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# California State Assembly

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## NATURAL RESOURCES

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### AGENDA

Monday, June 12, 2023  
2:30 p.m. -- State Capitol, Room 447

### **BILLS HEARD IN SIGN-IN ORDER**

#### **\*\* = Bills Proposed for Consent**

1.    **\*\*SB 39**     Laird                   Sierra Nevada Conservancy: Sierra Nevada Region: subregions: climate resilience and equity.
2.    **\*\*SB 91**     Umberg                   California Environmental Quality Act: exemption: supportive and transitional housing: motel conversion.
3.    **\*\*SB 275**    Grove                    State Oil and Gas Supervisor: Senate confirmation.
4.    **SB 337**     Min                        Environmental protection: lands and coastal waters conservation goal.
5.    **\*\*SB 360**    Blakespear              California Coastal Commission: member voting.
6.    **SB 406**     Cortese                  California Environmental Quality Act: exemption: financial assistance: housing.
7.    **\*\*SB 835**    Smallwood-Cuevas       Baldwin Hills and Urban Watersheds Conservancy: watershed and open-space plan: report.



Date of Hearing: June 12, 2023

**ASSEMBLY COMMITTEE ON NATURAL RESOURCES**

Luz Rivas, Chair

SB 39 (Laird) – As Amended March 9, 2023

**SENATE VOTE:** 38-0

**SUBJECT:** Sierra Nevada Conservancy: Sierra Nevada Region: subregions: climate resilience and equity

**SUMMARY:** Revises and recasts the definition of “subregion” for the Sierra Nevada Conservancy (Conservancy) and requires the Conservancy to support efforts that advance climate resilience and equity.

**EXISTING LAW** establishes the Conservancy in the Natural Resources Agency (NRA) and prescribes the functions and duties of the Conservancy with regard to the preservation of specified lands in the Sierra Nevada Region, as defined, and the six subregions, as defined, in which the Sierra Nevada Region is located. (Public Resources Code 33320)

**THIS BILL:**

- 1) Updates findings and declarations to clarify that the Sierra Nevada Region provides drinking water to 75% of Californians, among other things.
- 2) Updates the geography of the subregions of the Conservancy.
- 3) Updates the Conservancy’s requirements to include supporting efforts that advance climate resilience and equity.
- 4) Makes technical, nonsubstantive changes.

**FISCAL EFFECT:** According to the Senate Appropriations Committee, this bill has negligible state costs.

**COMMENTS:**

1) **Author’s statement:**

The Conservancy is divided into six subregions, and adding territory requires restructuring of the subregions to ensure equitable management and representation. Senate Bill 39 realigns the six subregions within the Conservancy following the recent expansion to facilitate existing collaboration in counties that tend to work together and have similar characteristics and issues, facilitate travel and access for Conservancy area representatives to ensure that the Conservancy can provide the same services across the whole region, and balance county representation on the Board.

- 2) **Sierra Nevada Conservancy.** The Conservancy is a state agency under NRA charged with protecting, conserving, and restoring the region’s physical, cultural, archaeological, historical, and living resources. The Conservancy serves California’s 27-million-acre Sierra

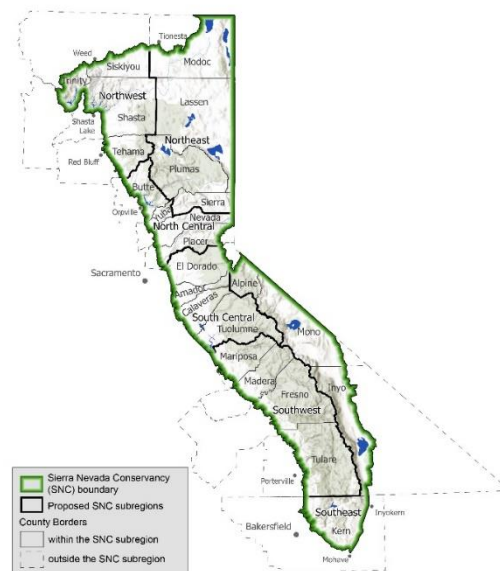
Nevada-Cascade region, which includes the mountains and foothills of the Sierra Nevada range, the Mono Basin, Owens Valley, the Modoc Plateau, and parts of the southern Cascade Range and Klamath Mountains. Its governing board is made up of 16 members: 13 voting members and 3 non-voting members.

- 3) **Recent legislation.** SB 208 (Dahle) Chapter 182, Statutes of 2021, expanded the Conservancy’s boundaries to add sections of the Pit watershed and the Trinity, Upper Sacramento, and McCloud watersheds.

SB 208 made conforming changes to add Siskiyou and Trinity Counties to the “North Sierra subregion.” Additionally, the bill directed Conservancy to report to the Legislature on proposed changes to the name of the Conservancy, the makeup of the governing board, and the makeup of the subregions to align with the bill’s expansion. The Conservancy officially released the report with the recommendations to the Legislature on February 3, 2023.

- 4) **Report findings.** The Conservancy’s report recommended that it should realign its subregions to include four counties per subregion, as follows:

- Northwest: Shasta, Siskiyou, Tehama, and Trinity
- Northeast: Lassen, Modoc, Plumas, Sierra
- North central: Butte, Nevada, Placer, Yuba
- South central: Amador, Calaveras, El Dorado, Tuolumne
- Southeast: Alpine, Inyo, Kern, Mono
- Southwest: Fresno, Madera, Mariposa, Tulare



The report also proposed these new subregions with several factors in mind, including to:

- Facilitate existing collaboration in counties that tend to work together and have similar characteristics and/or issues. For example, Lassen and Modoc counties are frequent partners, as are Plumas and Sierra. Recreation and tourism are shared concerns for Alpine, Mono, Inyo, and Kern counties. The counties in the new southwestern subregion have all experienced significant tree mortality and share downstream connections to agricultural production.
- Facilitate travel and access for Conservancy field staff who frequently conduct in-person, on-the-ground work to ensure that the Conservancy can provide equitable levels of service across the whole region.
- Balance county representation on the governing board. Four counties per subregion ensures that each county has equal opportunity to sit on the governing board.

- 5) **Related legislation.** SB 841 (Dahle, 2023) would have expanded the Conservancy’s boundary to include all of Siskiyou County, rather than a portion of the county. This

proposed expansion would not require further revisions to the Conservancy's subregions beyond what SB 39 (Laird) proposes. SB 841 was held in the Senate Appropriations Committee.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

Association of California Water Agencies  
Eastern Sierra Land Trust  
Pacific Crest Trail Association  
Pacific Forest Trust  
Placer Land Trust  
Rural County Representatives of California  
Sierra Business Council

**Opposition**

None on file

**Analysis Prepared by:** Paige Brokaw / NAT. RES. /



Date of Hearing: June 12, 2023

ASSEMBLY COMMITTEE ON NATURAL RESOURCES  
Luz Rivas, Chair  
SB 91 (Umberg) – As Introduced January 17, 2023

**SENATE VOTE:** 37-0

**SUBJECT:** California Environmental Quality Act: exemption: supportive and transitional housing: motel conversion

**SUMMARY:** Strikes the existing January 1, 2025, sunset on an exemption from the California Environmental Quality Act (CEQA) for an "interim motel housing project" (conversion of a motel to supportive or transitional housing) added by SB 450 (Umberg), Chapter 344, Statutes of 2019.

**EXISTING LAW:**

- 1) CEQA requires lead agencies with the principal responsibility for carrying out or approving a proposed project to prepare a negative declaration, mitigated negative declaration, or environmental impact report (EIR) for this action, unless the project is exempt from CEQA (CEQA includes various statutory exemptions, as well as categorical exemptions in the CEQA guidelines). (Public Resources Code (PRC) 21000, et seq.)
- 2) Requires cities and counties to accommodate their need for emergency shelters on sites where the use is allowed without a conditional use permit (i.e., not subject to CEQA) and requires cities and counties to treat transitional and supportive housing projects as a residential use of property. (Government Code (GC) 65589.5)
- 3) Requires supportive housing to be a use by right (meaning that the local government's review may not require a conditional use permit, planned unit development permit, or other discretionary local government review or approval that would constitute a "project" for purposes of CEQA) in zones where multifamily and mixed uses are permitted if the proposed housing development satisfies specified requirements. (GC 65650 et seq.)
- 4) Establishes a ministerial approval process (i.e., not subject to CEQA) for certain multifamily affordable housing projects that are proposed in local jurisdictions that have not met regional housing needs. (GC 65913.4)
- 5) Exempts from CEQA multifamily residential and mixed-use housing projects on infill sites within cities and unincorporated areas that are within the boundaries of an urbanized area or urban cluster. (PRC 21159.25)
- 6) Exempts from CEQA an "interim motel housing project" until January 1, 2025. (PRC 21080.50)

**FISCAL EFFECT:** According to the Senate Appropriations Committee, pursuant to Senate Rule 28.8, negligible state costs.

**COMMENTS:**

- 1) **CEQA exemptions for housing.** CEQA includes various statutory exemptions, as well as categorical exemptions in the CEQA Guidelines, for a wide range of residential projects. Since 1978, CEQA has included statutory exemptions for housing. There are now at least 14 distinct CEQA exemptions for housing projects. The majority of residential projects are approved via exemption or negative declaration under CEQA, or through ministerial permits where CEQA does not apply.

A few existing CEQA exemptions are specific to projects with an affordable housing fraction, and the rest are available to affordable and market-rate projects alike. Each exemption includes a range of conditions, including requirements for prior planning-level review, as well as limitations on the location and characteristics of the site. These conditions are intended to guard against the approval of projects with significant environmental impacts that go undisclosed and unmitigated – endangering workers, residents and the greater environment. More recently, bills such as SB 35 (Wiener), Chapter 366, Statutes of 2017, and AB 2011 (Wicks), Chapter 647, Statutes of 2022, have established ministerial approval for housing projects, where local discretionary review, including CEQA, is replaced with construction labor requirements and exclusion of specified sensitive sites.

This bill seems to describe a project where there would be no significant environmental effects compared to the baseline of an existing motel, and where the issues are more likely to be zoning than environmental. Supportive and transitional housing projects already eligible for CEQA exemption or approval by right. Also, residential conversions where there is no expansion of use may be exempt under the CEQA Guidelines.

According to the Office of Planning and Research, since SB 450 was enacted in 2020, 15 notices of exemption have been filed relying on this exemption.

- 2) **Author's statement:**

SB 91 will make permanent a successful CEQA exemption that facilitates housing for the homeless. SB 450 exempted certain supportive and transitional housing projects from CEQA until January 1, 2025. Cities who decided to utilize this exemption were able to streamline motel conversions, which helped to alleviate public safety concerns caused by identified nuisance motels while simultaneously providing supportive housing units to address the state's housing and homeless crisis. Currently many families experiencing homelessness are already temporarily living in motels through motel voucher programs. Communities have identified these motels as hubs for illegal activities, including human trafficking, crime, and blight on surrounding neighborhoods. While many of these motels are ideal sites for affordable housing, the CEQA process currently has costs ranging from \$100,000 to \$1,000,000 per project as well as administrative and litigation delays that prevent timely housing to those experiencing homelessness. SB 450 passed in 2019 and spurred motel conversion projects to better house individuals as soon as possible. As of June 2022, Project Roomkey, which utilizes this exemption, has filled over 10,600 hotel rooms and leased over 15,800. Due to the CEQA exemption's resounding success, SB 91 is needed to permanently extend the exemption.

- 3) **Double referral.** This bill has been double-referred to the Assembly Housing and Community Development Committee.



**REGISTERED SUPPORT / OPPOSITION:**

**Support**

AIDS Healthcare Foundation  
American Planning Association, California Chapter  
California Apartment Association  
California State Association of Counties  
City and County of San Francisco  
City of Long Beach  
City of San Jose  
City of Santa Monica  
City of Visalia  
County of Orange  
County of Santa Clara  
EAH Housing  
Govern for California  
London Breed, Mayor of San Francisco  
Mission Street Neighbors  
Livable California  
Orange County Board of Supervisors  
Rural County Representatives of California  
San Bernardino County  
Southern California Rental Housing Association  
Urban Counties of California

**Opposition**

None on file

**Analysis Prepared by:** Lawrence Lingbloom / NAT. RES. /



Date of Hearing: June 12, 2023

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Luz Rivas, Chair

SB 275 (Grove) – As Amended March 16, 2023

**SENATE VOTE:** 37-0

**SUBJECT:** State Oil and Gas Supervisor: Senate confirmation

**SUMMARY:** Requires the Geologic Energy Management Division's (CalGEM) State Oil and Gas Supervisor (Supervisor) to be appointed by the Governor and subject to confirmation by the Senate.

**EXISTING LAW:**

- 1) Requires an agency secretary to be appointed by and hold office at the pleasure of the Governor, subject to confirmation by the Senate. (Government Code 12801)
- 2) Establishes the Department of Conservation (DOC) to be conducted under the control of an executive officer known as the Director of Conservation, who is appointed by the Governor and subject to confirmation by the Senate. (Public Resources Code (PRC) 601)
- 3) Requires CalGEM to be in charge of a chief, known as the Supervisor. (PRC 690)
- 4) Provides the director, and the Supervisor with the approval of the director, with all powers which may be necessary to carry out the purposes of the state's oil and gas conservation laws. (PRC 3013)

**FISCAL EFFECT:** According to the Senate Appropriations Committee, enactment of this bill would result in negligible costs to the state.

**COMMENTS:**

- 1) **CalGEM.** CalGEM is responsible for protecting public health, safety, and the environment in its oversight of the oil, natural gas, and geothermal industries, while working to help California achieve its climate change and clean energy goals. CalGEM regulates the drilling, operation, and permanent closure of energy resource wells, and its jurisdiction currently includes more than 242,000 wells, including nearly 101,300 defined as active or idle oil producers.

The supervisor is an appointed employee who serves at the pleasure of the governor and is not listed on the index of Governor appointees because the appointment is not statutorily required. There are various other appointments not specified by statute.

Of the 22 acting or permanent supervisors since 1915 when the position was formally established, more than 1/3 (eight) have served since 2009. Of these eight, three, including the current one, have acting status, and at least two were fired.

- 2) **Appointments.** According to the Office of Governor Newsom’s Statutory Index of Positions 2023, there are approximately 4,000 gubernatorial appointments, most of which do not require Senate confirmation. Senate confirmation is required for around 700 of those appointments, or ~18%. Over the last few years, the Senate Rules Committee has confirmed about 150-180 appointees annually.

In general, members of boards appointed by the Governor – such as the State Water Resources Control Board, the regional water boards, and the Seismic Safety Commission – are subject to Senate confirmation, but not all are. Similarly, the appointed leadership positions at an agency subject to Senate confirmation vary. In some instances, deputy agency directors and other appointed personnel below the secretary or director level require Senate confirmation.

Senate confirmation of gubernatorial appointees is one of the legislative oversight mechanisms over the executive branch. In the California Natural Resources Agency (NRA), there are 43 entities (departments, commissions, boards, conservancies, councils, and museums), but not all require an appointment (only 34 do), and not all appointments require Senate confirmation (only 21 do). For example, the director of the Department of Parks and Recreation (State Parks) and the director of the Division of Boating and Waterways within State Parks are both appointed by the Governor and subject to Senate confirmation. Likewise, the director the Department of Fish & Wildlife (DFW) and the Administrator for the Office of Oil Spill Prevention and Response within DFW are both appointed by the Governor and subject to Senate confirmation.

Within the DOC, only the director is subject to confirmation by the Senate. SB 275 would further require the Supervisor under the DOC director to be appointed by the Governor and confirmed by the Senate.

3) **Author’s statement:**

The California State Senate confirms [more than] a hundred appointees of the Governor each year. The appointments process gives legislators and the public a chance to understand the Administration’s priorities for a given position. As CalGEMs responsibilities have grown, it makes sense to include the Oil and Gas Supervisor in the number of Governor appointments subject to Senate confirmation.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

California Independent Petroleum Association  
 City of Taft  
 County of Fresno  
 Greater Tehachapi Chamber of Commerce  
 Kern Citizens for Energy  
 Kern County Hispanic Chamber of Commerce  
 San Joaquin Refining Co.  
 San Joaquin Valley Chapter of The American Petroleum Industry  
 Tulare Chamber of Commerce

**Opposition**

None on file

**Analysis Prepared by:** Paige Brokaw / NAT. RES. /



Date of Hearing: June 12, 2023

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Luz Rivas, Chair

SB 337 (Min) – As Amended April 20, 2023

**SENATE VOTE:** 29-5

**SUBJECT:** Environmental protection: lands and coastal waters conservation goal.

**SUMMARY:** Codifies the goal of the state to conserve at least 30% of California’s lands and coastal waters by 2030.

**EXISTING LAW:**

- 1) Directs California Natural Resources Agency (NRA) to combat the biodiversity and climate crisis by, among other things, establishing the California Biodiversity Collaborative and establishing the goal of conserving at least 30% of the state’s lands and coastal waters by 2030. (Executive Order (EO) No. N-82-20)
- 2) Require NRA, in implementing actions to achieve the goal to conserve at least 30% of the state’s lands and coastal waters by 2030, to prioritize specified actions. Requires the Secretary of NRA to prepare and submit, beginning on or before March 31, 2024, an annual report to the Legislature on the progress made during the prior calendar year toward achieving that goal, as provided. (Public Resources Code 71451-71452)

**FISCAL EFFECT:** Nonfiscal

**COMMENTS:**

- 1) **Ecological protection.** Within the United States, about a football field worth of natural area is converted to human development every 30 seconds. Globally, human activity has altered three-quarters of the Earth’s lands. Hundreds of scientists have warned that this rapid loss of natural space is resulting in a mass extinction, exacerbated by climate change.

As NRA eloquently puts it, “California’s ecosystems form the bedrock of the state’s wellbeing and prosperity. Many of these ecosystems—which are vitally important to the state’s water supply, agriculture, wildlife, and economy—are in dire health.”

Many of California’s natural systems have been damaged or destroyed. The Central California Coast alone has suffered a 92% loss of its tidal wetlands, including ecologically priceless estuaries. An estimated 7 million acres of vernal pools existed at the time of Spanish contact; less than 13% remain today. Climate change and habitat loss are also threatening our biological diversity and driving catastrophic wildfires, historic drought, flooding, extreme heat, coastal erosion, and sea level rise. Not surprisingly, the same forces that threaten plant and animal species also threaten human lives and livelihoods.

The state needs to build resilience by reconnecting watersheds to the ocean and rivers to floodplains, restoring wetlands, protecting critical habitats, and more. NRA is prioritizing

restoration projects that do all of these things, while also promoting multiple benefits such as flood control, wildlife habitat, and climate adaptation.

- 2) **Climate impacts on our environment.** The Legislative Analyst's Office April 2022 report, *Climate Change Impacts Across California Crosscutting Issues*, found that increasing temperatures and severe weather events threaten state's fish and wildlife, ecosystems, and native plants, and that some of these impacts already are evident. For example, an estimated 172 million trees have died in California's forests since 2010 due to multiple years of low moisture and drought conditions, high temperatures, and resulting bark beetle infestations. These dead trees provided fuel for and likely exacerbated the severe wildfires that have occurred over the past decade, which subsequently negatively impacted those forest habitats and the wildlife they contained.

Warmer temperatures and less water runoff during dry years also impair conditions for fish, aquatic wildlife, and migratory birds that depend on the state's rivers, streams, and wetlands. Significant declines—or potential permanent extinctions—of the state's native fish species represent not just a loss of public trust in natural resources, but also impair the state's fishing industry and economy, as well as dispossess some of California's Native American communities of essential elements of their tribal culture.

- 3) **30x30.** The 30x30 initiative is a global movement; scientists say protecting at least 30% of the world's oceans and lands by 2030 (and 50% by 2050) is necessary to prevent mass extinctions and ecological collapse.

President Biden issued Executive Order 14008 in January 2021 to address the domestic action on climate change; Section 216 of that order includes 30x30 goals by requiring the Secretary of the Interior to submit a report to achieve the goal of conserving at least 30% of our lands and waters by 2030.

In October 2020, Governor Newsom signed his Nature Based Solutions EO N-82-20, elevating the role of natural and working lands in the fight against climate change and advancing biodiversity conservation as an administration priority. As part of this EO, California is committed to the goal of conserving 30% of our lands and coastal waters by 2030.

NRA released *Pathways to 30x30 California* in April 2022, which describes the key objectives and core commitments that are a part of California's 30x30 conservation framework; defines conservation for the purpose of California's 30x30 initiative and establishes a current baseline of conserved areas; outlines strategic actions necessary to achieve 30x30; and, introduces CA Nature, a suite of publicly available applications to identify conservation opportunities and track our collective progress.

Approximately 24% of California's lands and 16% of its coastal waters are already conserved based on the definition of 30x30 Conservation Areas. California's strategy to conserve an additional six million acres of land and half a million acres of coastal waters is organized into ten pathways that are specific state actions that will help achieve 30x30.

- 4) **This bill.** SB 337 codifies the goal of the state to conserve at least 30% of California's lands and coastal waters by 2030. According to the author:



Conserving the Earth's lands and waters is one of the best tools we have to prevent further extinctions and protect biodiversity and ecosystem services. While the Newsom Administration has shown great leadership in adopting an ambitious goal in line with recommendations from the scientific community, the goal's deadline will extend past this Governor's term. Enshrining the goal in statute will ensure it persists until 2030.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

1000 Grandmothers for Future Generation	Mono Lake Committee
Active San Gabriel Valley	Morongo Basin Conservation Association
Audubon California	Mother Lode Land Trust
Azul	Natural Resources Defense Council
Big Sur Land Trust	North Fork American River Alliance
California Coastal Protection Network	Outdoor Alliance California
California Council of Land Trusts	Outdoor Outreach
California Environmental Voters	Pacific Crest Trail Association
California Institute for Biodiversity	Pacific Forest Trust
California Native Plant Society	Peninsula Open Space Trust
California State Parks Foundation	People's Collective for Environmental Justice
Calpirg Students	Planning and Conservation League
Center for Biological Diversity	River Partners
Citizens Committee to Complete the Refuge	Santa Clara Valley Audubon Society
Climate Action California	Santa Cruz Climate Action Network
Defenders of Wildlife	Save the Redwoods League
Eastern Sierra Land Trust	Sequoia Riverlands Trust
Endangered Habitats League	Sierra Club California
Environmental Center of San Diego	Sierra County Land Trust
Environmental Protection Information Center	Sierra Nevada Alliance
Escondido Neighbors United	Sonoma Land Trust
Forests Forever	The Climate Center
Friends of Harbors, Beaches and Parks	The Phoenix Group
Friends of The Dunes	The Wilderness Society
Hills for Everyone	The Wildlands Conservancy
Hispanic Access Foundation	Wildlands Network
Los Padres Forest Watch	
Midpeninsula Regional Open Space District	
Mojave Desert Land Trust	

**Opposition**

None on file

**Analysis Prepared by:** Paige Brokaw / NAT. RES. /



Date of Hearing: June 12, 2023

ASSEMBLY COMMITTEE ON NATURAL RESOURCES  
Luz Rivas, Chair  
SB 360 (Blakespear) – As Amended April 18, 2023

**SENATE VOTE:** 36-0

**SUBJECT:** California Coastal Commission: member voting.

**SUMMARY:** Expands the list of entities that Coastal Commissioners could simultaneously serve on to include membership of a local area formation commission (LAFCO) and joint powers authority (JPA).

**EXISTING LAW:**

- 1) Establishes the California Coastal Act of 1976 (Coastal Act), establishes the California Coastal Commission (Commission), and prescribes the membership and duties of the Commission. (Public Resources Code (PRC) 30301)
- 2) Provides that provisions of the Coastal Act do not preclude or prevent any member or employee of the Commission who is also an employee of another public agency, a county supervisor or city councilperson, or a member of specified associations or organizations, and who has in that designated capacity voted or acted upon a particular matter, from voting or otherwise acting upon that matter as a member or employee of the Commission. (PRC 30318)
- 3) Prohibits a public officer, including, but not limited to, an appointed or elected member of a governmental board, commission, committee, or other body, from simultaneously holding two public offices that are incompatible. Offices are incompatible when specified circumstances are present, unless simultaneous holding of the particular offices is compelled or expressly authorized by law. (Government Code Section(GC) 1099)
- 4) Establishes the Joint Exercise of Powers Act to authorize two or more public agencies, by agreement, to jointly exercise any power common to the contracting parties, even though one or more of the contracting agencies may be located outside this state. (GC 6500.1)
- 5) Authorizes, under the Cortese-Knox-Hertzberg Local Government Reorganization Act, the formation of LAFCOs with planning and regulatory powers. (GC 56300)

**THIS BILL:**

- 1) Authorizes members of a JPA and a LAFCO to serve on the Commission and vote on matters related to the Commission.
- 2) Makes technical, nonsubstantive changes.

**FISCAL EFFECT:** This bill is nonfiscal.

**COMMENTS:**

- 1) **Coastal Commission.** The Commission was established by voter initiative in 1972 (Proposition 20) and later made permanent by the Legislature through adoption of the California Coastal Act of 1976. In partnership with coastal cities and counties, the Commission plans and regulates the use of land and water in the coastal zone. Development activities, which are broadly defined by the Coastal Act to include (among others) construction of buildings, divisions of land, and activities that change the intensity of use of land or public access to coastal waters, generally require a coastal permit from either the Commission or a local government's local coastal plan.

The Commission is an independent, quasi-judicial state agency. The Commission is composed of twelve voting members, appointed equally (four each) by the Governor, the Senate Rules Committee, and the Speaker of the Assembly. Six of the voting commissioners are locally elected officials and six are appointed from the public at large. Three ex officio (non-voting) members represent the Natural Resources Agency, the State Transportation Agency, and the State Lands Commission.

- 2) **Doctrine of incompatible offices.** Current law codifies the common law prohibition against the holding of "incompatible offices." This doctrine restricts the ability of public officials to hold two different public offices simultaneously if the offices have overlapping and conflicting public duties. The consequence of holding an incompatible office is that the person is "deemed to have forfeited the first office upon acceding to the second."

The doctrine prevents the six locally elected officials who serve on the Commission from serving in any other public capacity that could overlap with their duties as Commissioners. However, the Coastal Act makes an exception for Commissioners from specific areas (Monterey and San Diego), allowing them to serve on a number of regionally-specific planning organizations. Specifically, that statute provides that a member of the Commission who is also an employee of another public agency, a county supervisor or city councilperson, member of the Association of Bay Area Governments, a member of the Association of Monterey Bay Area Governments, a delegate to the Southern California Association of Governments, or a member of the San Diego Association of Governments and who has in that designated capacity voted or acted upon a particular matter, does not have to recuse him/herself from voting or otherwise acting upon that matter as a member or employee of the Commission.

Commissioners who are locally elected officials from outside of those areas are precluded from serving on regional planning agencies.

SB 360 adds a member of a JPA and member of a LAFCO to the statutory list of offices on which a Coastal Commissioner can serve.

- 3) **Author's statement:**

SB 360 is a common sense change that allows an elected official who is serving on the Coastal Commission to concurrently serve on a Joint Powers Authority (JPA) or on LAFCO (Local Area Formation Commission). Currently, a Coastal Commissioner can serve concurrently on planning and transportation agencies but is prohibited from serving on a JPA or LAFCO. There appears to be no good

reason for this prohibition, which forces elected officials to make an either-or decision to serve on the Coastal Commission or a LAFCO or JPA when both could benefit greatly from their expertise on planning and zoning issues.

- 4) **Committee amendments.** The bill should read “a member of a LAFCO,” not “a member of the LAFCO” since there 58 LAFCOs across the state. The Committee may wish to make this technical correction.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

California Association of Local Agency Formation Commissions  
Orange County Local Agency Formation Commission

**Opposition**

None on file

**Analysis Prepared by:** Paige Brokaw / NAT. RES. /



Date of Hearing: June 12, 2023

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Luz Rivas, Chair

SB 406 (Cortese) – As Introduced February 9, 2023

**SENATE VOTE:** 36-0

**SUBJECT:** California Environmental Quality Act: exemption: financial assistance: housing

**SUMMARY:** Establishes an exemption from the California Environmental Quality Act (CEQA) for actions taken by a local agency to provide financial assistance or insurance for the development and construction of residential housing for persons and families of low or moderate income if the project that is the subject of the application for financial assistance or insurance will be reviewed pursuant to CEQA by another public agency.

**EXISTING LAW:**

- 1) Requires, pursuant to CEQA, lead agencies with the principal responsibility for carrying out or approving a proposed project to prepare a negative declaration, mitigated negative declaration, or environmental impact report (EIR) for this action, unless the project is exempt from CEQA. (Public Resources Code (PRC) 21000, et seq.)
- 2) Exempts from CEQA actions taken by the Department of Housing and Community Development (HCD) or the California Housing Finance Agency (CalHFA) to provide financial assistance or insurance for the development and construction of affordable housing if the project that is the subject of the application for financial assistance or insurance will be reviewed pursuant to CEQA by another public agency. (PRC 21080.10)

**THIS BILL** amends PRC 21080.10 to offer local agencies the same exemption for action to provide financial assistance for affordable housing that is available to HCD and CalHFA.

**FISCAL EFFECT:** Non-fiscal

**COMMENTS:**

- 1) **Background.** CEQA provides a process for evaluating the environmental effects of applicable projects undertaken or approved by public agencies. If a project is not exempt from CEQA, an initial study is prepared to determine whether the project may have a significant effect on the environment. If the initial study shows that the project would not have a significant effect on the environment, the lead agency must prepare a negative declaration. If the initial study shows that the project may have a significant effect, the lead agency must prepare an EIR.

Generally, an EIR must accurately describe the proposed project, identify, and analyze each significant environmental impact expected to result from the proposed project, identify mitigation measures to reduce those impacts to the extent feasible, and evaluate a range of reasonable alternatives to the proposed project. Prior to approving any project that has received environmental review, an agency must make certain findings. If mitigation

measures are required or incorporated into a project, the agency must adopt a reporting or monitoring program to ensure compliance with those measures.

CEQA includes various statutory exemptions, as well as categorical exemptions in the CEQA Guidelines. The exemption this bill seeks to apply to local agencies was enacted in its current form by SB 1925 (Sher), Chapter 1039, Statutes of 2002. SB 1925 was a larger CEQA housing measure that sought to increase infill, affordable and farmworker housing while still ensuring environmental protections consistent with CEQA. More recently, CEQA exemptions for pre-development financing actions related to affordable housing have been added for other specific project types and agencies, such as SB 679 (Kamlager), Chapter 661, Statutes of 2022, for the Los Angeles County Affordable Housing Solutions Agency and AB 1319 (Wicks), which is pending in the Senate, for the Bay Area Housing Finance Authority.

According to the sponsor, Santa Clara County, the proper place to challenge a CEQA decision is with the lead agency reviewing the substance of the project – not with a public agency whose sole role in the process is to award funding to a project. Absent an exemption, the sponsor notes its county counsel’s office has to spend considerable staff time and resources preparing CEQA-related documents when seeking approval from the Board of Supervisors to issue project loans. The sponsor also states the time spent doing this work often delays its ability to approve funding quickly, which is often needed in cases where county funds are being combined with state and local funding.

2) **Author’s statement:**

To help address California’s unprecedented housing crisis, local governments across the State have adopted measures to provide financial assistance for the development and construction of affordable housing. However, local agencies are unclear as to whether state law requires independent CEQA determinations for projects that receive this financial assistance. Since the decision to help finance a project could be interpreted as a discretionary approval, financing agencies face pressure to make independent CEQA determinations at the financing stage. Applying CEQA in this context is inefficient, duplicative and ultimately delays and drives up the costs of affordable housing. SB 406 extends to local jurisdictions an existing law that exempts State financial assistance for affordable housing projects – but not the projects themselves – from CEQA.

3) **Suggested clarifying amendment.** While there is precedent for exempting pre-development funding actions when the development project itself will be subject to CEQA review, the funding decisions are typically made by agencies that do not have land use authority and will not be acting as the lead agency for any other part of the project. *The author and the committee may wish to consider* the following clarifying amendments to confirm that the local agency using the bill’s exemption is not the same agency acting as the lead agency for a later development project.

(b) Actions taken by the Department of Housing and Community Development, the California Housing Finance Agency, or a local agency *not acting as the lead agency* to provide financial assistance or insurance for the development and construction of residential housing for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, if the project that is the subject of the application for financial assistance or insurance will be reviewed pursuant to this division by another public agency.



- 4) **Double referral.** This bill has been double-referred to the Assembly Housing and Community Development Committee.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

County of Santa Clara (sponsor)  
American Planning Association, California Chapter  
California Apartment Association  
California Environmental Voters  
California Housing Partnership Corporation  
California State Association of Counties  
City of San Jose  
City of Visalia  
County of San Bernardino  
Destination: Home  
Mission Street Neighbors  
Livable California  
Rural County Representatives of California  
San Bernardino County  
Urban Counties of California

**Opposition**

None on file

**Analysis Prepared by:** Lawrence Lingbloom / NAT. RES. /



Date of Hearing: June 12, 2023

ASSEMBLY COMMITTEE ON NATURAL RESOURCES  
Luz Rivas, Chair  
SB 835 (Smallwood-Cuevas) – As Amended March 21, 2023

**SENATE VOTE:** 39-0

**SUBJECT:** Baldwin Hills and Urban Watersheds Conservancy: watershed and open-space plan: report

**SUMMARY:** Extends the sunset date, from January 1, 2024, to January 1, 2026, for the Baldwin Hills and Urban Watersheds Conservancy (BHC) to report on the watershed and open-space improvement plan to be provided to the Legislature.

**EXISTING LAW** establishes the BHC within the California Natural Resources Agency (NRA) to acquire, develop, and manage public lands and open space for recreation, education, and wildlife habitat restoration and protection. (Public Resources Code 32550)

**FISCAL EFFECT:** According to the Senate Appropriations Committee, this bill would have negligible state costs.

**COMMENTS:**

1) **Baldwin Hills and Urban Watersheds Conservancy.** BHC was enacted in 2001 pursuant to SB 1625, (Murray), Chapter 428, Statutes of 2000, to acquire open space and manage public lands within the Baldwin Hills area and to provide recreation, restoration and protection of wildlife habitat within the territory for the public's enjoyment and educational experience. It is one of ten conservancies within the NRA. BHC provides local assistance funding to public agencies and non-profits to restore and improve the territory pursuant to its mission. The Baldwin Hills area is located six miles from downtown Los Angeles and is one of the last large open spaces in urban Los Angeles County.

Last year, SB 1052 (Kamlager), Chapter 714, Statutes of 2022, expanded BHC's territory to include the southern Ballona Creek Watershed and the Upper Dominguez Channel area, and repealed the January 1, 2026, sunset date on BHC to allow it to exist in perpetuity to continue providing critical access to parks and open spaces in a very urban area where residents need that access.

2) **Reporting requirements.** Current law requires BHC to report to the Legislature on a proposed watershed and open-space plan for improvements in BHC territory. The report is due January 1, 2024.

3) As part of the expansion, SB 1052 directed BHC to (1) study the potential environmental and recreational uses of the Baldwin Hills, southern Ballona Creek Watershed, and Upper Dominguez Channel area; (2) develop and adopt a proposed watershed and open-space plan for improvements in BHC's territory; and (3) submit a report to the Legislature on the plan by January 1, 2024, one year after the bill's enactment date.

According to the author's office, "In the Governor's Budget as proposed in January of 2023, only half of the projected amount needed to complete the report on the current timeline was proposed for appropriation. In the absence of these resources, the current deadline for the Conservancy to update their plan and report to the Legislature cannot be met."

Given this, "it is unlikely the conservancy will obtain the resources and staff necessary to update their watershed and open-space management plan on its original timeline."

This bill would grant BHC another two years to complete the study, plan, and report.

4) **Author's statement.**

Due to the Covid-19 pandemic, and declining state revenues in its wake, it is unlikely the conservancy will obtain the resources and staff necessary to update their watershed and open-space management plan [pursuant to SB 1052] on its original timeline. To ensure the full framework of the plan is being implemented we must give the Conservancy time to fully complete their update and report. SB 835 does this by extending the deadline for the update and report from January 1, 2024, to January 1, 2026.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

None on file

**Opposition**

None on file

**Analysis Prepared by:** Paige Brokaw / NAT. RES. /