefits, including, but not limited to, prescribed fire, cultural fire,
- 5 habitat protection, fuel reduction, watershed protection, carbon
- 6 sequestration, protection of older fire-resistant trees, or improved
- 7 forest health. The Natural Resources Agency shall give preference
- 8 to projects that include matching funds or in-kind work, as
- 9 determined appropriate, from beneficiaries of the watershed that
- 10 may include, but are not limited to, water districts, public utilities,
- 11 local agencies, or private users. The Natural Resources Agency
- 12 shall ensure long-term benefits for projects funded pursuant to this
- subdivision, including through an ongoing commitment to future
- maintenance and a commitment to long-term forest resilience that
- 15 reduces fire risk.

16 17

18 19

20

21

22

23

24

25

26 27

28

29

30

31 32

33

34 35

36

- (g) One hundred million dollars (\$100,000,000) shall be available to conduct fuel reduction, structure hardening, create defensible space, reforestation, and targeted acquisitions to improve forest health and fire resilience on state-owned lands.
- (h) Seventy-five million dollars (\$75,000,000) shall be available to the Sierra Nevada Conservancy for watershed improvement, forest health, biomass utilization, and forest restoration workforce development. At least 50 percent of the funds made available by this subdivision shall be available to the Sierra Nevada Watershed Improvement Program created by Section 33345.1.
- (i) Fifty million dollars (\$50,000,000) shall be available to the California Tahoe Conservancy for watershed improvement, forest health, biomass utilization, and forest restoration workforce development.
- (j) Seventy-five million dollars (\$75,000,000) shall be available to the Santa Monica Mountains Conservancy for watershed improvement, fire resilience, chaparral and forest restoration, and restoration workforce development.
- (k) Seventy-five million dollars (\$75,000,000) shall be available to the State Coastal Conservancy for watershed improvement, fire resilience, forest health, and restoration workforce development.
- 91530. Of the funds made available by Section 91500, one hundred fifty million dollars (\$150,000,000) shall be available,
- 39 upon appropriation by the Legislature, to the State Air Resources
- 40 Board, in consultation with the Natural Resources Agency and the

8-3

Department of Forestry and Fire Protection, to incentivize new projects in California that provide long-term capital infrastructure to convert forest and other vegetative waste removed for wildfire mitigation to uses that maximize reductions in greenhouse gas emissions, provide local air quality benefits, and increase local community resilience against climate change impacts.

- 91540. Of the funds made available by Section 91500, seventy-five million dollars (\$75,000,000) shall be available, upon appropriation by the Legislature, to the Department of Forestry and Fire Protection to enhance California's fire prevention, fuel management, and fire response, as follows:
- (a) Ten million dollars (\$10,000,000) shall be available to improve water quality at the Department of Forestry and Fire Protection facilities to enhance safe human use and consumption.
- (b) Twenty million dollars (\$20,000,000) shall be available to upgrade existing infrastructure and for new Department of Forestry and Fire Protection facilities for suppression and fuel reduction crews.
- (c) Twenty million dollars (\$20,000,000) shall be available for the purchase of Type 3 engines and related equipment to be used for fire suppression and fuel reduction.
- (d) Five million dollars (\$5,000,000) shall be available to enhance the Department of Forestry and Fire Protection's communications centers and mobile communications, including the capacity to provide culturally relevant and multilingual communication services.
- (e) Twenty million dollars (\$20,000,000) shall be available to the Department of Forestry and Fire Protection for grants to assist local agencies with equipment for wildland firefighting, fire prevention, and fuel management.
- 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 two billion dollars (\$2,000,000,000) shall be available, upon appropriation by the Legislature, to increase

SB 867 — 18—

coastal and ocean resiliency and to protect coastal lands, waters, communities, natural resources, and urban waterfronts from climate impacts. Eligible projects include, but are not limited to, projects to restore coastal wetlands and projects to address sea level rise.

92010. Of the funds made available by Section 92000, five hundred million dollars (\$500,000,000) shall be available, upon appropriation by the Legislature, for projects identified by the State Coastal Conservancy for coastal resilience projects and programs identified in the 2023–2027 Strategic Plan. The funds made available pursuant to this section may be allocated to any of the following:

- (a) Grants through the Climate Ready Program pursuant to Section 31113.
- (b) Projects to protect coastal lands and restore habitats, including subtidal habitats, wetlands, riparian areas, redwood forests, oak woodlands, and other important wildlife habitats, including projects to protect and restore healthy sea otter populations.
- (c) Natural infrastructure projects that use existing natural areas to minimize coastal flooding, erosion, and runoff.
- (d) Projects to restore coastal land for public uses on surplus land for formerly fossil-fueled powerplants.
- (e) Projects that are consistent with the San Francisco Bay Restoration Authority Act (Title 7.25 (commencing with Section 66700) of the Government Code), including, but not limited to, projects that address sea level rise, flood management, and wetland restoration.
- (f) Projects for purposes of the San Francisco Bay Area Conservancy Program established pursuant to Chapter 4.5 (commencing with Section 31160) of Division 21.
- (g) Lower cost coastal accommodation grants consistent with the Lower Cost Coastal Accommodations Program established pursuant to Section 31412.
- 92015. Of the funds made available by Section 92000, five hundred million dollars (\$500,000,000) 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 infrastructure, including transportation and port infrastructure at risk of current flooding and flooding due to sea

**SB 867** 

8-3

level rise. Funds shall be allocated to multibenefit 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, three hundred twenty-five million dollars (\$325,000,000) 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, 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.

92030. Of the funds made available by Section 92000, two hundred fifty million dollars (\$250,000,000) 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, two hundred fifty million dollars (\$250,000,000) 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, twenty-five million dollars (\$25,000,000) shall be available, upon appropriation by the Legislature, for projects identified by the Natural Resource Agency and the Invasive Species Council of California to implement projects to protect and restore island ecosystems by mitigating the threat of island invasive species and advancing biosecurity initiatives.

92060. Of the funds made available by Section 92000, twenty-five million dollars (\$25,000,000) shall be available, upon

-20-

appropriation by the Legislature, for projects identified by the Department of Fish and Wildlife 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.

92070. Of the funds made available by Section 92000, twenty-five million dollars (\$25,000,000) shall be available, upon appropriation by the Legislature, for projects identified by the Department of Fish and Wildlife to support the restoration and management of kelp ecosystems. Funds shall be used to support ongoing research, restoration, and monitoring activities of kelp ecosystems and for the implementation of an adaptive kelp management plan.

92080. Of the funds made available by Section 92000, one hundred million dollars (\$100,000,000) shall be allocated, upon appropriation by the Legislature, to the State Coastal Conservancy for grants to remove or upgrade outdated or obsolete dams and water infrastructure. Projects may also install infrastructure to increase climate resilience, enhance sediment supply, improve wildlife and fish passage, and modernize water infrastructure, including related planning, permitting, habitat restoration, and recreational improvements. Funds for planning, monitoring, and implementation of projects pursuant to this section may exceed 10 percent of the funds allocated if the State Coastal Conservancy determines there is a need for the additional funding.

92090. Projects funded pursuant to this chapter shall be consistent with the policies and guidelines established by the California Coastal Commission, 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 five hundred million dollars (\$500,000,000) shall be available, upon appropriation by the Legislature, to address extreme heat in communities.

**SB 867** 

8-3

92510. 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 Office of Planning and Research's Extreme Heat and Community Resilience Program to fund projects to reduce the urban heat island effect and other extreme heat impacts from climate change. Projects shall benefit disadvantaged communities and vulnerable populations.

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 Natural Resources Agency to provide funds to state agencies identified in the extreme heat action plan, and any subsequent updates, in order to implement the plan and mitigate the impacts of extreme heat.

92530. 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 Adaptation Planning Grant Program for regional climate resilience planning and demonstration projects.

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 Strategic Growth Council's Community Resilience Centers Program for the construction or retrofit of facilities to serve as community resilience centers that mitigate the public health impacts of extreme heat and other emergency situations exacerbated by climate change. Projects shall benefit disadvantaged communities and vulnerable populations.

92550. 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. Projects shall benefit disadvantaged communities and vulnerable populations. 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, investments that support an expanded urban greening program that supports the creation of green recreational parks in park-poor communities.

92560. 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

SB 867 -22-

to Section 4799.12. Projects shall contribute to mitigating the urban heat island effect and extreme heat impacts. Projects shall benefit disadvantaged communities and vulnerable populations.

92570. (a) At least 10 percent of the funds available pursuant to this chapter shall be allocated for grants that provide outreach and technical assistance that directly benefit disadvantaged communities and vulnerable populations. An eligible applicant is a nonprofit organization, technical assistance provider, or tribe.

(b) 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 two billion dollars (\$2,000,000,000) 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. Of the funds made available by Section 93000, one billion dollars (\$1,000,000,000) shall be available, upon appropriation by the Legislature, to the Wildlife Conservation Board for existing grant programs to protect and enhance fish and wildlife habitat and achieve the state's biodiversity and conservation goals. Eligible programs include, but are not limited to, any of the following:

- (a) Land acquisition.
- (b) Habitat enhancement and restoration.
- 32 (c) Rangeland, grazing land, and grassland protection.
  - (d) Inland wetland conservation.
- 34 (e) Ecosystem restoration on agricultural lands.
- 35 (f) Climate adaptation and resiliency.
  - (g) Monarch butterfly and pollinator rescue.
- 37 (h) Purposes of reimbursing the General Fund, pursuant to the
- 38 Natural Heritage Preservation Tax Credit Act of 2000 (Division
- 39 28 (commencing with Section 37000)).

**SB 867** 

8-3

- 93020. Of the funds made available by Section 93000, five hundred million dollars (\$500,000,000) shall be available, upon appropriation by the Legislature, to reduce the risks of climate change impacts upon communities, fish and wildlife, and natural resources allocated in accordance with the following schedule:
- (a) Baldwin Hills Conservancy, fifty million dollars (\$50,000,000).
- (b) California Tahoe Conservancy, fifty million dollars (\$50,000,000).
- (c) Coachella Valley Mountains Conservancy, twenty-five million dollars (\$25,000,000).
- 12 (d) Sacramento-San Joaquin Delta Conservancy, fifty million dollars (\$50,000,000).
  - (e) San Diego River Conservancy, seventy-five million dollars (\$75,000,000).
  - (f) San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, seventy-five million dollars (\$75,000,000).
  - (g) San Joaquin River Conservancy, twenty-five million dollars (\$25,000,000).
  - (h) Santa Monica Mountains Conservancy, seventy-five million dollars (\$75,000,000).
  - (i) Sierra Nevada Conservancy, seventy-five million dollars (\$75,000,000).
  - 93030. (a) Of the funds made available by Section 93000, four hundred million dollars (\$400,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency and its departments, boards, and conservancies to protect and restore biodiversity, expand access to nature, and mitigate and build resilience to climate change using nature-based solutions, whenever possible. Eligible projects shall contribute to the goals established in the Pathways to 30x30 document, and biodiversity strategies established pursuant to Executive Order No. N-82-20. Eligible projects include any of the following:
    - (1) Projects to accelerate regionally led conservation.
  - (2) Strategic land acquisitions and voluntary conservation easements.
- 37 (3) Projects to enhance or restore the fish and wildlife habitat on public lands and coastal waters.
- 39 (4) Tribal nature-based solutions.
- 40 (5) Floodplain and wetland restoration.

SB 867 — 24 —

- (6) Projects to improve forest and chaparral habitat.
- (7) Reintroduction of migratory salmon to historic habitats and climate refugia.
- (b) Of the funds made available by subdivision (a), two hundred million dollars (\$200,000,000) shall be available for projects to improve habitat connectivity.
- (c) At least 10 percent of the funds made available by this section shall be available to provide grants for the purchase of facilities, equipment, and software and for projects and technical assistance by scientific academic institutions and nonprofits to better map, catalog, and understand the biodiversity in strategic areas of the state to further the purposes of this chapter.

93040. Of the funds made available by Section 93000, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Department of Fish and Wildlife for nature-based solutions that improve the climate resilience of fish and wildlife habitat and improve fish and wildlife passage.

93050. Of the funds made available by Section 93000, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Department of Fish and Wildlife to accredited California zoos and aquariums to advance conservation of California's species biodiversity to help ensure the viability and recovery of California's endangered and declining species, including, but not limited to, wildlife health monitoring and biodiversity reserve management.

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 document, 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 Agriculture for Sustainability and Resiliency

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

93510. Of the funds made available by Section 93500, one hundred fifty million dollars (\$150,000,000) shall be available,

2 3

**SB 867** 

8-3

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) (1) Fifty million dollars (\$50,000,000) shall be available to the healthy soils grant program to promote practices on farms and ranches that improve soil health, accelerate atmospheric carbon removal or soil carbon sequestration, enhance groundwater recharge, and improve habitat.
- (2) At least 40 percent of the funds allocated pursuant to this subdivision shall be allocated to projects that provide direct and meaningful benefits to socially disadvantaged farmers and ranchers.
- (b) (1) Twenty-five million dollars (\$25,000,000) shall be available for the State Water Efficiency and Enhancement Program to promote onfarm water use efficiency and reduce emissions of greenhouse gases.
- (2) At least 40 percent of the funds allocated pursuant to this subdivision shall be allocated to projects that provide direct and meaningful benefits to socially disadvantaged farmers and ranchers.
- (c) Twenty-five million dollars (\$25,000,000) shall be available to the pollinator habitat program.
- (d) Fifty million dollars (\$50,000,000) shall be available to establish the Environmental Farming Incentive Program to address natural resource concerns on agricultural lands. Eligible projects include, but are not limited to, improved water and air quality, conserved groundwater and surface water, improved or created wildlife habitat, wildlife-friendly farming and ranching practices, drought and climate resilience, and other conservation practices.
- 93520. Of the funds made available by Section 93500, twenty-five million dollars (\$25,000,000) 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.
- 93530. Of the funds made available by Section 93500, one hundred twenty-five million dollars (\$125,000,000) shall be available, upon appropriation by the Legislature, to the Department of Conservation for projects for the protection, restoration, and

-26-**SB 867** 

- enhancement of farmland and rangeland, including, but not limited
- to, the acquisition of fee title or easements on agricultural lands,
- and onfarm improvements that provide any of the following 4 benefits:
  - (a) Climate resilience.
    - (b) Soil health.
- 7 (c) Atmospheric carbon removal.
- 8 (d) Soil carbon sequestration.
  - (e) Erosion control.
- 10 (f) Floodwater management.
  - (g) Watershed restoration.
- (h) Habitat conservation. 12
- 13 (i) Water quality. 14
  - (i) Water retention.

93540. 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

24

25

26 27

28

29

30

31 32

33

34 35

36 37

38

39

5

6

9

11

15

16 17

18 19

> 94000. The sum of five hundred million dollars (\$500,000,000) shall be available, upon appropriation by the Legislature, for the creation and protection of parks, outdoor access, and educational institutions.

- 94010. Of the funds made available by Section 94000, four hundred million dollars (\$400,000,000) 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.

97

**SB 867** 

8-3

- (b) The creation and expansion 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.
- (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) Grants consistent with the California Cultural and Historical Endowment Act, established pursuant to Chapter 13 (commencing with Section 20050) of Part 11 of Division 1 of Title 1 of the Education Code, for projects that protect California's cultural and historic resources from climate impacts or inform the public about resiliency to climate change.
- (e) 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.
- 94020. 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 Department of Parks and Recreation for the 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.
- 94030. (a) At least 10 percent of the funds available pursuant to this chapter shall be allocated for grants that provide outreach and technical assistance that directly benefit disadvantaged communities and vulnerable populations. An eligible applicant is a nonprofit organization, technical assistance provider, or tribe.
- (b) Projects funded pursuant to this chapter shall be consistent with the policies and guidelines established by the Natural Resources Agency and the Outdoors for All Strategy, if applicable.

-28

Chapter 9. Clean Energy

94500. The sum of two billion dollars (\$2,000,000,000) shall be available, upon appropriation by the Legislature, for clean energy projects.

94510. Of the funds made available by Section 94500, five hundred million dollars (\$500,000,000) shall be available, upon appropriation by the Legislature, to support the planning and development of new or expanded high-voltage electrical transmission lines that are necessary to meet the state's clean energy goals and have been identified by the Independent System Operator as required to achieve the state's policies identified in Section 454.53 of the Public Utilities Code.

94520. Of the funds made available by Section 94500, five hundred million dollars (\$500,000,000) shall be available, upon appropriation by the Legislature, to the State Energy Resources Conservation and Development Commission, in coordination with the State Air Resources Board, for grants to assist in obtaining, or as a match for, federal grants related to regional hubs in the federal Infrastructure Investment and Jobs Act (Public Law 117-58) and federal Inflation Reduction Act of 2022 (Public Law 117-169).

94530. Of the funds made available by Section 94500, five hundred million dollars (\$500,000,000) shall be available, upon appropriation by the Legislature, to the State Energy Resources Conservation and Development Commission for zero-emission vehicle charging infrastructure.

94540. Of the funds made available by Section 94500, five hundred million dollars (\$500,000,000) shall be available, upon appropriation by the Legislature, to the State Energy Resources Conservation and Development Commission for grants to support the Long-Duration Energy Storage Program.

#### Chapter 10. Fiscal Provisions

95000. (a) Bonds in the total amount of fifteen billion five hundred million dollars (\$15,500,000,000), 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

**SB 867** 

8-3

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.

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 (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), as amended from time to time, 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 (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), of the bonds authorized by this division, the Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Finance Committee is hereby created. For purposes of this division, the Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Finance Committee is the "committee," as that term is used in the State General Obligation Bond Law.

38 (b) The committee consists of the \_\_\_\_. Notwithstanding any other law, any member may designate a representative to act as

-30

that member in that member's place for all purposes, as though the member were personally present.

- (c) The \_\_\_\_ 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 (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), "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,

10

11 12

13

14

15

16 17

18

19

20

21

22

23

24

25

26 27

28

29

30

31

32

33

34

35

3637

38

39

**SB 867** 

8-3

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 (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), 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.

-32-

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 (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), 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 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, as amended. 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.

**SB 867** 

8-3

- 95015. Bonds issued under this division shall, whenever practical, be aligned with generally recognized principles and best practice guidelines for financing drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate smart agriculture, park creation and outdoor access, and clean energy projects.
- SEC. 3. Section 2 of this act shall take effect upon the approval by the voters of the Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024, as set forth in Section 2 of this act.
- SEC. 4. (a) Section 2 of this act shall be submitted by the Secretary of State to the voters at the , statewide election.
- (b) The Secretary of State shall include in the ballot pamphlets mailed pursuant to Section 9094 of the Elections Code the information specified in Section 9084 of the Elections Code regarding Section 2 of this act.
- SEC. 5. 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.
- 24 SEC. 6. This act shall become operative only if Senate Bill 638 25 of the 2023–24 Regular Session is enacted and takes effect on or 26 before January 1, 2024.



Legislation, Regulatory Affairs, and Communications Committee

# AB 1567 and SB 867: Bond Overview

Item 8-3 June 12, 2023 Active Resource Bond Measures AB 1567 (Garcia)
Safe Drinking Water, Wildfire Prevention,
Drought Preparation, Flood Protection,
Extreme Heat Mitigation, Clean Energy, and
Workforce Development Bond Act of 2024

SB 867 (Allen) Drought, Flood and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024

AB 305 (Villapudua) California Flood Protection Bond Act of 2024

Active Resource Bond Measures SB 638 (Eggman) Climate Resiliency and Flood Protection Bond Act of 2024

AB 1567 (Garcia), Amended May 26 \$15.995 Billion General Obligation Bond March 5, 2024, Primary Ballot		SB 867 (Allen), Amended May 18 \$15.5 Billion General Obligation Bond Unspecified Statewide Ballot	
Ch. 2 Wildfire Prevention, Climate Risk Reduction Against Power Shutoffs	, and Protection \$2.275 Billion	Ch. 2 Drought, Flood, and Water Resilience	\$5.2 Billion
Ch. 3 Protecting Coastal Lands, Bays, and Oceans Rise and Other Climate Risks	from Sea Level \$1.655 Billion	Ch. 3 Wildfire and Forest Resilience	\$3 Billion
Ch. 4 Ensuring Safe Drinking Water, Drought Prej Enhancing the State's Flood Protection	paration, and \$5.255 Billion	Ch. 4 Coastal Resilience	\$2 Billion
Ch. 5 Protecting Fish, Wildlife, and Natural Areas Risks	from Climate \$1.5 Billion	Ch. 5 Extreme Heat Mitigation	\$500 Million
Ch 6 Protecting Farms, Ranches and Working La Impacts of Climate Change	nds from the \$520 Million	Ch. 6 Protect Biodiversity and Accelerating Nature-Based Solutions	l Climate \$2 Billion
Ch. 7 Responding to Extreme Heat, Community En Resilience	nhancement, and \$1.59 Billion	Ch. 7 Climate Smart Agriculture for Sustainability and Re	siliency \$300 Million
Ch. 8 Strengthening California's Regional Climate	Resilience \$1.2 Billion	Ch. 8 Park Creation and Outdoor Areas	\$500 Million
Ch. 9 Clean Energy	\$2 Billion	Ch. 9 Clean Energy	\$2 Billion

	AB l567 (Garcia)	SB 867 (Allen)
Recycling	<ul> <li>\$300 Million for recycled water</li> <li>Prioritization Criteria favorable to Metropolitan Service Area</li> <li>\$200 Million for multi-benefit stormwater projects</li> </ul>	<ul> <li>\$550 Million</li> <li>\$300 Million for recycled water</li> <li>\$250 Million for multi-benefit stormwater projects</li> </ul>
Conservation/WUE	*No dedicated specific to conservation/WUE	\$100 Million for ag and urban water conservation
Groundwater	<ul> <li>\$350 Million</li> <li>\$250 Million for SGMA projects</li> <li>\$100 Million for multi-benefit groundwater sustainability</li> <li>**\$275 million under Water Quality for groundwater remediation and treatment</li> </ul>	<ul> <li>\$250 Million</li> <li>\$400 Million for groundwater projects that improve resiliency</li> <li>\$300 Million for multi-benefit groundwater sustainability projects</li> <li>\$100M for salt removal projects</li> </ul>
Surface Storage		• \$300 Million for surface storage consistent with the Water Storage Investment Plan

	AB 1567 (Garcia)	SB 867 (Allen)
SWP Resilience	<ul> <li>\$350 Million</li> <li>\$100 Million for stream gauges</li> <li>\$250 Million for Stream Flow Enhancement Program for drought impacts</li> </ul>	<ul> <li>\$500 Million</li> <li>\$100 Million for stream gauges</li> <li>\$100 Million for settlement agreements for the San Joaquin River</li> <li>\$300 Million for Stream Flow Enhancement Program</li> </ul>
Regional Resilience	\$350 Million for projects consistent with IRWMP	<ul> <li>\$550 Million</li> <li>\$300 Million for integrated regional water management</li> <li>\$250 Million for regional conveyance</li> </ul>
Water Quality	<ul> <li>\$400 Million for clean, safe, reliable water</li> <li>\$175 Million for groundwater contamination and surface water supplies</li> <li>\$100 Million for groundwater contamination for major source of drinking supplies</li> <li>\$100 Million for Chrom6</li> <li>\$70M for PFAS</li> </ul>	\$400 Million for clean, safe, and reliable water

	AB 1567 (Garcia)	SB 867 (Allen)
Dam Safety	<ul> <li>\$965 Million</li> <li>\$900 Million for dam safety and resilience</li> <li>\$65 Million for removal or upgrading of outdated dams</li> </ul>	<ul> <li>\$400 Million for dam safety</li> <li>\$100 Million for removal or upgrading of outdated dams</li> </ul>
Flood Protection	<ul> <li>\$1.1 Billion</li> <li>\$200 Million for multi-benefit flood management</li> <li>\$750 Million for flood control</li> <li>\$150 Million for urban flooding</li> </ul>	<ul> <li>\$1.5 Billion</li> <li>\$1 Billion for flood management programs</li> <li>\$500 Million for coastal flood management</li> </ul>

#### Considerations

- Governor Newsom's May Revise added \$1.1 Billion to the bond discussions
- Summer Recess in July presents an opportunity for the legislature to identify a single comprehensive bond vehicle for a 2024 ballot
- Metropolitan staff are currently coordinating with its member agencies and statewide associations

Proposed amendments to increase funding

- Recycled Water continue to work with stakeholders and member agencies to identify an amount of funding to ensure Metropolitan and the Southern California region are responsive to climate challenges
- Dam Safety work with stakeholders and member agencies to identify local priority projects that safeguard life, prevent reservoir failure, and ensures flood mitigation

Proposed amendments to increase funding

- Regional Conveyance work with stakeholders and member agencies to identify priority projects that ensure reliable delivery of needed water supplies, and bolster areas that have heightened risks when supplies are limited in Metropolitan's service area
- Drought and Conservation work with stakeholders and member agencies to identify priority projects that result in water savings, that also includes any obligation to accommodate reductions of imported water sources, such as the Colorado River

### Board Options:

#### • Option #l:

Express support, if amended, on AB 1567 (Garcia) and SB 867 (Allen), to increase funding for water projects that address climate change impacts, such as recycled water, dam safety, regional conveyance, drought and conservation.

### • Option #2:

Do not express a support, if amended, position on AB 1567 (Garcia) and SB 867 (Allen)

### Staff recommendation:

• Option #1











Metropolitan Water District Community Survey

Conducted May 7<sup>th</sup> – 11<sup>th</sup>, 2023 Executive Summary

# Methodology



- Survey of adult residents in the Metropolitan Water District Service Area.
- ▶ Conducted May 7 May 11, 2022 via mixed-mode methodology incorporating livetelephone interviews and invitations to take the survey online. The survey was available in English and Spanish.
- ▶ 1,000 interviews service area-wide; overall margin of error ±3.1 percentage points
- 200 additional interviews within San Diego County; margin of error for this region ±6.9 percentage points. Responses are weighted to be representative of the service area overall.
- Where applicable, results compared with prior EMC research survey data on behalf of MWD. Prior to 2022, trend data was collected through phone-only methodology; sampling differences may have effects on trend data compared to current data.

Please note that due to rounding, some percentages may not add up to exactly 100%.

# **Survey Context**



- This survey was conducted in May following a historic 2023 rainy season in California.
- A dozen atmospheric river events through the winter and spring brought heavy rains, flooding, and news coverage about improving drought conditions.



#### **Key Findings**



- Residents in Southern California are very concerned about water issues including supply, quality, water and the impact of climate change.
- While there are generally positive impressions of water agencies, they are rated critically on job performance.
- Despite a very rainy season, there is still significant awareness of the need to conserve and high support for investing in efforts to address long term water supply.
- ► Most think their tap water is safe to drink however half of residents don't like the taste and over half prefer to pay for bottled water.
- Most are not happy with the amount they are paying for water and are reluctant to agree to higher rates to address water supply issues.

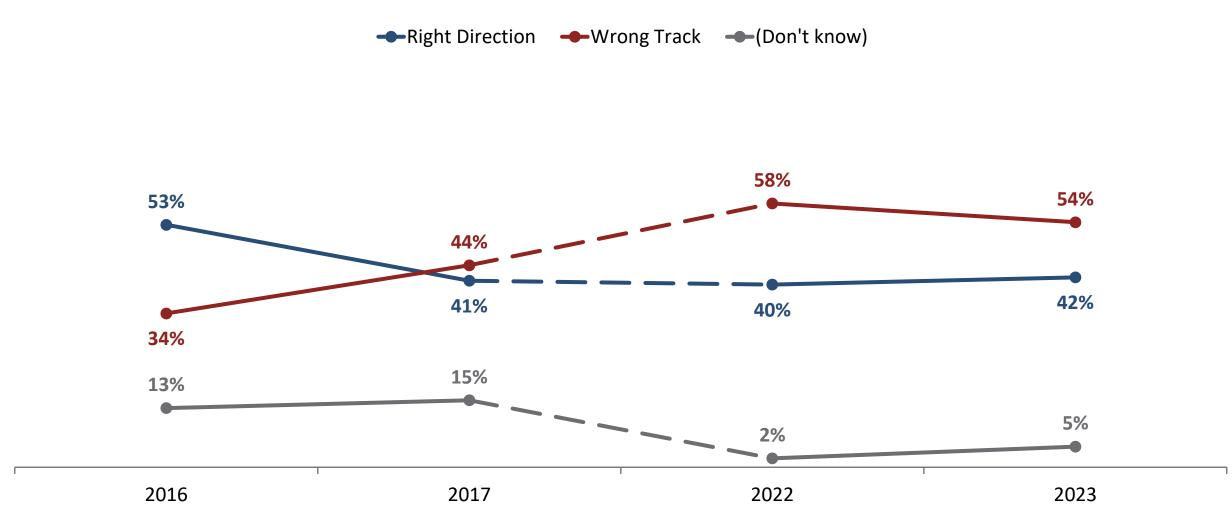


# Issue Environment & Agency Ratings

### Right Direction/Wrong Track Trend



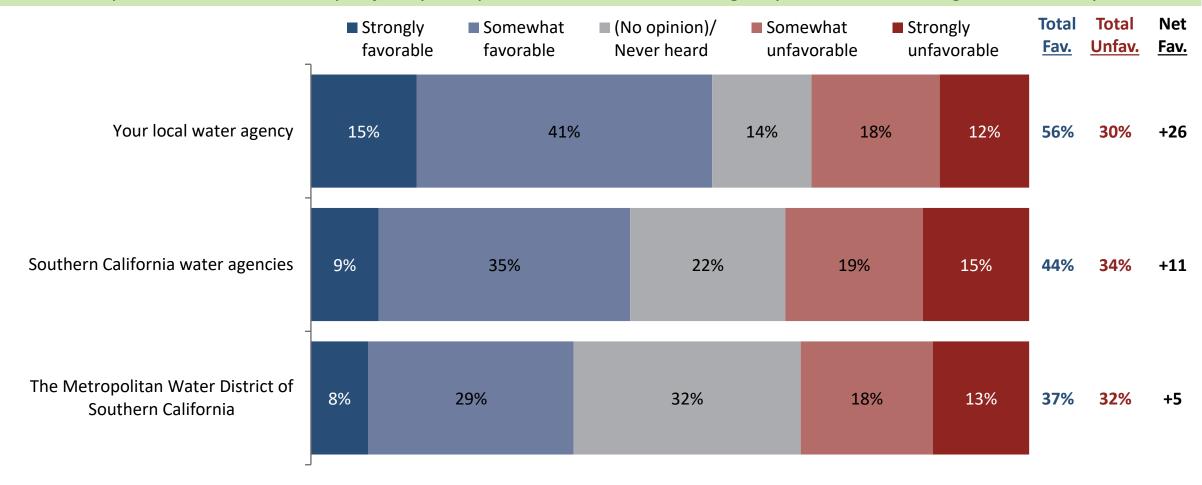
The region is less pessimistic today than in 2022, but a majority still feel that things are on the wrong track.



## Water Agency Favorable Ratings



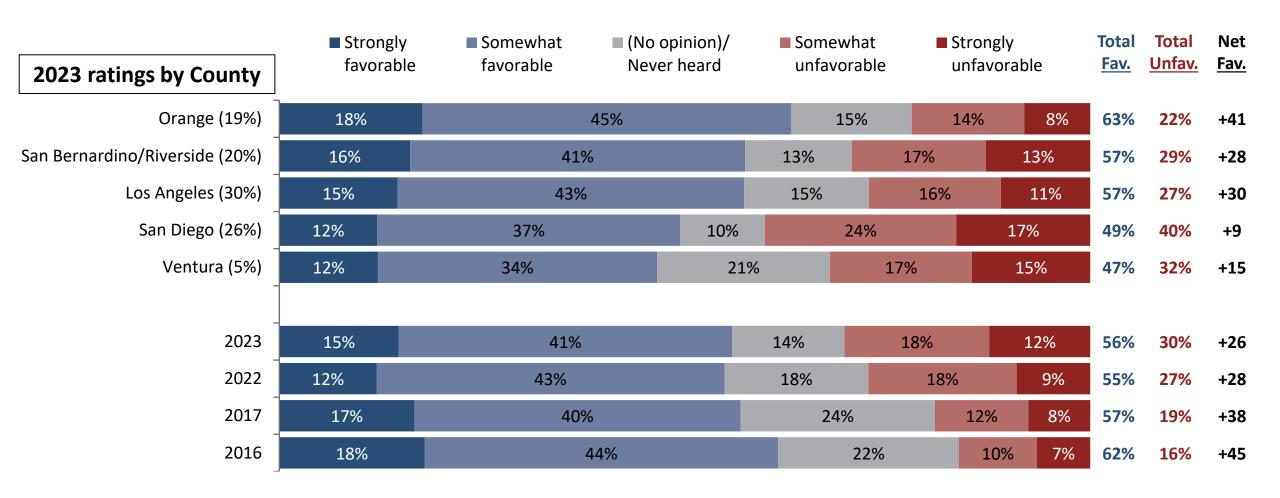
Water agency ratings are positive, though most opinions are less intensely expressed. Fewer respondents can rate Metropolitan Water District specifically compared to a "local" water agency or SoCal water agencies broadly.



### Local Water Agency Ratings



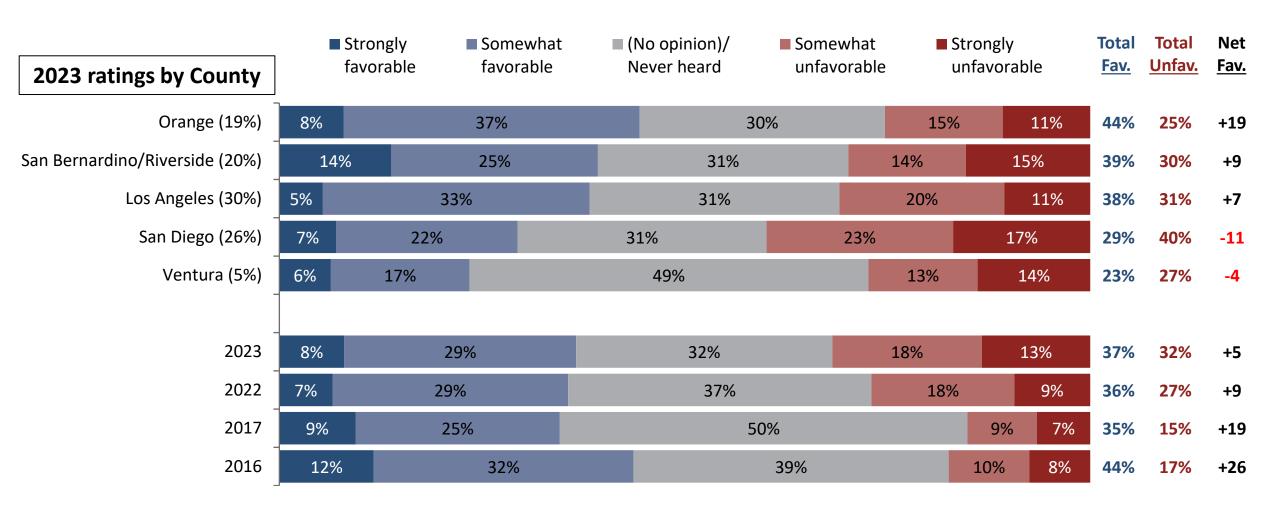
#### How would you rate your local water agency?



#### **MWD** Ratings



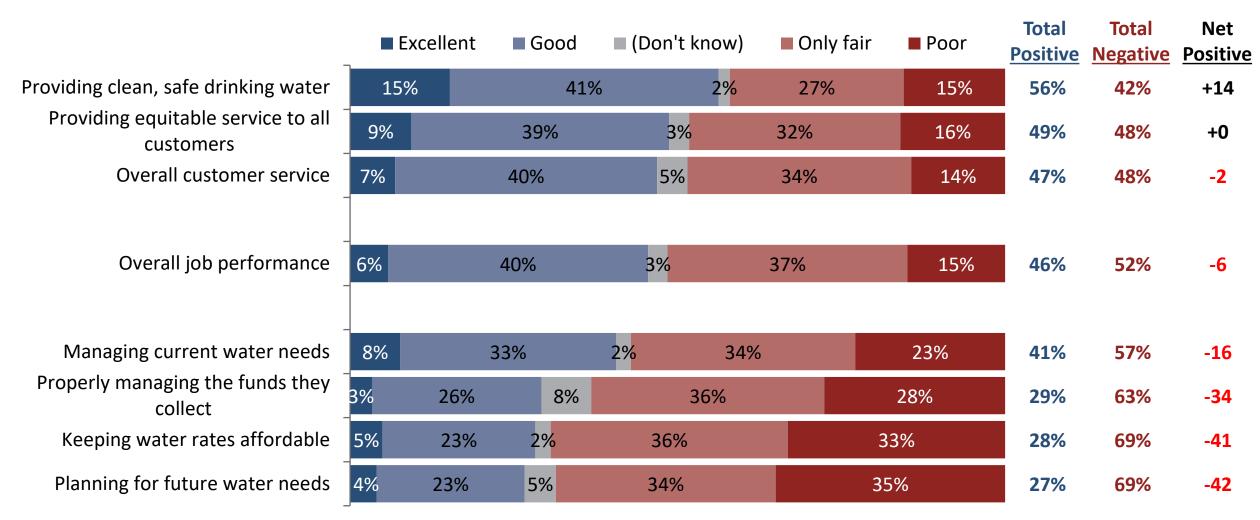
#### How would you rate the Metropolitan Water District of Southern California?



### Water Agency Job Performance



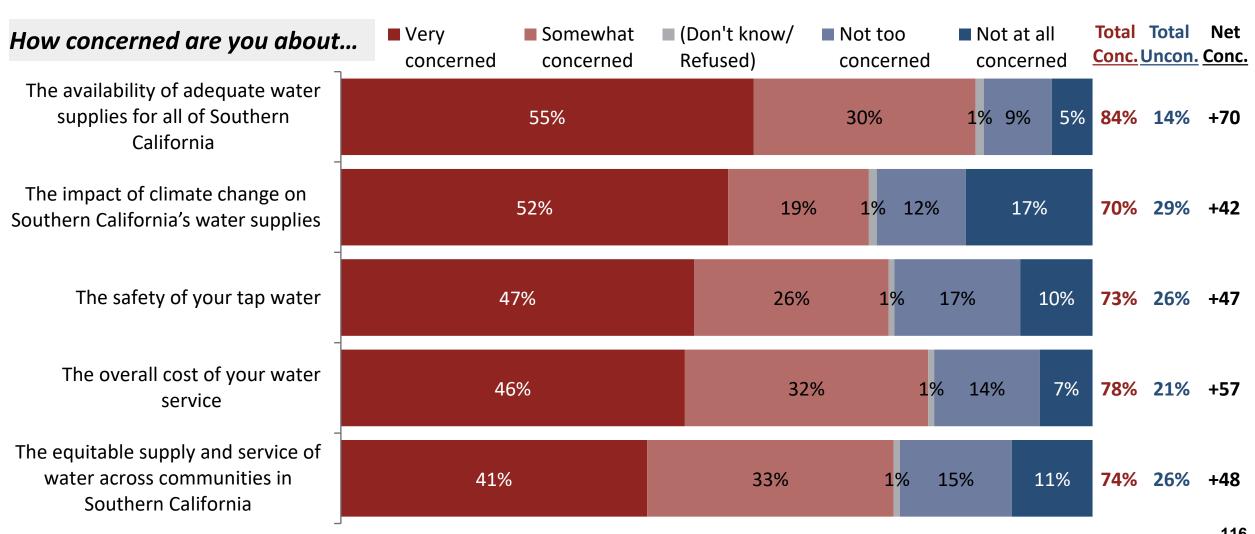
SoCal water agencies receive critical ratings on job performance in a number of areas.



#### Water Issue Concern



#### Many water issues are concerning to residents.

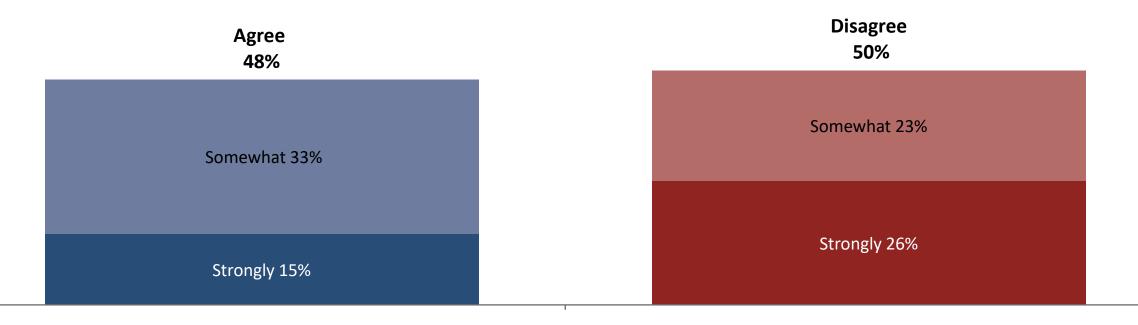


## **Tap Water Quality: Taste**



Respondents are split on the taste of their tap water, with one-in-four strongly disagreeing that it tastes good.



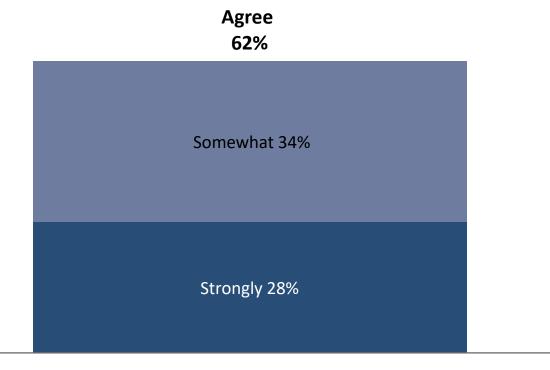


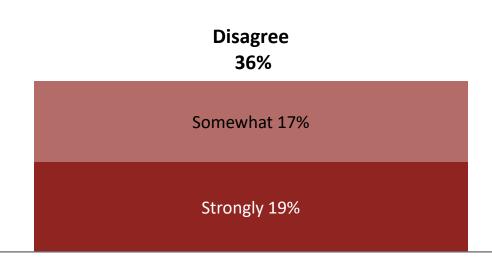
#### Tap Water Quality: Safe to Drink



A majority believe that their tap water is safe to drink.

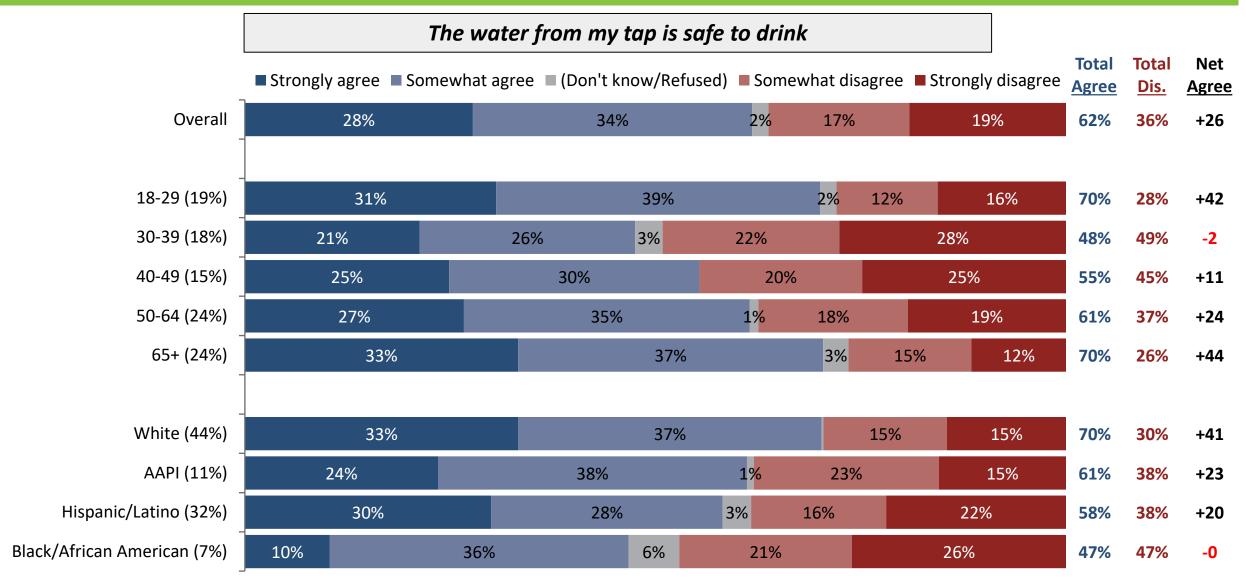
The water from my tap is safe to drink.





### Tap Water Safety by Subgroups



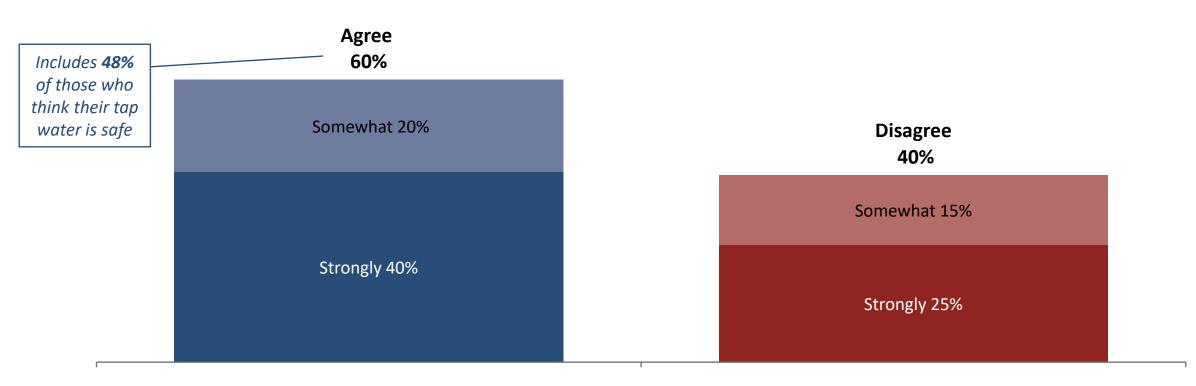


#### **Bottled Water Preference**



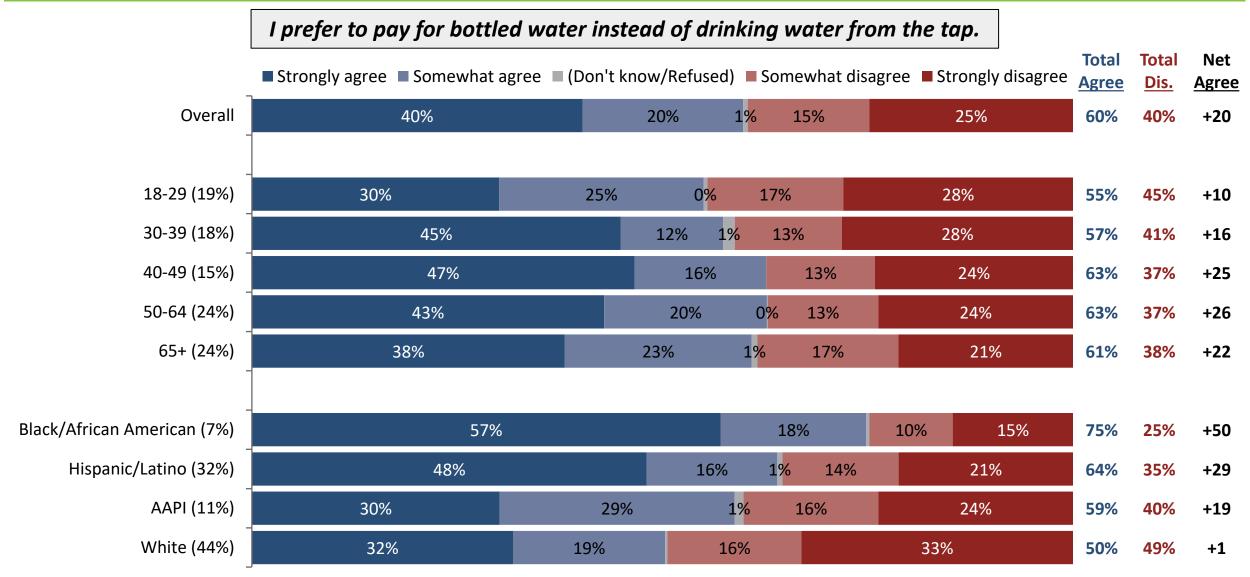
Despite confidence in the safety of tap water, 60% of respondents agrees they still prefer bottled water.

I prefer to pay for bottled water instead of drinking water from the tap.



### **Bottled Water Preference by Subgroups**







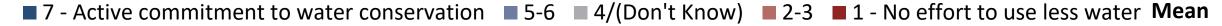
## **Drought & Water Supply**

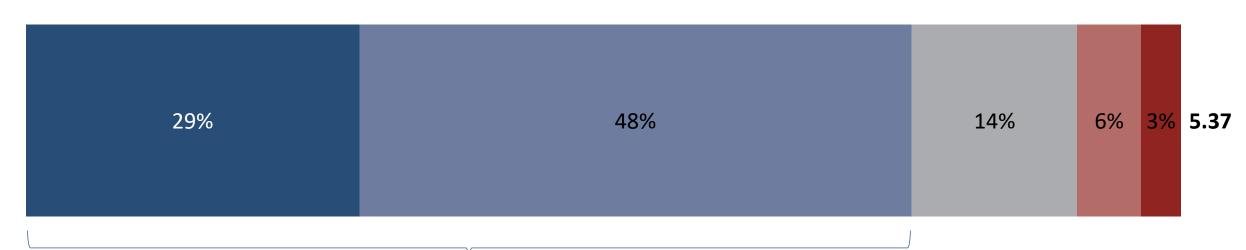
#### **Commitment to Water Conservation**



Recent rains may have affected perceived urgency around water conservation. While three-quarters say they are making an effort to conserve water, less than one-third indicate active commitment.

On a scale from 1 to 7 where 1 is making no effort to use less water and 7 is an active commitment to water conservation, where would you place yourself on that scale?





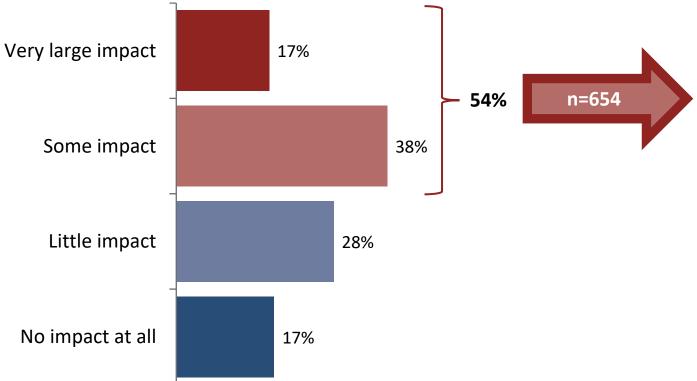
77% total committed to water conservation

#### **Drought Impact**



Half of residents say drought has at least some impact on them recently; yard and landscaping conservation stand out as specific behavior changes.

Thinking about the most recent drought, how much of an impact did the drought have on you personally – a very large impact, some impact, little impact, or no impact at all?



	You said that the drought has impacted you. What have you done differently because of the drought?	%
	General conservation	31%
•	Reduced yard water usage	27%
	Changed landscaping	10%
	Reduced bathroom water usage	10%
	Paid more for less water	4%
	Followed mandates/regulations	3%
	Reuse gray/rainwater	3%
	Other	9%
	None/Don't know/Refused	3%

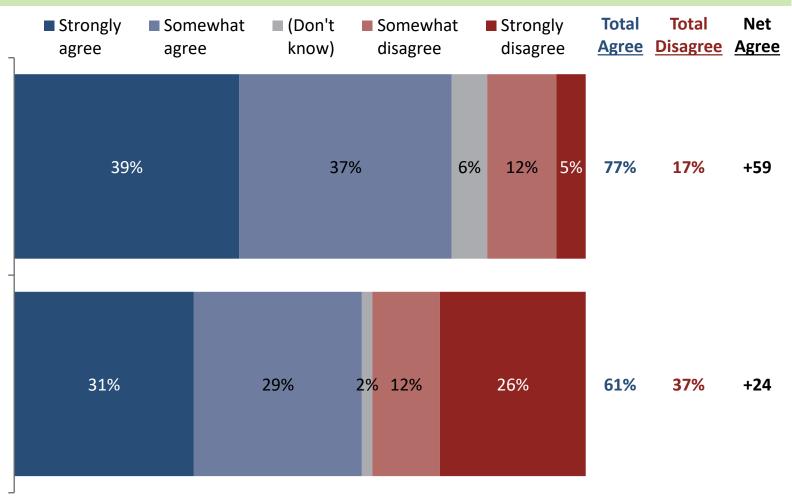
### **Adequate Water Supply**



When prompted, most are generally aware that local water supply is imported and that climate change is making it harder to secure water.

Most of Southern California's water supplies are imported from sources outside the region.

It is far more difficult for Southern California water agencies to secure adequate water supplies in recent years because of climate change.



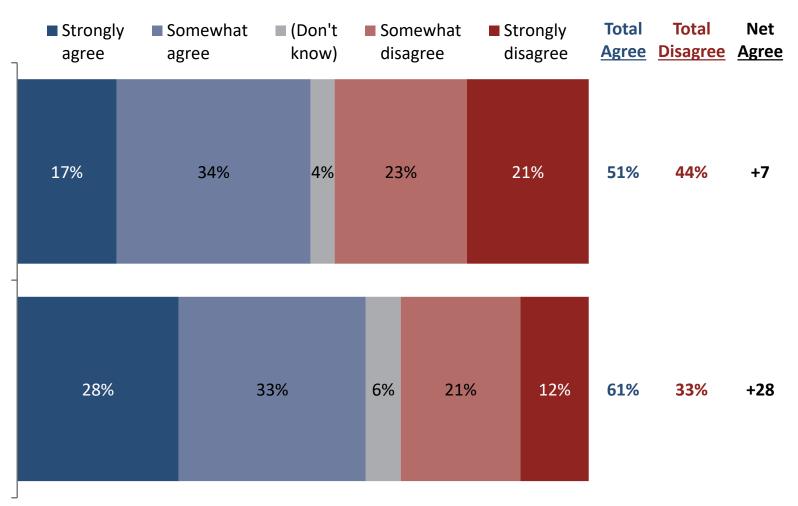
### **Equitable Water Supply**



#### There is some awareness of inequities in local water distribution.

Communities in Southern California all have equal access to safe drinking water.

When it comes to water supply, certain communities in Southern California receive special treatment and get more water than others.



#### **Forced Choices**

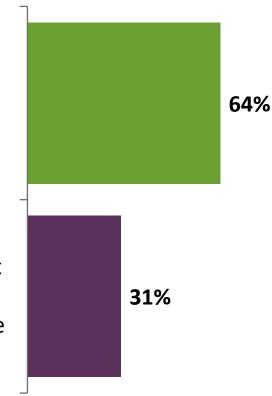


Residents believe water supply is a real threat. When forced to choose, they prioritize having **enough** water supply over improving the quality and safety of their water.

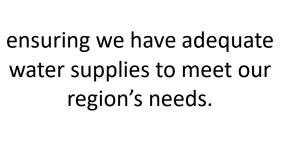
## The lack of adequate water supplies for Southern California...

is a very real threat to our way of life. We may simply not have enough water for everyone in the future.

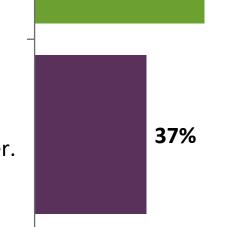
is overblown. The state and water agencies will do what they need to do to make sure we will always have the water we need.



## Southern California water agencies' highest priority should be...



improving the safety and quality of our drinking water.



**57%** 



#### **Water Bill Rates**

#### **Household Water Bill**





Think their water bill is higher than other bills.

**37%** 

Think their water bill is the same.

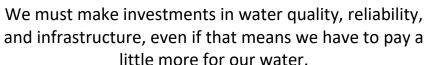
19%

Think their water bill is lower.

#### **Attitudes Toward Rate Increases**

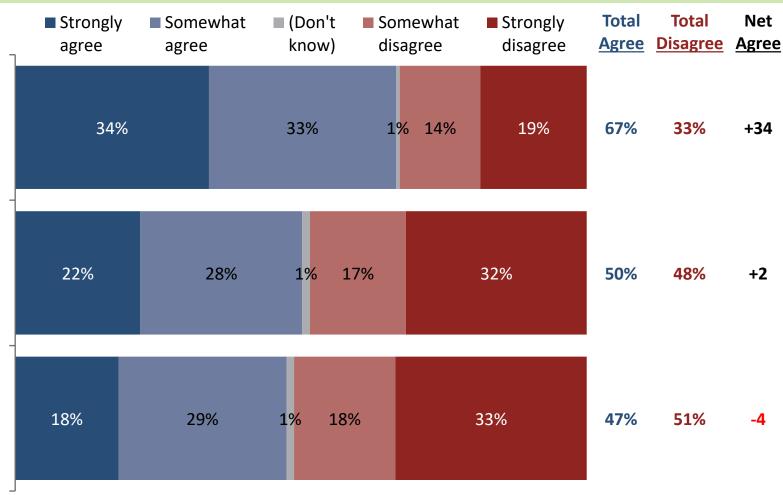


Two-thirds of residents agree that water supply investments are necessary — but just half are willing to personally pay for such improvements.



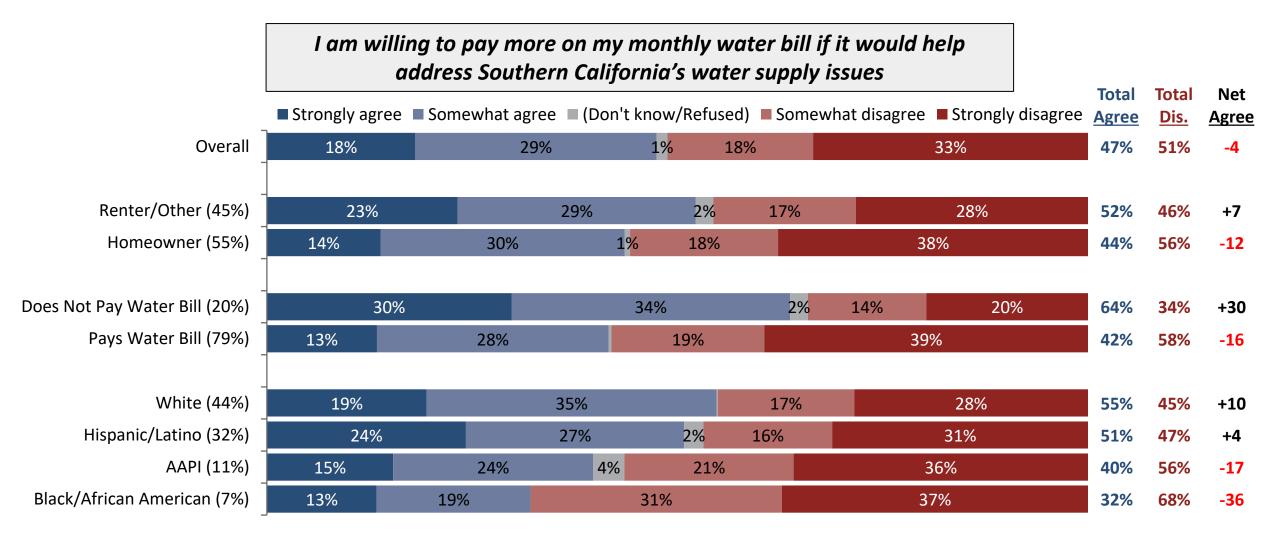
I am willing to pay more on my water bill to ensure everyone in Southern California has equal access to a safe and reliable water supply.

I am willing to pay more on my monthly water bill if it would help address Southern California's water supply issues.



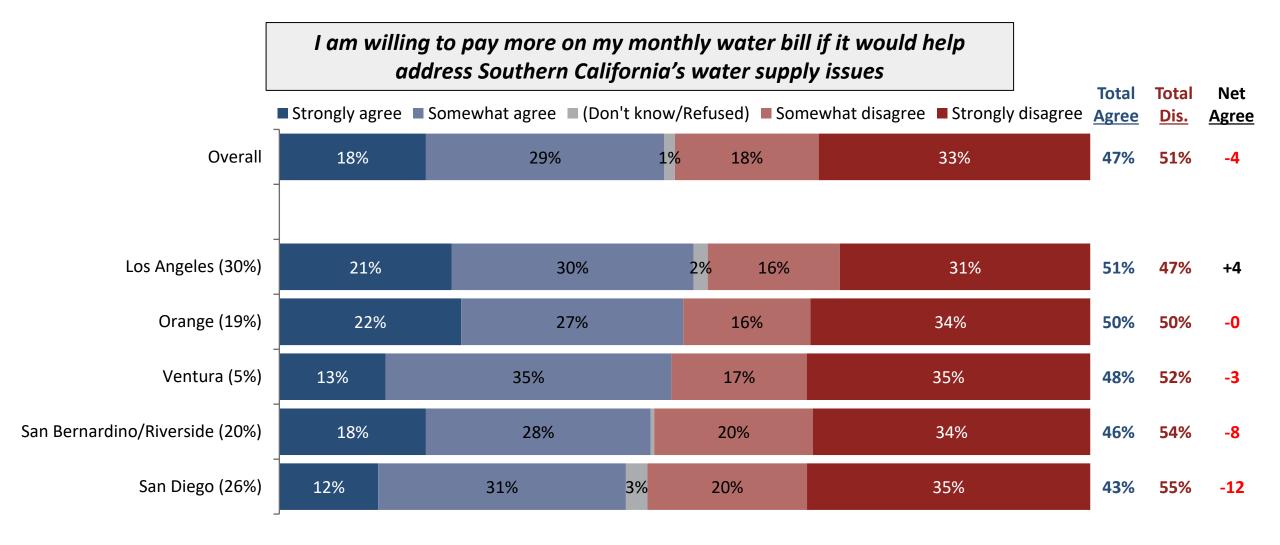
#### Rate Increase Attitudes by Subgroups





#### Rate Increase Attitudes by County

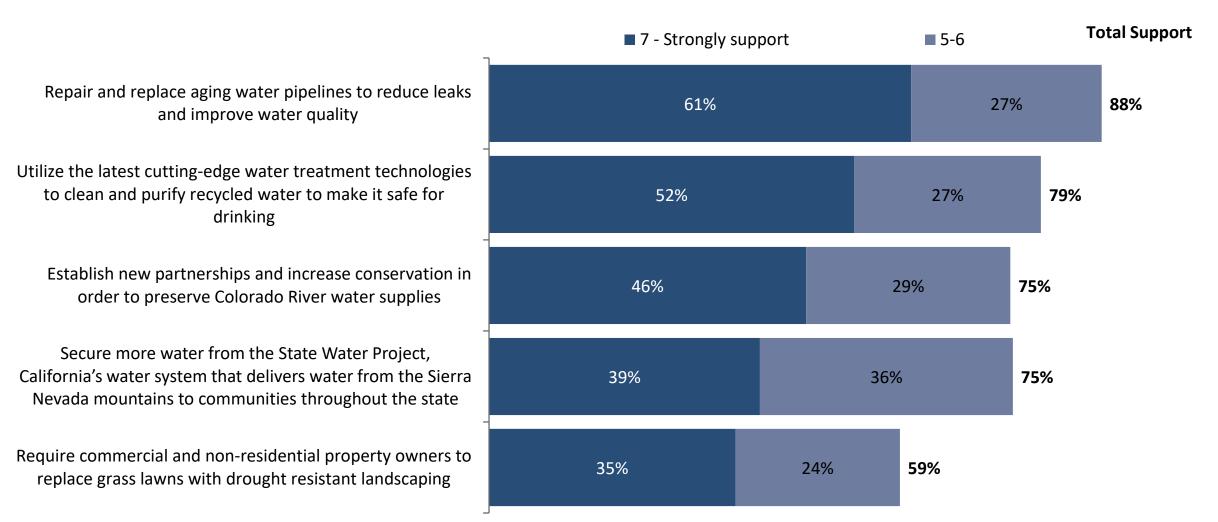




#### **Potential Reliability Improvements**



There is significant support for efforts to address water supply and water quality locally.



Q33 – 37. Now I'm going to read you some projects or actions that could be pursued to help improve the reliability of Southern California's water supply. Please use a scale from 1 to 7, where 1 means you strongly oppose that item and 7 means you strongly support that item.

#### Reasons to Modestly Increase Rates



Residents respond positively to information about the need to invest in water supply, especially when it doesn't mention a rate increase.

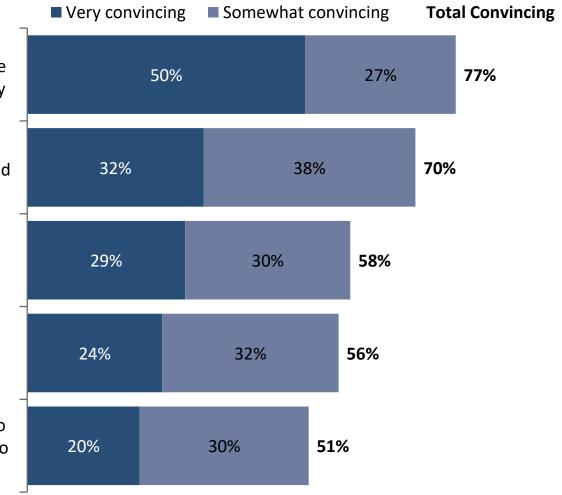
California must adapt to a changed climate that quickly swings back and forth from extremely dry years to extremely wet years. This climate whiplash will continue and we need to invest in better ways to store water in the wet times so we can use it in the dry times.

The quality of life in Southern California depends on our water security. We need to invest in conservation, local supplies and imported supplies from the Colorado River and Northern California to keep our communities and economy strong.

Access to safe, reliable, clean drinking water is a basic human right. Modest rate increases will help to ensure that everyone in our region has access to the water they need and deserve.

We all need to continue to do our part to reduce water use. Conserving water today means we will have more water tomorrow, particularly in the dry years. Modest rate increases will help California water agencies continue to invest and promote conservation efforts across the region.

If we each do our part, including possibly paying slightly more for water, we can help to ensure that all our neighbors in communities across Southern California will continue to have the water they need today and the water they need in the future.

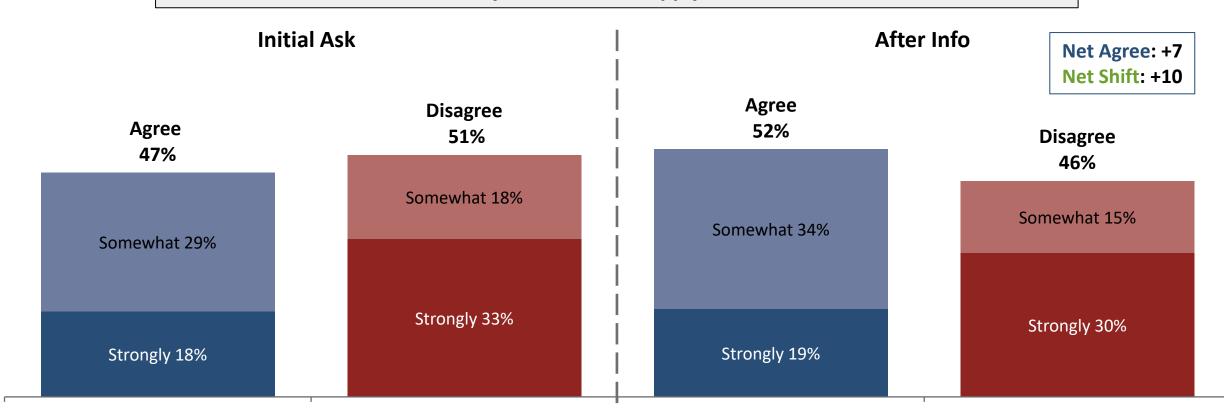


#### Rate Increases: After Information



After hearing additional information, a slight majority of respondents say they are willing to pay more to address water supply issues. Strong opposition remains.

I am willing to pay more on my monthly water bill if it would help address Southern California's water supply issues.



#### Conclusions



- There is high concern about water issues and awareness that long-term supply is a significant issue.
- Water quality is also a significant issue for many, with higher concern and less trust in the tap water among BIPOC residents.
- Residents agree that water infrastructure improvements are important, and that Southern California needs to better prepare for climate change.
- However, many also feel they are already paying a lot for the water they have and disagree with the notion of paying higher water bills to address water supply issues.



#### **Tom Patras**

tom@emcresearch.com (614) 827-9677

#### **Ruth Bernstein**

ruth@emcresearch.com (510) 913-9841

#### **Harrison Louie**

harrison@emcresearch.com (206) 204-8048



Legislation, Regulatory Affairs, and Communications
Committee

## Update on Inspection Trips

Item 7b June 12, 2023

#### Authorization and Purpose

- Admin Code Sections 2610 - 2615
- programs and objectives
- Visual inspection of District and related facilities



Program

#### Trip Planning



#### Sponsoring Trips

- Directors select trips and dates, invite guests
  - Elected and appointed officials
  - Business, environmental, community leaders
  - Interested citizens
- MWD Inspection Trip staff coordinate with directors, member agency staff
- MWD pays transportation, lodging, meals

## In Region (1 day)

- Water Treatment/Lab/LaVerne Shops
- Diamond Valley Lake
- Water Resources / Pure Water
- Environmental Stewardship

## State Water Project (2 day)

- Lake Oroville
- Sites Reservoir
- Delta
- Skinner Fish Facility
- Agriculture in Central Valley (3 days)

#### Colorado River Aqueduci (2 or 3 days)

- Gene Camp
- Intake Pumping Plant, Copper Basin
- Palo Verde Valley
- Aqueduct



- · Hoover Dam and Lake Mead
- Gene Camp
- Intake Pumping Plant, Copper Basin
- Palo Verde Valley
- Aqueduct

#### Trip Options

# Learning from experts



#### FPPC Reporting

- California Political Reform Act
  - Government Code Sections 81000 91014
- Fair Political Practices Commission
  - CA Code of Regulations, Title 2, Division 6 Sections 18104-18998
- Advice from FPPC
- Consult with legal advisors

## Gift of Travel

#### Travel Expenses Paid by MWD

- Directors
  - Not reportable, not subject to annual gift limit
- Local public officials
  - Reportable (exceptions on a case-by-case basis)
  - Must be considered when determining conflict of interest
  - Not subject to annual gift limits

#### FPPC Reporting

## Travel Expenses Paid by MWD (cont'd)

- Companion of a local official
  - Considered gift to public official
  - Reportable
  - Must be considered when determining conflict of interest
  - Subject to annual gift limits
- 30-day period for paying down value

## FPPC Reporting





Legislation, Regulatory Affairs, and Communications Committee

## Update on Community Partnering Program

Item 7c June 12, 2023

#### Overview

Program Overview

# Community Partnering Program

- History
- Objectives
- Criteria
- Resources
- Outcomes
- Looking forward



#### **Creating Opportunity**

# Over Two Decades of Success

#### Program History Highlights

- Launched in 2000, competitive program
  - Improve coordination and evaluation for funding of special events, sponsorships, education grants, research grants, and memberships in community organizations
- 2003 designated funding for native plant heritage gardens
- 2005 narrowed scope, implemented yearround application period
- 2010 limited to \$2,000 per sponsorship
- 2021 implemented online application process

#### Objectives

**Engaging Diverse Communities** 

#### Building Water Awareness

- Promote water conservation and wateruse efficiency through community-based and educational organizations
- Foster community engagement through water stewardship



## Supports GM's Strategic Priority

No One Left Behind

#### We Are One



• Strategic Priority #5: PARTNER

- PARTNER Goals
  - Grow and deepen collaboration and relationships
  - Reach underserved communities and nontraditional interested parties

#### Criteria

- Community-based non-profit organizations, educational institutions and public agencies
- Eligible projects:
  - Native plant and California Friendly® gardens and signage
  - Water-related educational outreach programs such as community forums, workshops and water festivals
  - Water-themed curriculum and supplies for K-12
  - After-school programs
  - Exhibits, promotional materials

Eligibility

## Program Sponsorships



#### Resources

**Program Budget** 

FY 2022 /23, 2023/24

- Current program budget
  - \$140,000 per year
  - \$2,000 per sponsorship
- Staff support: attendance/exhibit booths at some events, administration, social media, further engagement with organizations to build long-term partnerships

#### Outcomes

• Diverse and sustainable outreach program

 Projects or events with a strong water conservation, water supply or education theme

- Helps ease financial obstacles to implementation
- Creates long lasting engagement







Program Sponsorships

#### Outcomes

**Building Relationships** 

#### Making an Impact

- Native and California Friendly <sup>®</sup> educational gardens
- Earth Day and California Friendly® garden events
- Community Forums
- Watershed workshops for

youth



Science Day 2023.mp4

## Looking Forward

Sustainability | Resilience | Innovation

FY 2023-24

- Program update for FY 2023/24
- Maintain Board-approved budget of \$140,000
  - Increase sponsorship to \$3,000 effective 7/1/2023
  - Create pilot with criteria driven by SRI initiatives
    - Two \$10,000 awards for new projects with board approval



Topic	Bill/Author	Status	Title – Summary	MWD Position	Effects on MWD
Endangered Species Act Oversight	H.R. 872 (Calvert, R-CA)	2/21/23: Referred to the House Natural Resources Subcommittee on Water, Wildlife and Fisheries.	Federally Integrated Species Health Act or the "FISH Act"  Transfers the authority to oversee ESA-related responsibilities for anadromous fish from the Secretary of Commerce to the Secretary of the Interior.	SUPPORT  Based upon 2023 Legislative Priorities and Principles, adopted December 2022	This would simplify ESA consultations by consolidating those functions/authorities to one federal agency (US Fish and Wildlife Service) rather than two under the current law (the second being National Marine Fisheries Service). This would directly benefit Metropolitan's interests in the Delta related to SWP operations and facilities, as well as Delta islands activities.
Financing Tools for Water Infrastructure Projects	H.R. 1837 (Kustoff, R-TN) S. 1453 (Wicker, R-MS)	3/28/23: Referred to the House Committee on Ways and Means.  5/4/23: Referred to the Senate Committee on Finance.	House Title: Investing in Our Communities Act  Senate Title: Lifting Our Communities through Advance Liquidity for Infrastructure Act or the LOCAL Infrastructure Act  Both bills amend the Internal Revenue Code of 1986 to restore the tax exemption for advance refunding bonds.	SUPPORT  Based upon 2023 Legislative Priorities and Principles, adopted December 2022	The ability to advance refund bonds on a tax-exempt basis would benefit Metropolitan and its member agencies by allowing municipal issuers to lower borrowing costs to take advantage of favorable interest rates.

Topic	Bill/Author	Status	Title – Summary	MWD Position	Effects on MWD
Source Water Protection	H.R. 1181 (Garamendi, D-CA)	2/27/23: Referred to the House Transportation and Infrastructure Subcommittee on Water Resources and Environment	Federal Water Pollution Control Permitting Terms  Amends the Federal Water Pollution Control Act (Clean Water Act) with respect to permitting terms.	SUPPORT  Based upon 2023 Legislative Priorities and Principles, adopted December 2022	This legislation would extend the maximum term for National Pollutant Discharge Elimination System (NPDES) permits issued under the Clean Water Act from 5 to 10 years, for public agencies that have demonstrated compliance with existing permit conditions. This change is designed to better reflect the construction schedules for public agencies.
Source Water Protection	S. 188 (Feinstein, D-CA)	1/31/23: Referred to the Senate Committee on Energy and Natural Resources.	Wildfire Emergency Act of 2023  To direct the Secretary of Agriculture to select and implement landscape-scale forest restoration projects, to assist communities in increasing their resilience to wildfire, and for other purposes.	SUPPORT  Based upon 2023 Legislative Priorities and Principles, adopted December 2022	This bill has water supply, water quality, and ecosystem benefits for the Colorado River watershed and State Water Project watershed. Proper forest management and wildfire prevention promotes runoff, helps protect water quality, and improves habitat.

Topic	Bill/Author	Status	Title – Summary	MWD Position	Effects on MWD
Source Water Protection	H.R. 1236 (Crow, D-CO) S. 540 (Bennet, D-CO)	3/22/23: Referred to the House Committees on Agriculture and Natural Resources.  2/28/23: Referred to the Senate Committee on Agriculture, Nutrition and Forestry.	Protect the West Act of 2023  Establishes a \$60 billion fund at the Treasury Department for use by the Secretary of Agriculture for restoration and resilience projects, wildfire risk reduction projects and habitat restoration projects.	SUPPORT  Based upon 2023 Legislative Priorities and Principles, adopted December 2022	This bill would benefit Metropolitan and its member agencies by funding projects to improve watershed health. It creates a grant program for restoration and resilience projects to improve forest conditions, rangeland health, watershed functions, or wildlife habitat. Additional grants would provide funding for partnership projects to reduce wildfire risk, restore habitat, and expand access to the outdoors. State agencies, local and tribal governments, and special districts may use these funds along with partner organizations.
Water Project Authorizations	H.R. 924 (Harder, D-CA)	2/10/23: Referred to the House Transportation and Infrastructure Subcommittee on Water Resources and the Environment.	Stop the Tunnels Act  Prohibits the Corps of Engineers from issuing a permit for the Delta Conveyance Project.	OPPOSE  Based upon 2023 Legislative Priorities and Principles, adopted December 2022	This bill prevents the Army Corps from issuing a Clean Water Act section 404 permit for the Delta Conveyance Project. Metropolitan has invested in the planning and permitting process for this project and if enacted this bill would stop the permitting process from moving forward.
Water Project Authorizations	H.R. 2419 (Costa, D-CA)	3/30/23: Referred to the House Committee on Natural Resources.	Canal Conveyance Capacity Restoration Act  This bill authorizes the Bureau of Reclamation to provide financial assistance to mitigate the impacts of subsidence on California's water delivery system.	SUPPORT  Based upon 2023 Legislative Priorities and Principles, adopted December 2022	This legislation would authorize repairs to the Friant-Kern Canal, Delta-Mendota Canal, and California Aqueduct to restore conveyance capacity lost due to subsidence.

Topic	Bill/Author	Status	Title – Summary	MWD Position	Effects on MWD
Water Science	S. 466 (Peters, D-MI)	2/16/23: Referred to the Committee on Commerce, Science, and Transportation	Federal PFAS Research Evaluation Act  Directs the National Academy of Sciences to study and report on a Federal research agenda to advance the understanding of PFAS.	SUPPORT  Based upon2023 Legislative Priorities and Principles, adopted December 2022	Metropolitan supports research studies to understand the occurrence of PFAS in the environment. This bill directs the National Academy of Sciences to conduct studies to determine the research efforts needed to further the understanding of human exposure to, and toxicity of PFAS, as well as treatment of PFAS contamination in the environment, and the development of safe alternatives to PFAS.
Water Science	H.R. 2429 (Lee, D-NV) S. 1118 (Cortez-Mastro, D-NV)	3/30/23: Referred to the House Committee on Natural Resources.  3/30/23: Referred to the Senate Committee on Energy and Natural Resources.	Open Access Evapotranspiration Data Act  Establishes the Open Access Evapotranspiration (OpenET) Data Program to provide satellite-based evapotranspiration data from across the western U.S. to Federal agencies, States, and Indian Tribes. Authorizes \$23 million per year for five years for this program.	SUPPORT  Based upon 2023 Legislative Priorities and Principles, adopted December 2022	The OpenET platform is currently supported by NASA and private philanthropy. Dedicated federal funding and support will improve the quantification of evaporation and consumptive water use and help provide data users with field- scale estimates of evapotranspiration over user- defined time periods. This information will help Metropolitan measure consumptive water use in Palo Verde and throughout the Colorado River basin, including areas where there is currently little data available.

Topic	Bill/Author	Status	Title – Summary	MWD Position	Effects on MWD
Water System Security	H.R. 1367 (Schakowsky, D-IL) S. 660 (Markey, D-MA)	3/6/23: Referred to the House Energy and Commerce Subcommittee on Water Resources and Environment.  3/6/23: Referred to the Senate Committee on Environment and Public Works.	Water System Threat Preparedness and Resilience Act of 2023  Establishes a new EPA grant program to increase drinking water and wastewater system threat preparedness and resilience, by helping cover the dues to join the Water Information Sharing and Analysis Center (WaterISAC).	SUPPORT  Based upon 2023 Legislative Priorities and Principles, adopted December 2022	The WaterISAC is a source of information and best practices for water systems to protect against, mitigate, and respond to natural hazards, as well as physical and cyber security threats. Metropolitan, and many of our member agencies, are members of WaterISAC. This new program could help cover our dues or be used to help smaller agencies who lack access to WaterISAC participate in the program.
Water System Security	S.1430 (Lummis, R-WY)	5/3/23: Referred to the Senate Committee on Environment and Public Works.	Water Systems PFAS Liability Protection Act  Provides exemptions to drinking water and wastewater facilities from liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) for PFAS chemicals designated as hazardous substances.	SUPPORT  Based upon 2023 Legislative Priorities and Principles, adopted December 2022	The bill follows the "polluters pay" principle for cleanup of PFAS under CERCLA by shielding drinking water and wastewater systems from cleanup liability when they properly dispose of water treatment byproducts containing PFAS.



Legislation, Regulatory Affairs and Communications Committee

## Report on Activities from Washington, D.C.

Item 7d June 12, 2023

## FY 2024 Appropriations.



## Fiscal Responsibility Act

- Sets defense and non –defense spending levels for FY24 and FY25.
- Agency budgets still TBD.
- Automatic spending cuts if FY24 appropriations bills not enacted by January 1, 2024.
- Appropriators extracted concessions to ensure their role in the FY24 process.

## Permitting Reform.





Representative Garret Graves (R-LA)



Senator Joe Manchin (D-WV)

#### Senate Environment And Public Works Committee.





Senator Alex Padilla (D-CA)



Senator Cynthia Lummis (R-WY)





#### House Natural Resources Committee.







Representative Grace Napolitano (D-CA)



Representative Mike Levin (D-CA)



Representative Katie Porter (D-CA)

#### House Energy and Commerce Committee.





David Travers,
Director of Water
Infrastructure and
Cyber Resilience
EPA Office of Water

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

OFFICE OF WATER

March 3, 2023

#### MEMORANDUM

SUBJECT: Addressing PWS Cybersecurity in Sanitary Surveys or an Alternate Process

FROM: Radhika Fox

Assistant Administrator

TO: State Drinking Water Administrators

Water Division Directors, Regions I-X



#### Metropolitan Water District of Southern California State Legislation Matrix June 12, 2023 – First Year of Legislative Session

Bill Number	Amended Date	Title-Summary	MWD Position	Effects on Metropolitan
Author	Location			•
AB 400		Local agency design-build projects:	Support	Metropolitan's current authority to use design-build
B. Rubio (D –	Amended	authorization.		under AB 1845 (Calderon, CH. 275, 2022) will
Baldwin Park)	5/1/2023	This measure would extend the existing sunset	Based on	sunset on January 1, 2028. The provisions of this bill
		date to January 1, 2031, for the use of design-	October 2021	would allow Metropolitan to use design-build for
Sponsors:		build as a delivery method for public works	Board Action	future projects through January 1, 2031.
California State	Senate	contracts.		
Association of	Governance and			
Counties,	Finance			
League of	Committee			
California Cities				
AB 1572	Amended	Potable water: nonfunctional turf.	Support and	This bill's intent is consistent with Metropolitan's
Friedman (D -		This measure prohibits the use of potable water	Consider Co-	efforts to conserve water and reduce non-functional
Glendale)	05/18/2023	for the irrigation of non-functional turf located	Sponsorship if	turf in the service area. Based on input from the
		on commercial, industrial, institutional and	amended	Board and member agencies, Metropolitan is seeking
Sponsors:		multifamily residential properties by specified		amendments to exclude multi-family residential
Heal the Bay,	In Senate	dates. This measure would also require the State	Based upon	buildings and protect the authority and local control
National Resources		Water Resources Control Board to establish	April 2023	of public water systems.
Defense Council		compliance and certification requirements by	Board action	
		July 1,2026.		
AB 1573	Amended on	Water conservation: landscape design: model	Support	This measure is consistent to Metropolitan's effort to
Friedman (D -		ordinance.		address the reduction of nonfunctional turf within its
Glendale)	5/18/23	This measure would require the updated model	Based upon	service area. Metropolitan staff identified
		water efficient landscape ordinance for all	2023 Legislative	implementation challenges and were able to work
Sponsor:	In Senate	plants installed in new or renovated	Priorities and	with the author's office to bring Metropolitan to a
Earth Advocacy		nonresidential areas to be at least 25% local	Principles,	support position.
		native plants beginning January 1, 2026, 50%	adopted	
		beginning January 1, 2030, and 75% beginning	December 2022	Metropolitan's requested amendments included: (1)
		January 1, 2035. This measure would also		removal of the .3 plant factor, (2) reduction of the
		prohibit the use of nonfunctional turf in		native plant requirement from 75 percent to 50
		nonresidential landscape projects after January		percent, with a phased approach from 25 percent up
		1, 2026.		to 50 percent, and (3) require water efficient
				irrigation methods.
AB 1648	Amended on	Water: Colorado River Conservation.	Oppose	This measure affects Metropolitan's flexibility with
	3/16/2023			its entire water portfolio, including the integrated

#### Metropolitan Water District of Southern California State Legislation Matrix June 12, 2023 – First Year of Legislative Session

Bains (D - Bakersfield)	Assembly Water, Parks, and Wildlife Committee Two Year Bill	This measure would specifically prohibit Metropolitan and LADWP achieving federally required reductions on Colorado River resources through increased water deliveries from other regions of California, including the Delta, retroactively as of January 1, 2023.	Based upon 2023 Legislative Priorities and Principles, adopted December 2022	water resource management and the Annual Operating Plan. Metropolitan's reliability and its ability to meet demands would also be impaired by restrictions on Metropolitan's discretion to develop creative partnerships with its State Water Project and Colorado River Basin stakeholders.
SB 366 Caballero (D - Merced)  Sponsors: California Municipal Utilities Association, California Council for Environmental and Economic Balance, California State Association of Counties	Amended 5/23/2023 Assembly	The California Water Plan: long-term supply targets.  This measure would revise the California Water Plan to require the Department of Water Resources to update the California Water Plan by December 31, 2028, and every five years after, to include establishing a long-term water supply target for 2050 and discussion on the development of specified water supply sources to meet demand.	Support, if Amended  Based upon 2023 Legislative Priorities and Principles, adopted December 2022	The intent of this bill is to help modernize California's water management practices and provide long-term reliable supplies in response to the current climate challenges. Metropolitan is seeking clarifying amendments that include: (1) ensuring the 2050 target will reflect statewide, regional, and local planning efforts. This amendment will ensure that regional and local efforts are properly considered and incorporated in the new 2050 water supply targets.
SB 659 Ashby (D – Sacramento)  Sponsors: Sacramento Regional Water Authority	Amended 5/18/2023 Assembly	California Water Supply Solutions Act of 2023. This bill would require the Department of Water Resources to develop a groundwater recharge plan by January 1, 2026, to create additional groundwater recharge capacity.	Support, if Amended  Based upon 2023 Legislative Priorities and Principles adopted December 2022.	This bill is intended to address challenges in water supply management due to a shifting climate. This bill will further elevate the importance of groundwater in the state's planning efforts, which provides other benefits such as reducing flood risks and improving management for environmental flows.  This bill does not include funding but does set a funding target for infrastructure or policy improvements as part of the action plan. Suggested amendments include: 1) adding a funding target for infrastructure improvements by 2025, and 2) Identifying the long-term recharge funding needs for 2040 and beyond.

#### Metropolitan Water District of Southern California State Legislation Matrix June 12, 2023 – First Year of Legislative Session

SB 687	Amended	Water Quality Control Plan: Delta	Oppose	Metropolitan supports updating the Water Quality
Eggman (D -	5/2/2023	Conveyance Project.		Control Plan to protect beneficial uses in the Delta.
Stockton)		This measure will require the State Water	Based upon	However, this bill would result in halting or delaying
		Resources Control Board to adopt a final update	2023 Legislative	planning efforts on the Delta Conveyance Project and
	Senate	of the Bay-Delta Water Quality Control Plan	Priorities and	potentially prevent the project from operating if
	Appropriations	before the Board may consider a change in the	Principles,	approved.
	Committee: Held	point of diversion or any other water rights	adopted	
	on Suspense	permit or order for the Delta Conveyance	December 2022	
		Project.		
SB 706	Amended	Public contracts: progressive design-build:	Support	Currently, progressive design-build eligible projects
Caballero (D-	4/10/2023	<b>local agencies.</b> This bill would expand the		are limited to wastewater treatment facilities, park
Merced)		types of projects that can be used for	Based upon	and recreational facilities, solid waste management
	Assembly Local	progressive design-build, and authorizes all	2023 Legislative	facilities and water recycling facilities. However,
Sponsors:	Government	cities, counties, city and counties, and special	Priorities and	this bill will now authorize Metropolitan to address
California State	Committee	districts to use progressive design-build for	Principles,	other physical structures and needs to further support
Association of		projects through January 1, 2030. In addition,	adopted	Metropolitan's operations for reliable water supply
Counties; County		for any local agency that uses the progressive-	December 2022	deliveries throughout its service area.
of San Diego;		design build process must submit a report to the		
Design Build		Legislature.		
Institute of				
America Western				
Pacific Chapter;				
League of				
California Cities				



Legislation, Regulatory Affairs, and Communications Committee

## Report on Activities from Sacramento

Item 7e June 12, 2023

#### Legislative Deadlines

June 2 Last day for each house to pass bills introduced in that house

June 15 Budget Bill must be passed by midnight

July 1 FY 2023/24 Budget must be signed by Governor by this date

July 14 Last day for policy committees to meet and report bills

July 14 – Aug 14 Legislative summer recess

#### Governor's May Revise:

- \$306.5 Billion Spending
   Plan
- \$31.5 Billion Deficit

Governor's Infrastructure Package to Advance Climate Goals

Metropolitan's \$50 Million Budget Request for SWP Dependent Areas



## Senate Bills of Interest to Metropolitan

#### Sacramento Legislative Highlights

- SB 537 (Becker): Open meetings: multijurisdictional, cross-county agencies: teleconferences.
- SB 659 (Ashby): California Water Supply Solutions Act of 2023
- SB 687 (Eggman): Water Quality Control Plan: Delta Conveyance Project

## Senate Bills of Interest to Metropolitan

Sacramento Legislative Highlights

- SB 706 (Caballero): Public Contracts: Progressive Design-build: Local Agencies
- SB 745 (Cortese): The Drought-Resistant Buildings Act

## Assembly Bills of Interest to Metropolitan

- AB 530 (Boerner) County Water Authority Act: exclusion of territory: procedure
- AB 754 (Papan) Water management planning: automatic conservation plan
- AB 755 (Papan) Water: public entity: cost-ofservice analysis

## Assembly Bills of Interest to Metropolitan

- AB 830 (Soria D) Lake and streambed alteration agreements: exemptions
- AB 1572 (Friedman): Potable water: nonfunctional turf
- AB 1573 (Friedman): Water conservation: landscape design: model ordinance

#### Water Rights Bills

- AB 460 (Bauer-Kahan): State Water Resources Control Board: water rights and usage: interim relief: procedures
- AB 1337 (Wicks): State Water Resources Control Board: water shortage enforcement
- SB 389 (Allen): State Water Resources Control Board: determination of water right

