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# California State Assembly

## NATURAL RESOURCES



**LUZ RIVAS**  
CHAIR

### AGENDA

Monday, June 13, 2022  
2:30 p.m. -- State Capitol, Room 447

**Chief Consultant**  
Lawrence Lingbloom

**Principal Consultant**  
Elizabeth MacMillan

**Senior Consultant**  
Paige Brokaw

**Committee Secretary**  
Martha Gutierrez

### BILLS HEARD IN FILE ORDER

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

- |     |                  |            |                                                                                                                        |
|-----|------------------|------------|------------------------------------------------------------------------------------------------------------------------|
| 1.  | SB 1122          | Allen      | San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy: territory.                                         |
| 2.  | SB 1027          | Atkins     | San Diego River Conservancy.                                                                                           |
| 3.  | SB 896           | Dodd       | Wildfires: defensible space: grant programs: local governments.                                                        |
| 4.  | <b>**SB 936</b>  | Glazer     | California Conservation Corps: forestry training center: formerly incarcerated individuals: reporting.                 |
| 5.  | <b>**SB 1319</b> | Grove      | Oil imports: air quality emissions data.                                                                               |
| 6.  | SB 989           | Hertzberg  | Climate Change Preparedness, Resiliency, and Jobs for Communities Program: climate-beneficial projects: grant funding. |
| 7.  | SB 1181          | Hueso      | Used tires: sale and export.                                                                                           |
| 8.  | SB 1052          | Kamlager   | Baldwin Hills Conservancy: urban watersheds conservancy expansion.                                                     |
| 9.  | <b>**SB 895</b>  | Laird      | Solid waste: nonprofit convenience zone recycler: definition.                                                          |
| 10. | SB 1062          | McGuire    | The Fixing the Firefighter Shortage Act of 2022.                                                                       |
| 11. | SB 1036          | Newman     | California Conservation Corps: California Ocean Corps Program.                                                         |
| 12. | SB 1063          | Skinner    | Energy: appliance standards and cost-effective measures.                                                               |
| 13. | SB 1206          | Skinner    | Hydrofluorocarbon gases: sale or distribution.                                                                         |
| 14. | SB 1256          | Wieckowski | Waste management: disposable propane cylinders.                                                                        |
| 15. | SB 260           | Wiener     | Climate Corporate Accountability Act.                                                                                  |
| 16. | SB 886           | Wiener     | California Environmental Quality Act: exemption: public universities: university housing development projects.         |
| 17. | SB 922           | Wiener     | California Environmental Quality Act: exemptions: transportation-related projects.                                     |



Date of Hearing: June 13, 2022

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Luz Rivas, Chair

SB 1122 (Allen) – As Amended March 7, 2022

**SENATE VOTE:** 36-0

**SUBJECT:** San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy: territory.

**SUMMARY:** Expands the territory of the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC) to include the Dominguez Channel watershed, the coastal watersheds of Manhattan Beach to the Palos Verdes Peninsula, and Santa Catalina Island; requires RMC to update its parkway and open space plan to account for this new territory; and, makes other minor, technical, and conforming changes.

**EXISTING LAW** establishes RMC in the Natural Resources Agency and prescribes the functions and duties of the conservancy with regard to the protection, preservation, and enhancement of specified areas of the Counties of Los Angeles and Orange located along the San Gabriel River and the lower Los Angeles River and tributaries along those rivers. (Public Resources Code § 32602)

**THIS BILL:**

- 1) Adds to the established purposes of RMC:
  - a) To acquire and manage public lands within the Dominguez Channel watershed, the coastal watersheds of Manhattan Beach to the Palos Verdes Peninsula, and Santa Catalina Island, and to provide open-space, low-impact recreational and educational uses, water conservation, watershed improvement, wildlife and habitat restoration and protection, and watershed improvement within the territory.
  - b) To preserve the Dominguez Channel watershed, the coastal watersheds of Manhattan Beach to the Palos Verdes Peninsula, and Santa Catalina Island consistent with existing and adopted river and flood control projects for the protection of life and property.
  - c) To provide for the public's enjoyment and enhancement of recreational and educational experiences on public lands in the Dominguez Channel watershed, the coastal watersheds of Manhattan Beach to the Palos Verdes Peninsula, and Santa Catalina Island in a manner consistent with the protection of lands and resources in those watersheds.
- 2) Redefines "territory" of RMC to include the Dominguez Channel watershed, the coastal watersheds of Manhattan Beach to the Palos Verdes Peninsula, and Santa Catalina Island without limitation to:
  - a) The hydrologic basin or watershed that coincides with the Dominguez Channel watershed bounded by Manchester Boulevard in the City of Inglewood to the north and the Los Angeles and Long Beach Harbors to the south.

- b) Santa Catalina Island, including the City of Avalon and unincorporated areas on the island.
- 3) Updates the territory of RMC to include the territory within specified city or community boundaries, as they existed on January 1, 2022.
- 4) Provides that portions of the following cities and communities that fall within the definition of territory include: Brea, El Segundo, Los Angeles, Inglewood, Manhattan Beach, Palos Verdes Estates, Placentia, Redondo Beach, Rolling Hills, Rolling Hills Estates, and Torrance.
- 5) Requires RMC to update the San Gabriel and Lower Los Angeles Parkway and Open Space Plan to include the priorities for conservation and enhanced public use within the Dominguez Channel watershed, coastal watersheds of Manhattan Beach to the Palos Verdes Peninsula, and Santa Catalina Island.

**FISCAL EFFECT:** According to the Senate Appropriations Committee, enactment of this bill would result in unknown but likely significant cost pressure (General Fund, special fund, or bond funds) to fund activities and projects in the expanded RMC territory, and any administrative costs are estimated to be minor and absorbable.

**COMMENTS:**

1) **Author's statement.**

California's land conservancies serve a vital role in safeguarding and restoring the Golden State's unique natural environments. Established in 1999, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC) protects wildlife habitats in Los Angeles and Orange counties while providing recreational and educational opportunities to surrounding communities. Nearly 5 million Californians live within the current boundaries of RMC and benefit from the Conservancy's ongoing efforts to protect and restore the natural areas within its jurisdiction.

SB 1122 will enhance conservation and public recreation in more communities by expanding the RMC territory to include the Dominguez Channel Watershed, Santa Catalina Island, and coastal area watersheds of Los Angeles County's South Bay. This expansion will allow RMC to support projects and provide grants for conservation and climate adaptation efforts for generations to come.

- 2) **Los Angeles and San Gabriel River watershed.** The Los Angeles and San Gabriel Rivers used to flow out of the San Gabriel Mountains as meandering streams carrying rocks and sand. Their watersheds cover 1,513 square miles, but the rivers stopped reaching the sea shortly after 18<sup>th</sup> century settlers arrived. Wildlands became farmland. And, then, 50 years later—after the railroad arrived—the rivers nearly disappeared beneath a wave of urban sprawl and, finally, industrialization.

After flooding in the 1930s, the federal government and the Los Angeles County Flood Control District implemented a strategy to tame the rivers; by 1960, the Los Angeles River was encased in cement and the San Gabriel River was surrounded by levees. In 1989, a state legislator revisited an idea once proposed in the 1940s, to run a freeway down the river

corridor, and it prompted the first serious thought in decades to “restoring” the rivers by focusing on natural systems and open space (the freeway was not developed). Los Angeles County adopted a master plan for the Los Angeles River in 1996 that recommended environmental restoration and three years later began developing one for the San Gabriel River.

- 3) **San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy.** RMC, established by the Legislature in 1999, addresses environmental and public resource needs in eastern Los Angeles County and western Orange County through public recreation and access, wetland restoration, trail development, river parkway improvements and the funding of land acquisitions. RMC’s territory stretches across 68 cities, and it oversees all or part of four rivers, including the mostly concrete-lined 58-mile-long Los Angeles River. As of 2011, the RMC had awarded 172 grants worth more than \$89 million to local governments and non-profit organizations. RMC is one of 10 conservancies within the Natural Resources Agency.

RMC’s primary objectives are: acquiring and managing lands within the lower Los Angeles River and San Gabriel River watersheds; preserving the two rivers for protection of life and property; acquiring open space; and, providing the public an enhanced recreational and educational experience in its area.

SB 1122 would expand the RMC’s territory to include the Dominguez Channel watershed, coastal watersheds of Manhattan Beach to the Palos Verdes Peninsula, and the Santa Catalina Island. RMC asserts that this expansion will provide neighboring and nearby communities of the its current territory to have the same opportunity to access conservancy resources consistent with its mission for preservation of open space and habitat protection to provide for low-impact recreation and educational uses, wildlife habitat restoration and protection, and watershed improvements.

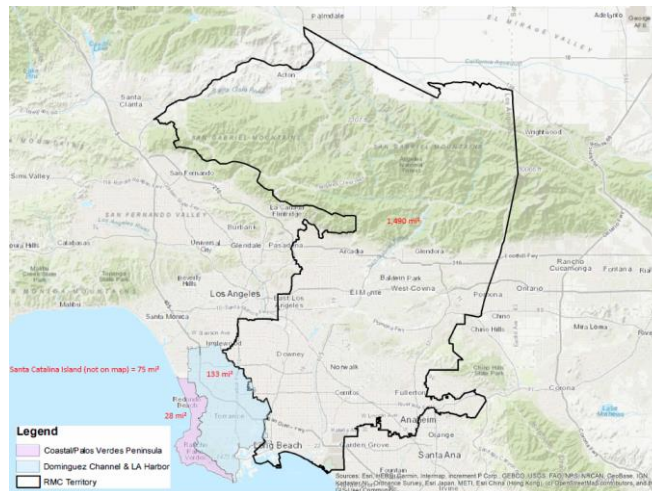
- 4) **Dominguez Channel watershed.** The Dominguez watershed is located within the southern portion of Los Angeles County and encompasses approximately 133 square miles of land and water. The watershed encompasses lands within the Cities of Torrance, Hawthorne, Los Angeles, Rolling Hills, Rolling Hills Estates, Lomita, Lawndale, Manhattan Beach, El Segundo, Inglewood, Gardena, Carson, Ranchos Palos Verdes, Palos Verdes Estates, and Los Angeles County. Residential development covers nearly 40% of the watershed, and another 41% is made up by industrial, commercial and transportation uses. Water supply is limited and the majority of water use is from imported sources. Parkland and open space are in short supply and generally deficient.
- 5) **Santa Catalina Island.** Santa Catalina Island is an island off the coast of Southern California in the Gulf of Santa Catalina. The island is 22 miles long and 8 miles across at its greatest width. Geologically, Santa Catalina is part of the Channel Islands of California archipelago. Its total population is around 5,000 people, 90% of whom live in the island's only incorporated city, Avalon.

Since the 1970s, most of the island has been administered by the Catalina Island Conservancy, which was established as a nonprofit organization in 1972 to protect and restore Catalina. It protects 88% of Catalina Island, including more than 62 miles of beaches and secluded coves—the longest publicly accessible stretch of undeveloped coastline left in

Southern California. Catalina Island is home to more than 60 plant, animal and insect species found nowhere else in the world.

The City of Avalon, the only incorporated municipality on the Island, strongly supports programs and projects that help facilitate public access and outdoor education for its permanent residents and more than one million annual visitors. The city writes in support of SB 1122 that allowing the Island opportunity to access specified pots of funding as a result of their inclusion in RMC will support public access improvement projects, habitat conservation, and water management projects.

- 6) **Coastal watersheds of Manhattan Beach to the Palos Verdes Peninsula.** This bill would add 236 square miles to RMC’s jurisdiction, including 28 square miles of the coastal watersheds of Manhattan Beach to the Palos Verdes Peninsula. The map below shows the additions, not including Santa Catalina Island, with the Dominguez Channel watershed and the coastal watersheds of Manhattan Beach shaded in separate colors (blue and pink respectively).



- 7) **More hands make lighter work.** The Senate Natural Resources & Water Committee noted in its analysis that the expansions proposed in this bill overlap with expansions proposed by SB 1052 (Kamlager) for the Baldwin Hills Conservancy (BHC) in the Dominguez Watershed. The proposed overlap only includes about 17 square miles of the Dominguez Channel watershed and less than two square miles of the coastal watersheds of Manhattan Beach.

Overlapping jurisdictions are not new for conservancies, however. The RMC director notes that their jurisdiction currently has overlap with the Santa Monica Mountains Conservancy, which has never resulted in any conflict. If anything, the overlap has ensured there are sufficient resources being directed to the public spaces benefitting the conservancies’ constituents. Furthermore, RMC’s implementing statute, pursuant to Public Resources Code sec. 32621(d), provides that RMC:

“shall consult with other conservancies within the Resources Agency prior to implementing any project pursuant to this division in which there may be a jurisdictional overlap between those conservancies. Each of those conservancies shall make its best effort to resolve any issues regarding any project development

that is carried out pursuant to this division in a mutually advantageous and environmentally beneficial manner. Any dispute between the conservancies shall be referred to the Resources Agency for resolution.”

The BHC director concurred and cited that both conservancies have overlap with the State Department of Parks and the California Coastal Commission, and where conservancies’ territories overlap, they greatly benefit due to having more hands on deck to support the environment and bring more state resources to the projects being invested in.

- 8) **Funding.** The Governor’s proposed budget for Fiscal Year (FY) 2022-23 includes \$14.9 million for RMC. Last year, the budget appropriated \$129 million for the current FY 2021-22. The difference between the two FY budgets is largely due to the FY 2021-22 General Fund appropriation of \$62.6 million for specific projects, particularly in the Lower Los Angeles River and San Gabriel River watersheds. Though next FY’s appropriations are less, RMC would still have funding available for expenditure on new projects from the FY 21/22 appropriation. Additionally, these funds have an encumbrance/expenditure period of three to seven years (dependent on the program). In addition to RMC’s FY 2022-23 General Fund appropriations, they expect to have new and re-appropriated bond funding (specifically Propositions 1 and 68) that could be liquidated through June 2027. Therefore, despite the dip in proposed funding for next year, RMC has funding to support the proposed jurisdictional expansion in SB 1122.

9) **Related legislation.**

AB 2897 (O’Donnell) includes the Dominguez Channel watershed and Santa Catalina Island within the territory of RMC. This bill was held by the author in the Assembly Natural Resources Committee.

SB 1052 (Kamlager) expands the territory of the BHC. This bill is scheduled to be heard in this committee on June 13, 2022.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

None on file.

**Opposition**

None on file.

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





Date of Hearing: June 13, 2022

**ASSEMBLY COMMITTEE ON NATURAL RESOURCES**

Luz Rivas, Chair

SB 1027(Atkins) – As Amended May 19, 2022

**SENATE VOTE:** 35-0

**SUBJECT:** San Diego River Conservancy.

**SUMMARY:** Modifies the definition of the San Diego River Conservancy’s (SDRC) San Diego River area and would expand the jurisdiction of SDRC to the San Diego River watershed.

**EXISTING LAW:**

- 1) Establishes the San Diego River Conservancy Act, which establishes SDRC in the Natural Resources Agency, and prescribes the territory, functions, and duties of the conservancy with regard to, among other things, the acquisition, protection, and management of public lands within the San Diego River area. Provides that SDRC has all rights and powers, expressed or implied, necessary to carry out the purposes of the act.
- 2) Requires the SDRC governing board to consist of 15 voting members and two nonvoting members, as specified.

**THIS BILL:**

- 1) Redefines the San Diego River area as the lands located within the watershed of the San Diego River, from its headwaters near Julian to the Pacific Ocean at Dog Beach in San Diego.
- 2) Redefines “Tribal nation” as a Kumeyaay Band that is a federally recognized tribe or a nonfederally recognized California Native American tribe that is on the contact list maintained by the Native American Heritage Commission. Requires the Kumeyaay Band to be located within traditionally and culturally affiliated ancestral Kumeyaay territory within the County of San Diego.
- 3) Increases the governing board of the SDRC from 15 to 16 voting members and requires one member of the City Council of El Cajon, elected by a majority of the membership of the council.
- 4) Expands the jurisdiction of the SDRC to include the watershed of the San Diego River.

**FISCAL EFFECT:** According to the Senate Appropriations Committee, enactment of this bill would result in unknown, potentially significant cost pressure (General Fund, special fund, or bond funds) to fund projects in the additional SRDC territory; administrative costs are estimated to be minor and absorbable.

**COMMENTS:****1) Author's statement**

The San Diego River Conservancy was established in 2002 by legislation sponsored by Assemblymember Christine Kehoe to manage, restore, protect and conserve the riparian and estuarine habitat along the River. Over the years its responsibilities have been broadened to include protecting and enhancing extensive historic and cultural resources within its boundaries, manage water quality and natural flood conveyance, ensure public access to public lands, offer recreational opportunities to neighboring communities, and protect local wildlife species and habitat. There is evidence of the Kumeyaay living within the Conservancy's current boundaries for at least 10,000 years.

Now, 20 years later, the Conservancy actively works with the U.S. Forest Service, local governments, Tribal governments and non-profit organizations, and the public to meet the goals the state has set for the River Conservancy. Expanding the jurisdictional boundary of the Conservancy to include the entire watershed of the San Diego River will remove the current restrictions on which areas within a given jurisdiction's boundaries can or cannot benefit from improvement programs funded by the Conservancy. Preserving the cultural heritage within the watershed of the San Diego River is a priority for the Conservancy's Board of Directors, the tribal governments and the non-profits active within the watershed.

- 2) **San Diego River Conservancy.** The SDRC was established in 2002 as an independent, non-regulatory state agency to manage, restore, protect, and conserve the riparian and estuarine habitat along the San Diego River area. Over the years its responsibilities have been broadened to include protecting and enhancing extensive historic and cultural resources within its boundaries, manage water quality and natural flood conveyance, ensure public access to public lands, offer recreational opportunities to those living and working in neighboring communities, and protect local wildlife species and habitat.

SDRC is overseen by a 17 member (15 voting; 2 non-voting) governing board that consists of both state and local representatives. A priority of the governing board is to expand opportunities for public access to public lands through the construction and maintenance of a trail system from Dog Beach in Ocean Beach to the river's headwaters in Julian over 52 miles to the east.

Current statutory language defines the SDRC's jurisdiction to include half a mile on both sides of the San Diego River, its tributaries, streams, and creeks. The health of the watershed's ecosystem includes the riparian areas, grasslands, upland and forest habitat for the entire San Diego River watershed.

This bill would redefine the San Diego River area for purposes of SDRC's jurisdiction as the lands located within the watershed of the San Diego River, from its headwaters near Julian to the Pacific Ocean at Dog Beach in San Diego. Expanding the authority of SDRC to include the complete acreage of each of its member jurisdictions would allow proposed trails to connect with residents in all the jurisdictions within the watershed, as well as to visitors from throughout San Diego County.

- 3) **San Diego River Watershed.** The San Diego River Watershed encompasses a land area of 434 square miles, making it the second largest watershed management area located in San Diego County. It lies in the central portion of the County and neighbors Los Penasquitos and San Dieguito River Watersheds to the north and San Diego Bay watershed management area to the south

Currently, about 44% of the watershed management area remains undeveloped. The remaining 56% of the land area is open space and park land (23%), residential areas (19%), transportation (6%), and other (2%).

While the San Diego River Watershed is home to more than half a million residents, the watershed consists of a variety of unique and diverse ecosystems that act as critical habitat for a number of endangered species, including the arroyo toad, least bell's vireo, and the southwestern pond turtle.

The San Diego Watershed includes a combination of acreage including municipalities (local cities and San Diego County land), plus state, federal and Tribal reservation lands. Below is a breakdown of the total acreage by jurisdiction within the watershed:

108,642 acres	County of San Diego
80,444 acres	Cleveland National Forest
46,579 acres	City of San Diego
22,244 acres	Capitan Grande Reservation
10,406 acres	Barona Reservation
10,277 acres	City of Santee
9,300 acres	City of El Cajon
7,780 acres	Cuyamaca Rancho State Park
3,301 acres	City of La Mesa
3,145 acres	Anza-Borrego Desert State Park
1,153 acres	Inaja and Cosmit Reservation
586 acres	City of Poway
9.3 acres	Old Town San Diego State Historic Park

Under current law, SDRC's boundary includes 249,650 acres or 89.5% of the watershed. The entire watershed covers a total of approximately 278,938 acres. Increasing the service area of SDRC to the entirety of the San Diego watershed will add approximately 27,894 acres.

- 4) **Making the governing board more inclusive.** The bill would expand the number of voting members on the governing board of the SDRC by one to specifically include a representative from the City of El Cajon, which is located entirely within the San Diego River watershed. The County of San Diego explains that El Cajon is the only city within the watershed that contains disadvantaged and severely disadvantaged communities with approximately 20% of residents living in poverty, and a large immigrant population with 30% of residents foreign born, according to the U.S. Census Bureau report issued July 1, 2021. Including that city on the board establishes greater equity and representation.
- 5) **Kumeyaay Band.** The Kumeyaay, referred to as Diegueño by the Spanish, were the original native inhabitants of San Diego County. There is evidence of the Kumeyaay living within SDRC's current boundaries for at least 10,000 years.

The boundaries of the Kumeyaay lands changed with the arrival of the Europeans. It once extended from the Pacific Ocean, south to Ensenada in Baja Norte, Mexico, east to the sand dunes of the Colorado River in Imperial Valley, and north to Warner Springs Valley.

Today, Kumeyaay tribal members are divided into 12 separate bands. One of the largest owners of land in San Diego County, Kumewaay governments have jurisdiction over approximately 70,000 acres concentrated in East County from El Cajon, Lakeside, Poway, and Ramona, to the desert. Of the total acreage, more than 15,000 acres are unusable to the Kumewaay because the El Capitan Reservoir was removed from Indian Government ownership. The reservoir feeds the San Diego River and is located within the Capitan Grande Indian Reservation, which is jointly patented to the Viejas and Borana Bands of the Kunewaay.

Since the Spanish invasion of 1769, the Kumewaay have been forced off their ancestral lands. Nearly all the Kumewaay lands were taken into private ownership or made U.S. government holdings. Treaties negotiated with 18 California tribes in 1850 to set aside 8.5 million acres in specific tribal lands were never ratified by the U.S. Senate as a result of opposition by the state of California.

This bill would amend the definition of tribal nation to directly reference the Kumeyaay Bands associated with the area. It would also include nonfederally recognized California Kumeyaay Bands that are on the contact list maintained by the Native American Heritage Commission.

- 6) **Arguments in support.** The county of San Diego writes that 20 years after the inception of the SDRC, it actively works with the U.S. Forest Service, local governments, Tribal governments, non-profit organizations, and the public to meet the goals the state has set for SDRC. Expanding the jurisdictional boundary of SDRC to include the entire watershed of the San Diego River will remove the current restrictions on which areas within a given jurisdiction's boundaries can or cannot benefit from improvement programs funded by SDRC.

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

Barona Band of Mission Indians  
 City of El Cajon, Office of the Mayor  
 City of San Diego  
 County of San Diego  
 Kumeyaay Digueño Land Conservancy  
 Lakeside's River Park Conservancy  
 San Diego State University – Department of Civil, Construction and Environmental Engineering

##### **Opposition**

None on file.

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

Date of Hearing: June 13, 2022

**ASSEMBLY COMMITTEE ON NATURAL RESOURCES**

Luz Rivas, Chair

SB 896 (Dodd) – As Amended May 5, 2022

**SENATE VOTE:** 32-0

**SUBJECT:** Wildfires: defensible space: grant programs: local governments

**SUMMARY:** Incentivizes and improves defensible space assessment data collection and reporting by local government entities, and requires the California Department of Forestry and Fire Protection (CAL FIRE) to annually provide a defensible space report to the Legislature.

**EXISTING LAW:**

- 1) Requires a person who owns, leases, controls, operates, or maintains a building or structure in, upon, or adjoining a mountainous area, forest-covered lands, shrub-covered lands, grass-covered lands, or land that is covered with flammable material, to at all times maintain a defensible space of 100 feet from each side and from the front and rear of the structure, as provided.
- 2) Requires CAL FIRE to develop and implement a program to train individuals to support and augment CAL FIRE in its defensible space and home hardening assessment and public education efforts.
- 3) Requires a seller of real property that is located in a high or very high fire hazard severity zone to provide the buyer documentation stating that the property is in compliance with that defensible space requirement.
- 4) Requires CAL FIRE to establish a local assistance grant program for fire prevention and home hardening education activities in California. Requires the local assistance grant program to have a robust year-round fire prevention effort in and near fire threatened communities that focuses on increasing the protection of people, structures, and communities. To the maximum extent practicable, the grants shall be designed to be durable and adaptively managed so that while improving resiliency to wildfire, the projects, when on forest land, retain a mixture of species and sizes of trees to protect habitat values.
- 5) Requires the director of CAL FIRE to establish a statewide program to allow qualified entities to support CAL FIRE in its defensible space and home hardening assessment and education efforts. Requires qualified entities participating in the program to be authorized by the director to conduct defensible space assessments to assess compliance with specified requirements within the State Responsibility Area (SRA), educate property owners about wildfire safety improvements that may be undertaken to harden a structure and make it more resistant to fire, and assess whether wildfire safety improvements have been completed in or on a structure.
- 6) Requires the Director of CAL FIRE to establish a common reporting platform that allows defensible space and home hardening assessment data, collected by qualified entities, to be

reported to CAL FIRE and to establish any necessary quality control measures to ensure that the assessment data is accurate and reliable.

**THIS BILL:**

- 1) Requires CAL FIRE, when reviewing applications for the local assistance grant program, to give priority to any local governmental entity qualified to perform defensible space assessments in very high and high fire hazard severity zones, or by a local agency for using the common reporting platform created to report that information.
- 2) Requires any local governmental entity that is qualified to conduct defensible space assessments in very high and high fire hazard severity zones to report that information using the common reporting platform.
- 3) Requires, on December 31, 2023, and annually thereafter, CAL FIRE to report to the Legislature all defensible space data collected. Authorizes the report to include information on the proportion of unique parcels that were inspected, the degree of compliance with specified requirements, any enforcement actions that may have been taken for noncompliant parcels, and the proportion of parcels that were found to be in compliance across jurisdictions. Requires, at minimum, the report to include data with sufficient detail to facilitate comparisons of community compliance between local governmental entities qualified to conduct defensible space assessments and local governmental entities that are not.
- 4) Requires the report submitted pursuant to this subdivision to be submitted in compliance with Section 9795 of the Government Code.

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

**COMMENTS:**

1) **Author's statement.**

According to the Legislative Analyst, many of the largest and most damaging wildfires have occurred in recent years. One approach to mitigating future wildfire disasters is to reduce the chance that homes ignite when wildfires occur nearby, such as through the maintenance of defensible space—areas free of excess or dead vegetation—around homes. Importantly, maintaining defensible space not only helps to protect that home, it also reduces the risk that the wildfire will spread to neighboring homes, thereby helping to protect communities.

In general, inspections can contribute to improved defensible space compliance in several ways. First, inspections verify whether homeowners are complying with defensible space requirements and best practices. Failure to meet requirements can then lead to enforcement actions. Second, many agencies use inspections as an opportunity to educate homeowners about specific steps they can take to reduce their risk. Third, inspections can play an important role in homeowner financial assistance programs.

Creating an incentive for agencies to report defensible space inspection information, centralizing that information, and providing public access to that information should benefit policymakers and administrators where to focus attention to achieve the most effective wildfire prevention efforts.

- 2) **Wildfires in California.** Wildfires have been growing in size, duration, and destructivity over the past 20 years. Growing wildfire risk is due to accumulating fuels, a warming climate, and expanding development in the wildland-urban interface (WUI). The 2020 fire season broke numerous records. Five of California's six largest fires in modern history burned at the same time, destroying thousands of buildings, forcing hundreds of thousands of people to flee their homes, and exposing millions of residents to dangerously unhealthy air. More than 4 million acres burned across the state, double the previous record.

New research from Standard University (February 2022) on wildfire shows that climate change is drying out vegetation in the West even faster and increasing fire risk. The researchers found that a combination of plant and soil dehydration coupled with atmospheric dryness is creating what they've termed 'double-hazard zones.' The researchers identified 18 of these double-hazard zones across the Western U.S., including three in California. Their study further showed that the increased population growth in the WUI is concerning as this landscape is often comprised of grasslands or chaparral, which is highly sensitive to drought, making it also highly vulnerable to extreme fire events. In California, more than 11 million of the state's 40 million residents live in the WUI, which encompasses not only densely forested areas like Paradise, but also parts of the wooded coastal foothills around Silicon Valley, the brush-and-grass covered hills around Santa Barbara and Los Angeles, and neighborhoods in the Oakland Hills.

CAL FIRE designates areas with higher risk of severe wildfires as high and very high fire hazard severity zones. Notably, many of these zones are in lightly populated areas and small communities in the WUI.

- 3) **Defensible space.** Defensible space is the buffer created between a building on a property and the grass, trees, shrubs, or any wildland area that surrounds it. This space is needed to slow or stop the spread of wildfire, and it helps protect structures from catching fire—either from embers, direct flame contact or radiant heat. Proper defensible space also provides firefighters a safe area to work in to defend property.

Current law requires defensible space of 100 feet from each side and from the front and rear of the structure, but not beyond the property line, with certain exceptions. The amount of fuel modification necessary considers the flammability of the structure as affected by building material, building standards, location, and type of vegetation. Fuels are required to be maintained in a condition so that a wildfire burning under average weather conditions would be unlikely to ignite the structure.

CAL FIRE requires the removal of all dead plants, grass, and weeds, and the removal of dry leaves and pine needles within 30 feet of a structure. In addition, tree branches must be 10 feet away from a chimney and other trees within the same 30 feet surrounding a structure. These existing requirements still permit most vegetation within five feet of the house or structure.

According to the University of California Division of Agriculture and Natural Resources, implementation of this five-foot non-combustible area could make a significant difference in a home's ability to withstand a wildfire. AB 3074 (Friedman, Chapter 259, Statutes of 2020) established an ember-resistant zone within five feet of a structure as part of revised defensible space requirements for structures located in high fire hazard areas.

The following year, the Legislature approved SB 63 (Stern, Chapter 382, Statutes of 2021) to authorize CAL FIRE to fund residential vegetation management programs, including defensible space training and public wildfire resistance education outreach to facilitate managing and monitoring vegetation on residential properties to help slow or stop an active wildfire from growing.

Current law also requires a seller of a property that is located in a high or very high fire hazard severity zone to provide documentation of a compliant Defensible Space Inspection. If that documentation cannot be provided by close of escrow, the law allows the buyer to enter into a written agreement that documentation of compliance will be made available within one year of the close of escrow.

CAL FIRE currently has a defensible space Collector App where defensible space inspectors can track each defensible space inspection with a high level of detail and the history of any citations on a property. The Collector App has been developed to provide a consistent standard of data collection during defensible space inspections and is part of a central archival location for analysis, research, and regulation development to reduce fire loss. The simplified data collection system has added to the understanding of how defensible space and building construction may help reduce wildfire impacts in the WUI.

- 4) **Defensible space data.** CAL FIRE has a program to allow qualified entities to support and augment CAL FIRE in its defensible space and home hardening assessment and education efforts. Qualified entities participating in the program are authorized by the director to conduct defensible space assessments to assess compliance with defensible space requirements within the SRA (the area in the state where the California has the primary financial responsibility for the prevention and suppression of wildland fires), educate property owners about wildfire safety improvements that may be undertaken to harden a structure and make it more resistant to fire, and assess whether wildfire safety improvements have been completed in or on a structure. CAL FIRE maintains a common reporting platform that allows defensible space and home hardening assessment data, collected by the qualified entities, to be reported to CAL FIRE. (The defensible space collector app data are included in the common reporting platform.)

The Legislative Analyst's Office (LAO) September 2021 report, *Reducing the Destructiveness of Wildfires: Promoting Defensible Space in California*, reported, however, that there is no comprehensive statewide data on defensible space activities—such as inspections and compliance—reported for both state and local inspection programs.

CAL FIRE reports summary data on its inspections by unit based on data collected by its inspectors (including in contract counties). There is, however, no centralized collection or reporting of activities undertaken in the local responsibility areas or by other local agencies in the SRA.



In addition, there are many gaps in the data. CAL FIRE has identified about 768,000 parcels within the SRA subject to defensible space inspections, and its goal is to inspect each of these parcels once every three years. But, not all areas of the state are inspected regularly, resulting in uninspected parcels and uneven data across the state. The LAO reported that local agencies vary widely in their inspection rate of properties in the high fire risk areas in the local responsibility area, with inspection rates ranging from 3 percent to 100 percent across the state.

LAO recommends, to address the lack of consistent statewide data to inform policymakers, increasing state support for a shared collector application and ensure agencies feed data into a centralized system, and recommending requiring public reporting of data. A lack of consistent statewide data on defensible space inspections and compliance makes it difficult to identify where gaps in or overlapping inspection programs are occurring, fully understand the extent to which homeowners are out of compliance with defensible space regulations in different communities, and assess the effectiveness of programs at improving compliance.

SB 896 will require a qualified local governmental entity to conduct defensible space assessments in very high and high fire hazard severity zones and report that information to CAL FIRE through the common reporting platform.

The bill also requires CAL FIRE, starting on December 31, 2023, and annually thereafter, to report to the Legislature all defensible space data collected pursuant to this bill with the intent of facilitating comparisons of community compliance with the requirements of Section 4291 between local governmental entities qualified to conduct defensible space assessments and local governmental entities that are not.

- 5) **Local assistance grant program.** CAL FIRE's Wildfire Prevention Grants Program provides funding for fire prevention projects and activities in and near fire threatened communities that focus on increasing the protection of people, structures, and communities. Funded activities include hazardous fuels reduction, wildfire prevention planning, and wildfire prevention education with an emphasis on improving public health and safety while reducing greenhouse gas emissions.

The proposed budget for Fiscal Year (FY) 2022-23 includes \$800 million from the General Fund over two years—\$400 million annually in FYs 2022-23 and 2023-24. The largest share of these funds is for forest resilience and fuel breaks. More than half of the funds over the two years—\$582 million—would support programs designed to promote healthy forests and landscapes, generally by removing hazardous fuels. Another one-third of the funds—\$382 million—would support installation and maintenance of wildfire fuel breaks. The remaining funds—totaling \$236 million—are proposed for projects to provide regional capacity for forest health projects, as well as to encourage forest sector economic stimulus, science-based forest management, and community hardening. Of these amounts, \$115 million proposed for FY 2022-23, \$117 million for FY 23-24, and \$232 million for the fire prevention grant program this bill proposes to amend.

SB 896 would require CAL FIRE, when reviewing applications for this grant program, to give priority to any local governmental entity qualified to perform defensible space assessments in very high and high fire hazard severity zones, or by a local agency pursuant for using the common reporting platform to report that information.

**6) Related legislation.**

AB 2672 (Flora) would require the Director of CAL FIRE, on or before July 1, 2023, to procure or establish a statewide defensible space and home hardening platform that would allow property owners to support and augment CAL FIRE in defensible space inspection requests. This bill was held in the Assembly Appropriations Committee.

AB 9 (Wood, Chapter 225, Statutes of 2021) established the Deputy Director of Community Wildfire Preparedness and Mitigation to be responsible for fire preparedness and mitigation missions of CAL FIRE and is responsible for defensible space requirements, among other fire prevention responsibilities.

SB 63 (Stern, Chapter 382, Statutes of 2021) enhances fire prevention efforts by CAL FIRE, including, among other things, improved vegetation management and expanding the area where fire safety building standards apply.

AB 3074 (Friedman, Chapter 259, Statutes of 2020) establishes an ember-resistant zone within five feet of a structure as part of revised defensible space requirements for structures located in high fire hazard areas.

**REGISTERED SUPPORT / OPPOSITION:****Support**

Association of California Water Agencies  
California Forestry Association  
Personal Insurance Federation of California  
Solano County Board of Supervisors

**Opposition**

None on file.

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

Date of Hearing: June 13, 2022

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Luz Rivas, Chair

SB 936 (Glazer) – As Amended March 16, 2022

**SENATE VOTE:** 39-0

**SUBJECT:** California Conservation Corps: forestry training center: formerly incarcerated individuals: reporting.

**SUMMARY:** Requires the director of the California Conservation Corps (CCC), in partnership with the Department of Forestry and Fire Prevention (CAL FIRE) and the Department of Corrections and Rehabilitation (CDCR), to establish a forestry training center in northern California to provide enhanced training, education, work experience, and job readiness for entry-level forestry and vegetation management jobs.

**EXISTING LAW:**

- 1) Establishes the CCC in the Natural Resources Agency (NRA) and requires the CCC to implement and administer the conservation corps program.
- 2) Directs CCC program activities, including the management of environmentally important lands and water, public works projects, facilitating public use of resources, assistance in emergency operations, assistance in fire prevention and suppression, energy conservation, and environmental restoration.
- 3) Authorizes the director to recruit and enroll corpsmembers and special corpsmembers to contribute to the objectives of the program, including the Energy Corps, the Backcountry Trails Program, the Veterans Corps Fishery Program, the Watershed Stewards Program, and the Forestry Corps Program.
- 4) Establishes the California Conservation Camps for the purpose of having incarcerated persons work on projects supervised by CAL FIRE.
- 5) Establishes the policy of this state to require the inmates and wards assigned to such camps to perform public conservation projects including, but not limited to, forest fire prevention and control, forest and watershed management, recreation, fish and game management, soil conversion, and forest and watershed revegetation.
- 6) Establishes the Education and Employment Reentry Program within the CCC and authorizes the director to enroll in the program formerly incarcerated individuals who successfully served on a California Conservation Camp program crew and were recommended for participation as a program member by the Director of CAL FIRE and the Secretary of CDCR.
- 7) Authorizes an incarcerated individual who has successfully participated in either a California Conservation Camp program or a county program as an incarcerated individual hand crewmember, as determined by specified authorities, and has been released from custody, to file a petition for relief with a court.

**THIS BILL:**

- 1) Requires, upon appropriation, on or before December 31, 2024, the director of the CCC, in partnership with CAL FIRE and CDCR, to establish a forestry training center in northern California to provide enhanced training, education, work experience, and job readiness for entry-level forestry and vegetation management jobs.
- 2) Requires the training center to focus on forestry and include counseling, mentorship, supportive housing, health care, and educational services.
- 3) Authorizes the training center to include training modules on the activities.
- 4) Requires the director to enroll formerly incarcerated individuals at the training center and prioritize enrollment for those formerly incarcerated individuals who meet either of the requirements:
  - a) Successfully served on a CCC program crew and were recommended by CAL FIRE and the Secretary of CDCR. Authorizes the CAL FIRE or the Secretary of CDCR to designate a person from the respective department to make this recommendation.
  - b) Successfully served on a hand crew at the county level and were recommended for participation by county probation and county fire departments.
- 5) Authorizes the director to enroll corpsmembers and local community conservation corpsmembers at the training center if funding and resources allow.
- 6) Provides that successful completion of a training program at the training center shall constitute qualifying experience for an entry-level forestry or vegetation management position at a state agency.
- 7) Requires, commencing December 31, 2024, and annually thereafter, the CCC to report information related to formerly incarcerated individuals enrolled in CCC programs or centers established to serve formerly incarcerated individuals, including, but not limited to, the Education and Employment Reentry Program, the Ventura Training Center, the forestry training center, and any other centers or programs created by the CCC to exclusively serve formerly incarcerated individuals.
- 8) Finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique ecological needs of northern California in reducing the impact of wildfires in the region.

**FISCAL EFFECT:** According to the Senate Appropriations Committee, enactment of this bill would result in one-time capital outlay costs for the CCC of about \$65 million (General Fund or bond funds) to construct a new residential training center (if an existing facility is renovated, renovation costs are estimated to be between \$20 million and \$30 million and annual lease costs are projected to be between \$250,000 and \$450,000); estimated combined ongoing annual costs to CCC and CDCR of approximately \$9.4 million (General Fund) to operate a new residential training facility that supports 80 corps members; an estimated \$1 million in contract funds per year (General Fund) to provide the additional social services required by the bill; annual ongoing

CCC costs of approximately \$800,000 (General Fund) for six positions to support the training center at the same level of service provided to corps members at other locations; and, an additional \$35,000 for data gathering services to meet the additional reporting requirements.

#### COMMENTS:

1) **Author's statement:**

This legislation would create a center to train formerly incarcerated people in forestry management, thereby reducing the risk of deadly wildfires, while offering these qualified individuals a pathway to gainful employment. One way to reduce the devastation of wildfires is to proactively engage in forestry and vegetation management, including brush clearing. One of the greatest obstacles to this practice, however, is a lack of a trained workforce. This bill seeks to fill that void by establishing a program where graduates would be eligible for an entry-level forestry positions throughout the state.

- 2) **California Conservation Corps.** The CCC, established by Governor Jerry Brown during his first term in 1976, is the oldest and largest state conservation corps program in the country. It's modeled after the 1930s Civilian Conservation Corps. The CCC's motto is "Hard work, low pay, miserable conditions ... and more!" The CCC has provided more than 74 million hours of natural resource work, such as trail restoration, tree planting, habitat restoration, and more than 11.3 million hour of work on emergency response – fires, floods, and earthquakes — since 1976.

Although the CCC was originally conceived as a labor source for trail maintenance and restoration, it has since evolved to a workforce development program. Corpsmembers now learn skills such as, forestry management, energy auditing and installation, emergency services management, and firefighting. Many corpsmembers also receive their high school diplomas and industry certifications at the conclusion of their service. The CCC is designed as a one-year program, with the possibility of extension to up to three years pending performance of the member. More than 120,000 young men and women have participated in the CCC over the last 40 years. There are more than 1,623 corps member positions available at 26 centers statewide; 9 of the centers are residential with 600 beds for the corpsmembers assigned to them.

Corpsmembers must be California residents between the ages of 18 and 25 (or age 29 if military veterans). The corps supervisors are typically only a few years older than the applicants. AB 864 (McCarty, Chapter 659, Statutes of 2017), allowed the director of the CCC to select applicants who are on probation, post release community supervision, or mandatory supervision. Those applicants affected by the passage of AB 864 make up less than 1% of the total active corpsmembership. Furthermore, the applicant's probation officer has to consent to the placement of the applicant into the corps. CCC worked with the probation officers on a case-by-case basis to evaluate the applicant's acceptance to the program. AB 278 (McCarty, Chapter 571, statutes of 2019) allows the director to consider those applicants who are on parole.

- 3) **CCC Involvement with CAL FIRE.** The CCC has worked on fuel reduction in forests in the state for much of the last four decades. In 2011, the CCC established a formal partnership

with CAL FIRE to work on fire prevention activities in the State Responsibility Area. Activities performed under this partnership include controlled burns, vegetation removal, fuel break creation, and erosion control, and have covered three thousand acres to date. The CCC works with local fire safe councils, county agencies and utilities on fuel reduction projects. The CCC has also worked with CAL FIRE and the U.S. Forest Service (USFS) to remove hazardous dead trees as part of the Tree Mortality Task Force program. AB 2126 (Eggman, Chapter 635 Statutes of 2018), established the Forestry Corps Program within the CCC dedicated specifically to forestry training.

In addition to the fire prevention activities detailed above, the CCC partners with CAL FIRE to provide Type II fire crews, which are trained using USFS guidelines to provide initial attack and fire line construction. “Initial attack” is defined as the actions taken by the first responders to arrive at a wildfire to protect lives and property, prevent further extension of the fire, and fire line construction that removes fuels adjacent to active fires to reduce the chance of spread. CCC crews also provide logistics support for Type I fire crews on the frontlines of active fires.

- 4) **Conservation Camp Program.** The primary mission of the Conservation Camp Program is to support state, local, and federal government agencies as they respond to emergencies such as fires, floods, and other natural or manmade disasters. CDCR, in cooperation with CAL FIRE and the Los Angeles County Fire Department (LAC FIRE), jointly operates 44 conservation camps, commonly referred to as fire camps, located in 27 counties. All camps are minimum-security facilities, staffed with correctional staff, and typically located within a few miles of a small population center. As of May 2021, there were approximately 1,600 inmates working at fire camps. Approximately 900 of those are fire line-qualified inmates.

In addition to inmate firefighters, camp inmates can work as support staff. All inmates receive the same entry-level training as CAL FIRE's seasonal firefighters, in addition to ongoing training from CAL FIRE throughout the time they are in the program. An inmate must volunteer for the fire camp program; no inmate is involuntarily assigned to work in a fire camp. Volunteers must have “minimum custody” status, or the lowest classification for inmates based on their sustained good behavior in prison, their conforming to rules within the prison and participation in rehabilitative programming. Some conviction offenses automatically make an inmate ineligible for conservation camp assignment, even if they have minimum custody status. Those convictions include sexual offenses, arson, and any history of escape with force or violence.

The crews at the conservation camps, known as “fire crews” or “hand crews,” are available to respond to all types of emergencies, including wildfires, floods, search, and rescue. Fire crew participants are paid \$2 per day, and an additional \$1 per hour when fighting an active fire. The crews perform more than 3 million hours of emergency response work each year. Fire crews have assisted in mitigating nearly all of California’s major disasters over the last few years. When not assigned to emergency response or pre-fire project work, crews undertake labor-intensive project work on public lands. Fire crews conduct critical hazard fuels reduction projects in support of the state and federal fire plans, repair and maintain public infrastructure, and implement other community-service projects.

CDCR currently operates 44 conservation camps in partnership with CAL FIRE in 27 counties across California.

- 5) **This bill.** SB 936 would require the director of the CCC to partner with CAL FIRE and CDCR to establish a forestry training center in northern California to provide enhanced training, education, work experience, and job readiness for entry-level forestry and vegetation management jobs, and requires the enrollment of formerly incarcerated individuals who either served on a CCC program crew or served on a hand crew at the county level and were recommended for participation by county probation and county fire departments.

SB 936 is a reintroduction of SB 804 (Glazer, 2021), which passed through the Legislature with no “no” votes, but was vetoed by Governor Newsom, who stated: “I applaud the efforts laid out in this bill and encourage the author to work through the budget process to advance efforts related to the expansion of a Northern California center.”

This veto message is likely in response to an agreement reached in the budget last year to consider approving the center this year through the 2022-23 state budget. Specifically, the Assembly Budget Committee’s September 7, 2021, analysis packet for AB/SB 170 documented this commitment via the following Supplemental Reporting Language:

Forestry Management Training Center. Includes SRL as follows: The Legislative Analyst’s Office shall consult with CalFire and other appropriate stakeholders, including the California Conservation Corps, to develop options for the Legislature to consider for creating a forestry management training center in Northern California. It is the intent of the Legislature to consider approving the center during the budget process for the 2022-23 state budget.

According to the author, the author introduced SB 936 this year to parallel the budget process.

- 6) **Double referral.** Should this bill be approved by the Assembly Natural Resources Committee, it will be re-referred to the Assembly Public Safety Committee.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

Association of California Water Agencies (ACWA)  
East Bay Municipal Utility District

### **Opposition**

None on file.

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





Date of Hearing: June 13, 2022

**ASSEMBLY COMMITTEE ON NATURAL RESOURCES**

Luz Rivas, Chair

SB 1319 (Grove) – As Amended May 2, 2022

**SENATE VOTE:** 35-0

**SUBJECT:** Oil imports: air quality emissions data.

**SUMMARY:** Requires the California Air Resources Board (ARB) to calculate and put on its website the greenhouse gas emissions (GHGs) associated with the transportation of crude oil into and within the state, and requires the Geologic Energy Management Division in the Department of Conservation (CalGEM) to link to that information, as provided, among other things.

**EXISTING LAW:**

- 1) Requires, pursuant to the California Global Warming Solutions Act (AB 32, Nuñez, Chapter 488, Statutes of 2006), ARB to adopt a statewide GHG emissions limit equivalent to 1990 levels by 2020 and to adopt rules and regulations to achieve maximum technologically feasible and cost-effective GHG emission reductions.
- 2) Codifies, pursuant to SB 32 (Pavley, Chapter 249, Statutes of 2016), the GHG emissions reductions target of at least 40% below 1990 levels by 2030 contained in Governor Brown's Executive Order B-30-15.
- 3) Requires, pursuant to the Petroleum Industry Information Reporting Act of 1980, refiners to report monthly to the State Energy Resources Conservation and Development Commission (CEC), for each of their refineries, specified information, including the origin of petroleum receipts and the source of imports of finished petroleum products.
- 4) Imposes various limitations on the emissions of air contaminants for the control of air pollution from vehicular and nonvehicular sources. Existing law requires ARB to post on its internet website information on air quality conditions and trends statewide and to develop and conduct a program of monitoring airborne fine particles smaller than 2.5 microns in diameter (PM 2.5).
- 5) Establishes CalGEM to regulate the drilling, operation, maintenance, and abandonment of oil and gas wells in the state.

**THIS BILL:**

- 1) States the intent of the Legislature that the CEC monitor foreign countries that export oil to California and identify on its internet website which of those countries have demonstrated human rights abuses, as documented by the United States Department of State or by human rights organizations, and which of those countries have lower environmental standards for the production of oil than California.

- 2) Requires ARB to annually produce an assessment of the GHGs associated with the transportation of oil in California. Requires the assessment to be made available on ARB's website. Requires the assessment to include all of the following:
  - a) An estimate of the GHGs associated with the transportation of oil in this state for oil imported into the state during the previous year broken down by the country of origin;
  - b) An estimate of the GHGs associated with the transportation of oil in this state for oil produced within the state during the previous year;
  - c) A description of the methodology and assumptions used to produce the assessment; and,
  - d) A citation or link to the data used to produce the assessment.
- 3) Requires the CEC to annually provide data collected to ARB for the purposes of the assessment required.
- 4) Requires CalGEM to provide a link on its website to air quality emissions data associated with the transportation of oil imported into the state.

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

**COMMENTS:**

1) **Author's statement:**

SB 1319 simply asks whether California should be importing its oil from countries that do not share our values on human rights and environmental standards. The bill expresses the intent of the Legislature that the California Energy Commission report on the human rights records and environmental standards of the countries that we buy oil from. The measure would also require the Air Resources Board to report on its website the amount of particulate matter released into the air from tanker ship emissions from oil imported into the state. The bill is a recognition that California should not be importing oil from countries that do not share our California values. We can produce the oil we [use], and keep the jobs and revenues inside our Golden State while protecting our environment.

- 2) **California's climate goals.** With the adoption of AB 32, California has aggressively adopted GHG reduction targets to reduce the state's portfolio of climate emissions and facilitate emissions reductions across virtually every sector and region. But the impacts of climate change are still happening. Extreme heat, rising sea levels, ongoing drought, flooding, wildfires, and vectors have had direct impacts on public health, infrastructure, people's livelihoods, and local economies. The need to further reduce GHGs to spare the most significant impacts of climate change are critical to managing our resources and species' survival.

The recent Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) summarizes the latest scientific consensus on climate change. It finds that atmospheric concentrations of carbon dioxide have increased by 50% since the industrial

revolution and continue to increase at a rate of two parts per million each year. By the 2030s, and no later than 2040, the world will exceed 1.5°C warming. In order to remain below 1.5°C, global net anthropogenic carbon (GHG) emissions need to reach net zero by 2050.

- 3) **California’s oil demand.** California is the 7th largest producer in the United States. California is the largest consumer of jet fuel and second-largest consumer of gasoline among the 50 states.

In 2021, California produced 151 million barrels of oil; imported 78 million barrels from Alaska (15% of the state’s total oil); and, imported more than 294 million barrels from foreign counties (56.2% of the state’s total oil use).

According to CEC data cited in ARB’s Draft Scoping Plan for 2022, the total oil extracted in California peaked at 402 million barrels in 1986, and has decreased by an average of 6 million barrels per year. This steadily decreasing production of crude in California is expected to continue as the state’s oil fields deplete.

A University of California, Santa Barbara, report estimated that under business-as-usual conditions, California oil field production would decrease to 97 million barrels in 2045. The business-as-usual model assumed no additional regulations limiting oil extraction in California. To meet energy demands, California is exponentially investing in renewable energy sources [such as renewable electricity (solar, wind) and hydrogen] that partially, and hopefully one day fully, displace the need for oil consumption.

- 4) **California’s oil imports.** According to the CEC, as of April 6, 2021, California imported oil from the following foreign countries:

<u>Country</u>	<u>Thousands of Barrels</u>	<u>% of Import</u>
Ecuador	52,563	17.69%
Saudi Arabia	48,781	16.42%
Iraq	46,963	15.8%
Brazil	23,852	8.03%
Guyana	23,741	7.99%
Colombia	18,845	6.34%
Russian	18,347	6.17%
Mexico	11,724	3.95%
Brazil	9,621	4.20%
Brunei	9,160	3.08%
Other	43,184	14.53%

Compared to 2019 (pre-pandemic) imports, when California imported more than 342 million barrels of oil, we’ve had a 13% decrease in foreign imports, but the amounts are still staggering.

Approximately 99% of crude imports into California are delivered by marine transportation. The remaining imports are transported by rail. (There are no pipelines that bring crude oil into California from out of state.) The GHGs associated with both oil tanker and rail are significant. It is estimated that 109 million metric tons of GHG emissions were driven by the transportation of global crude oil in 2018, approximately 8% of the total GHG emissions

from the international shipping industry for that year. Researchers from Carnegie Mellon University and the University of Pittsburgh have found that the air pollution and GHG impacts of shipping crude by rail are nearly twice as large as those for oil pipelines.

The California Independent Petroleum Association (CIPA) argues that California's independent oil and natural gas producers are currently at a competitive disadvantage compared to imported crude oil. Foreign crude is exempt from California's strictest-in-the-world climate mitigation regulations that are applied to oil and natural gas extraction in California. The organization states that, as the climate crisis is a global one, reducing in-state production in favor of foreign production, worsens the climate crisis and is counter-productive to California's climate goals.

- 5) **War in Ukraine.** Since Russia invaded Ukraine in February, oil prices have skyrocketed. The United States and other Western nations introduced financial sanctions that made it difficult to clear Russian oil transactions through Western banks. Russian oil normally accounts for about 10% of global oil supply. It's still being traded, but not to the same degree, resulting in a gap in supply, increases demand – and prices – for gas.

According to AAA, crude topped \$130 a barrel in early March, and the price of a gallon of gas increased 25-cents in just one week, with the national average reaching \$4.86 as of Monday, June 6. In California, the statewide average is already \$6.34. According to GasBuddy, Schlafer's Auto Repair in Mendocino is selling regular gas for \$9.60 for a gallon—the most expensive gas in the country.

It is worth noting that some California oil refiners reported profits from the first quarter of 2022 that are more than twice as high as those reported by the same refiners in other regions and as much as five times greater than in the first quarter of 2021. PBF Energy reports its crack spreads – the difference between the price of the crude oil it processes and petroleum products it sells – from both of its refineries in California on a quarterly basis. For the first quarter of 2022, PBF Energy's profits from its Los Angeles refinery grew to \$32.84 per barrel from \$15.75 per barrel in the first quarter of 2021. With 42 gallons in a barrel of gasoline, this means that PBF made about 78 cents per gallon on the gasoline it sold in Los Angeles from January 1 thru March 31st. That compares to 37 cents per gallon profits in Los Angeles in Q1 2021.

- 6) **Human rights abuses.** SB 1319 states the intent of the Legislature for the CEC to monitor foreign countries that export oil to California and identify which of those countries have demonstrated human rights abuses, as documented by the United States Department of State or by human rights organizations, and which of those countries have lower environmental standards for the production of oil than California.

CIPA notes that currently, the majority of California's imports come directly from the Amazon Rainforest in Ecuador, arguing, "California should not be complicit in the destruction of the Amazon Rainforest when all of that oil could come from inside California, produced by responsible, accountable, and highly regulated California oil companies." Scientists say the rainforest is vital to curbing climate change because of the vast amount of GHG the forest absorbs, so razing it to produce oil is worsening the climate crisis exponentially.

The second largest exporter of oil into California is Saudi Arabia, a country which shares almost none of California's cultural values and has a track record of habitual and horrendous human rights abuses, particularly targeted at the LGBTQIA+ community.

While human rights abuses don't have a direct nexus to climate change or GHG reduction policy goals, the two can go hand in hand when considering the reasons for reducing imports from foreign countries that have different values than California when it comes to protecting the environment and its people. Counties that have less rigorous environmental regulations around oil extraction and refinement are creating human rights violations by putting humans in greater jeopardy of environmental pollution related to oil *and* climate change.

- 7) **This bill.** SB 1319 would require ARB to produce an assessment of the GHGs associated with the transportation of oil in California using data from CEC, and require CalGEM to report on its website the amount of particulate matter (PM) released into the air from tanker ship emissions from oil imported into the state.

The ARB does not currently track air quality emissions specifically for the transportation of oil from tankers to California. This bill, however, will give ARB access to petroleum industry information reporting (PIIRA) data from CEC to get more granularity for tankers that import oil so that ARB can tease out with other data sources we use for emission inventory development to calculate the emissions related to oil transportation.

- 8) **Related legislation.** AB 2257 (Boerner Horvath) requires the States Lands Commission to develop a cost study that measures the fiscal impact of a voluntary buy-out of any lease interests remaining, in actively producing state offshore oil and gas leases in state waters.

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

Associated Builders and Contractors of California  
California Independent Petroleum Association

##### **Opposition**

None on file.

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



Date of Hearing: June 13, 2022

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Luz Rivas, Chair

SB 989(Hertzberg) – As Amended April 18, 2022

**SENATE VOTE:** 29-7

**SUBJECT:** Climate Change Preparedness, Resiliency, and Jobs for Communities Program: climate-beneficial projects: grant funding

**SUMMARY:** Creates the Climate Change Preparedness, Resiliency, and Jobs for Communities Program to award community resiliency, landscape resiliency, and climate and career pathways grants, as specified, to underresourced communities.

**EXISTING LAW:**

- 1) Requires the Air Resources Board (ARB), pursuant to California Global Warming Solutions Act of 2006 (AB 32, Núñez, Chapter 488, Statutes of 2006), to adopt a statewide greenhouse gas (GHG) emissions limit equivalent to 1990 levels by 2020 and adopt regulations to achieve maximum technologically feasible and cost-effective GHG emission reductions.
- 2) Authorizes ARB to permit the use of market-based compliance mechanisms to comply with GHG reduction regulations, once specified conditions are met.
- 3) Establishes the Greenhouse Gas Reduction Fund (GGRF) as the repository for all moneys, except for fines and penalties, collected by ARB from the auction or sale of allowances pursuant to a market-based compliance mechanism (i.e., the cap-and-trade program adopted by ARB under AB 32).
- 4) Establishes the GGRF Investment Plan and Communities Revitalization Act (AB 1532, Pérez, Chapter 807, Statutes of 2012) to set procedures for the investment of GHG allowance auction revenues. AB 1532 authorizes a range of GHG reduction investments and establishes several additional policy objectives.
- 5) Requires the GGRF Investment Plan to allocate a minimum of 25% of the available moneys in the fund to projects located within identified disadvantaged communities. (AB 1550, Gomez, Chapter 369, Statutes of 2016)
- 6) Defines the following terms:
  - a) “Disadvantaged communities” as areas disproportionately affected by environmental pollution and other hazards that can lead to negative public health effects, exposure, or environmental degradation, and areas with concentrations of people that are of low income, high unemployment, low levels of homeownership, high rent burden, sensitive populations, or low levels of educational attainment. (Health and Safety Code Sec. 39711)
  - b) “Low-income household or low-income community” as those with household incomes at or below 80% of the statewide median income or with household incomes at or below the

threshold designated as low income by the Department of Housing and Community Development's list of state income limits. (Health and Safety Code sec. 39713(d)(1))

- c) "Low-income communities" are census tracts with median household incomes at or below 80% of the statewide median income or with median household incomes at or below the threshold designated as low income by the Department of Housing and Community Development's list of state income limits. (Health and Safety Code sec. 39713(d)(2))
  - d) "Disadvantaged community" is a community with a median household income less than 80% of the statewide average. "Severely disadvantaged community" means a community with a median household income less than 60% of the statewide average. (Public Resources Code sec. 75005(g))
- 7) Establishes the Transformative Climate Communities (TCC) Program, to be administered by the Strategic Growth Council (SGC), and requires the program to fund the development and implementation of neighborhood-level transformative climate community plans that include multiple, coordinated GHG emissions reduction projects that provide local economic, environmental, and health benefits to disadvantaged communities identified by the California Environmental Protection Agency (CalEPA).
- 8) Requires SGC to award competitive grants to eligible entities, as specified, through an application process and to develop guidelines and selection criteria for plan development and implementation of the program, as provided.

**THIS BILL:**

- 1) Defines, for purposes of this bill, the following terms:
- a) "Eligible entity" includes, but is not limited to, a nonprofit organization, a special district, a joint powers authority, or a tribal government that is eligible to apply for and receive grant funding from the council pursuant to the program.
  - b) "Underresourced community" means any of the following:
    - i) A community identified pursuant to Section 39711 of the Health and Safety Code.
    - ii) A low-income household or low-income community, as defined in subdivision (d) of Section 39713 of the Health and Safety Code.
    - iii) A disadvantaged community, as defined in subdivision (g) of Section 75005.
- 2) Creates the Program (Program) to be administered by SGC, which shall fund grants to develop and implement multibenefit, community-level, climate-beneficial projects to support community and landscape resiliency and workforce development
- 3) Requires SGC to award competitive grants to eligible entities through an application process and implement the Program to do all of the following:
- a) Prioritize grants for projects in underresourced communities.



- b) Ensure that projects that receive grant funding maximize multibenefit, community-level, climate-beneficial projects that create community and landscape resiliency and workforce development benefits.
  - c) Make grant selections for plan development contingent on the implementation of one or more projects identified by the plan.
  - d) Disburse grants throughout the state to maximize the impacts and benefits of the program in as many communities as possible.
  - e) Ensure that the grant application process is simple and minimizes the resources necessary for an eligible entity to apply for grant funding.
- 4) Authorizes SGC, when awarding grants pursuant to the Program, to do both of the following:
    - a) Prioritize projects that are administered by a special district or a state conservancy.
    - b) Award to an eligible entity a grant over multiple years.
  - 5) Requires an eligible entity to deploy best management practices to develop and implement a project to reduce emissions of GHGs, remove barriers that will lead to GHG reductions, sequester GHGs, reduce vehicle miles travelled, or provide other climate adaptation benefits.
  - 6) Requires SGC and all funded entities to endeavor to identify additional public and private sources of funding to sustain and expand the Program.
  - 7) Authorizes SGC to provide financial assistance, when necessary, to assist eligible entities with the grant application process and to assist funded entities with project development and implementation.
  - 8) Requires SGC, before awarding grant funding under the Program and, on or before July 1, 2023, to develop guidelines to implement the Program and criteria to select projects eligible for grant funding.
  - 9) Requires SGC, in developing the guidelines and selection criteria, to consider comments, if any, from local governments, regional agencies, and other stakeholders. Requires SGC to conduct outreach to underresourced communities to encourage comments on the draft guidelines and selection criteria from those communities.
  - 10) Requires the guidelines and selection criteria to provide, at a minimum, for all of the following:
    - a) Community resiliency grants to support the development of climate-beneficial projects with multiple benefits, including, but not limited to, affordable housing, community greening, and workforce development. In awarding community resiliency grants, SGC shall prioritize projects that maximize one or more of the following benefits:
      - i) Affordable housing.
      - ii) Urban greening.
      - iii) School greening.
      - iv) River parkways.
      - v) Parks.
      - vi) Urban tree canopies.
      - vii) Water capture and reuse.

- viii) Brownfields cleanup and remediation pilot projects.
  - ix) Workforce development.
  - x) Active transportation and trails.
  - xi) Zero- and near-zero emission vehicle technologies and infrastructure.
- b) Requires SGC to attempt to do all of the following in its guidelines and selection criteria for community resiliency grants:
- i) Incorporate the development of new affordable housing and the protection and restoration of existing affordable housing stock.
  - ii) Include provisions that leverage funding pursuant to the Housing-Related Parks Program established pursuant to Section 50701 of the Health and Safety Code, as appropriate.
  - iii) Use of a portion of funds by agencies or eligible entities to acquire and bank lands for future, integrated community climate resiliency projects.
  - iv) Promote nongovernmental organization partnerships, especially between conservation, environmental justice, community-based, public health, workforce development, and housing organizations.
  - v) Promote a portfolio approach to select projects to receive grant funding, including support for local organizations that work in the community.
  - vi) Support leveraging regional funds, including, but not necessarily limited to, funds from measures adopted by the County of Los Angeles, such as Measure A, Measure M, and Measure HHH in 2016, Measure H in 2017, and Measure W in 2018.
  - vii) Advance antidisplacement policies that promote equitable and sustainable project development without displacing existing communities.
- c) Authorizes grant funds to be used for project and program costs that support project completion and maintenance, including any of the following:
- i) Acquisition.
  - ii) Restoration.
  - iii) Enhancement.
  - iv) Planning.
  - v) Capacity.
  - vi) Construction.
  - vii) Technical assistance.
  - viii) Advanced payments.
  - ix) Maintenance and operations.
  - x) Community access.
- d) Landscape resiliency grants to support the development of climate-beneficial projects with multiple benefits, including, but not limited to, water conservation, watershed resiliency, wildlife and fish species enhancements, and natural landscapes resiliency. In awarding landscape resiliency grants, SGC shall prioritize projects that maximize one or more of the following benefits:
- i) The coast and oceans.
  - ii) Natural lands.

- iii) Natural Community Conservation Plan and Habitat Conservation Plan implementation.
  - iv) Wetlands and mountain meadows.
  - v) Wildfire management and restoration, including projects in the wildland urban interface.
- e) Requires SGC to attempt to do all of the following in its guidelines and selection criteria for landscape resiliency grants:
- i) Promote nongovernmental organization partnerships, especially between conservation, environmental justice, and community-based organizations.
  - ii) Promote a portfolio approach to select projects to receive grant funding, including support for local organizations that work in the community.
  - iii) Support project deployment throughout the state.
  - iv) Support leveraging regional funds.
  - v) Advance antidisplacement policies that promote equitable and sustainable development without displacing existing communities.
- f) Authorizes grant funds to be used for project and program costs that support project completion and maintenance, including any of the following:
- i) Acquisition.
  - ii) Restoration.
  - iii) Enhancement.
  - iv) Planning.
  - v) Capacity.
  - vi) Construction.
  - vii) Technical assistance.
  - viii) Workforce development.
  - ix) Advanced payments.
  - x) Maintenance and operations.
  - xi) Community access.
- g) Climate and career pathways grants to support the development of climate-beneficial projects with multiple benefits that incorporate partnerships with nonprofit organizations that provide certifications or placement services for jobs and careers in the natural resources field, including, but not limited to, fire and vegetative management, restoration, parks, and natural resources management.

**FISCAL EFFECT:** According to the Senate Appropriations Committee, enactment of this bill would result in estimated ongoing costs to SGC of \$1.1 million annually from FY 23-24 through FY 27-28 and one-time costs of \$4.7 million (General Fund or special fund) for additional staff, an interagency agreement with the Department of Conservation, natural resources management consulting costs, application and implementation technical assistance, language access, reporting, and operating expenses and equipment, and unknown cost pressure, likely in the tens of millions or low hundreds of millions of dollars annually (General Fund or special fund), to provide funding for grants under the Program that would be established by this bill.

**COMMENTS:****1) Author's statement.**

California can no longer afford to treat climate change as a distant threat; the climate crisis is already here. The state is facing repeated cycles of severe drought that threaten access to water, wildfires that destroy entire communities, rising sea levels, and extreme heat which was estimated to cause 3,900 deaths in the past decade. Conditions are only expected to worsen and hasten.

SB 989 creates the Climate Change Preparedness, Resiliency, and Jobs for Communities Grant Program to fund local projects that support sustainable communities, resilient landscapes, and climate-focused career pathways. This program will reduce greenhouse gas emissions, improve energy-efficiency, enhance local communities, and bolster climate resilience. By funding projects that support green workforce development and requiring a portion of funding be dedicated to underresourced communities, California can uplift communities most impacted by the climate crisis.

- 2) California's climate investments.** The Governor's proposed budget includes \$22.5 billion over 5 years to support transformative climate investments in transportation, energy, housing, education, wildfire resilience, drought, and health. Revenues from quarterly Cap-and-Trade auctions are deposited in the GGRF and the funds are generally allocated to climate-related programs. Under current law, about 65% of auction revenue is continuously appropriated to certain projects and programs, including high-speed rail, affordable housing, transit, and safe drinking water.
- 3) Environmental justice.** While climate change already impacts every region of the state, communities experience these impacts differently based on a wide range of factors. Climate vulnerability describes the degree to which natural, built, and human systems are at risk of exposure to climate change impacts. Many disadvantaged and low-income communities experience heightened risk and increased sensitivity to climate change and have less capacity and fewer resources to cope with, adapt to, or recover from climate impacts. These disproportionate effects are caused by physical (built and environmental), social, political, and/ or economic factor(s), which are exacerbated by climate change.

The Office of Environmental Health Hazard Assessment (OEHHA) developed and regularly updates the CalEnviroScreen, a tool that incorporates the most recent publicly available data for pollution and environmental health hazard indicators to identify the state's communities most disproportionately vulnerable to and impacted by environmental pollution for purposes of state climate investments (Cap-and-Trade funds). At least 25% of funds must be allocated toward disadvantaged communities; at least 5% must be allocated toward projects within low-income communities or benefiting low-income households, and at least 5% must be allocated toward projects within and benefiting low-income communities, or low-income households, that are within a half-mile of a designated disadvantaged community. In mid-2022, approximately \$5.1 billion of all implemented funds from Cap-and-Trade will directly benefit California's priority populations, which include disadvantaged and low-income communities and low-income households statewide.

- 4) **Transformative Climate Communities Program.** TCC was created in 2017 (AB 2722, Burke, Chapter 371, Statutes of 2016) to empower communities most impacted by pollution to choose their own goals, strategies, and projects to reduce GHGs and local air pollution with data-driven milestones and measureable outcomes.

Initially funded by California's Cap-and-Trade program, TCC is now funded through the General Fund (\$420 million over 3-years). The shift in the funding source may be attributed to the stability of the General Fund due to the state's current surplus of revenues.

Since 2018, SGC has awarded more than \$230 million in TCC implementation and planning grants to 26 communities in California through a competitive process. SGC has awarded TCC implementation grants between \$9 and \$66.5 million to the neighborhoods of South Stockton, East Oakland, Eastside Riverside, Sacramento's River District, Northeast San Fernando Valley (Los Angeles), Watts (Los Angeles), Downtown Ontario, and Fresno's Southwest, Downtown, and Chinatown neighborhoods. TCC also funds planning grants to help communities prepare for implementation. SGC awards TCC grants and partners with the California Department of Conservation to implement them.

- 5) **Climate Change Preparedness, Resiliency, and Jobs for Communities Program.** SB 989 proposes creation of the Program, which would be in addition to TCC and, like TCC, funded by Cap-and-Trade funding. The Program would require SGC to fund grants to develop and implement multibenefit, community-level, climate-beneficial projects to support community and landscape resiliency and workforce development. More specifically, the bill would require grant guidelines to be developed for:

- Community resiliency grants to support the development of climate-beneficial projects with multiple benefits, including, but not limited to, affordable housing, community greening, and workforce development.
- Landscape resiliency grants to support the development of climate-beneficial projects with multiple benefits, including, but not limited to, water conservation, watershed resiliency, wildlife and fish species enhancements, and natural landscapes resiliency.
- Climate and career pathways grants to support the development of climate-beneficial projects with multiple benefits that incorporate partnerships with nonprofit organizations that provide certifications or placement services for jobs and careers in the natural resources field, including, but not limited to, fire and vegetative management, restoration, parks, and natural resources management.

In addition, grant funds can be used to support project and program costs that support project completion and maintenance, such as acquisition, restoration, planning, technical assistance, and workforce development.

The Legislative Analyst's Office (LAO) April 5, 2022 report, *Climate Change Impacts Across California -Crosscutting Issues*, notes that "given the magnitude of climate change impacts California already is beginning to experience, the Legislature will confront persistent questions about how the state should respond ... Given that certain groups—such as low-income households, medically sensitive populations, and workers in outdoor industries—generally are more vulnerable to the effects of climate change, the Legislature may want to consider how it can target state programs in ways that support these populations."

The California Association of Local Conservation Corps, which represents the state's 14 state-certified regional organizations whose mission is to preserve and protect the environment while providing disenfranchised young people workforce development opportunities, writes in support:

SB 989 empowers organizations like the certified Local Conservation Corps (LCCs) by awarding grants to expedite climate projects that support sustainable community development, resilient natural landscapes, and climate-focused career pathways. Through this program, LCCs would be eligible to use these grants for paid on-the-job training, certification, career pathway, and job placement opportunities for the next generation of climate leaders. Additionally, LCCs could use this funding for community and landscape resiliency projects such as wildfire restoration, tree planting, urban greening, and park development and construction.

- 6) **Funding.** There is no dedicated funding source identified in this bill. The current Administration has shown a continued commitment to significant climate investments year-to-year, which may bode well for funding this program. However, it should be noted that the TCC is not currently funded by the GGRF and future year funding is uncertain.
- 7) **Committee amendments.** The SGC is politically appointed, which requires their compliance with the Fair Political Practices Act (FPPA). Under the FPPA, an elected official who fundraises or otherwise solicits payments from one individual or organization to be given to another individual or organization may be required to report the payment. Generally, a payment is considered "behested" and subject to reporting if it is made: at the request, suggestion, or solicitation of, or made in cooperation, consultation, coordination or concert with the public official; and, for a legislative, governmental or charitable purpose.

SB 989 includes a subdivision that requires SGC and all funded entities to endeavor to identify additional public and private sources of funding to sustain and expand the program.

To prevent any perceived conflicts of interest, the Committee may wish to consider amending the bill as follows:

75253.

~~(a) The council and all funded entities shall endeavor to identify additional public and private sources of funding to sustain and expand the program.~~

- 8) **Related legislation.** AB 1640 (Ward) requires the Office of Planning and Research to facilitate the creation of regional climate networks and create standards for the development of a regional climate adaptation action plan to support the implementation of regional climate adaptation efforts. This bill is pending in the Senate Environmental Quality Committee.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

California Catholic Conference

**Opposition**

None on file.

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





Date of Hearing: June 13, 2022

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Luz Rivas, Chair

SB 1181 (Hueso) – As Amended June 8, 2022

**SENATE VOTE:** 36-0

**SUBJECT:** Used tires: sale and export

**SUMMARY:** Requires the Department of Resources Recycling and Recovery (CalRecycle) to strengthen the California tire tracking system to quantify more precisely the number of used tires flowing from California the Mexican states of Baja California and Sonora.

**EXISTING LAW:**

- 1) Establishes the California Tire Recycling Act (Act), which:
  - a) Until January 1, 2024, requires a person who purchases a new tire to pay a California tire fee of \$1.75 for each new tire purchased in the state. One dollar of which is deposited into the Tire Recycling Fund for oversight, enforcement, and market development grants relating to waste tire management and recycling. The remaining \$0.75 is deposited into the Air Pollution Control Fund for programs and projects that mitigate or remediate air pollution caused by tires.
  - b) Reduces the fee to \$0.75 per tire on January 1, 2024, to be deposited into the Tire Recycling Fund.
  - c) Authorizes CalRecycle to award grants, loans, subsidies, and rebates and pay incentives to reduce the disposal of waste tires.
  - d) Requires CalRecycle to adopt a Five-Year Plan, which must be updated every two years, that establishes goals and priorities for the waste tire program. Additionally, specifies the plan describe the effectiveness of each element of the program, including border region activities, conducted in coordination with the California Environmental Protection Agency, including:
    - i) Training programs to assist Mexican waste and used tire haulers to meet the requirements for hauling those tires in California;
    - ii) Environmental education training;
    - iii) In coordination with the California-Mexico Border Relations Council, development of a waste tire abatement plan, which may also provide for the abatement of solid waste, with the appropriate government entities of California and Mexico;
    - iv) Tracking both the legal and illegal waste and used tire flow across the border, and recommending revisions to the waste tire policies of California and Mexico;

- v) Coordination with businesses operating in the border region and with Mexico, with regard to applying the same environmental and control requirements throughout the border region; and,
  - vi) Development of projects in Mexico in the California-Mexico border region, as defined by the La Paz Agreement, that include, but are not limited to, education, infrastructure, mitigation, cleanup, prevention, reuse, and recycling projects, that address the movement of used tires from California to Mexico, and support the cleanup of illegally disposed waste tires and solid waste along the border that could negatively impact California's environment.
- e) Defines “waste tire generator” as any person whose act or process produces any amount of waste or used tires, or causes a waste or used tire hauler to transport those waste or used tires, or otherwise causes waste or used tires to become subject to regulation.
  - f) Requires a person generating waste tires or used tires that are transported for offsite handling, altering, storage, or disposal to complete a California Uniform Waste and Used Tire Manifest, which refers to a document signed by a generator of waste or used tires, a waste and used tire hauler, or the operator of a waste or used tire facility or other destination that contains specified information, including, an accurate measurement of the number of tires being shipped, the type or types of the tires, the date the shipment originated, and the origin and intended final destination of the shipment.
- 2) Pursuant to the Vehicle Code:
- a) Establishes requirements for tire construction.
  - b) Prohibits the knowing sale any motor vehicle tire, except a commercial vehicle tire, that has been recut or regrooved.
- 3) Pursuant to the Business and Professions Code:
- a) Prohibits an automotive repair dealer from installing an unsafe used tire on a motor vehicle for use on a hightway.
  - b) Defines “unsafe used tire” to mean a tire that meets specified criteria.

**THIS BILL:**

- 1) Requires CalRecycle to strengthen the tire tracking system to quantify more precisely the number of used tires flowing from California, and through California from other states, into the states of Baja California and Sonora in Mexico.
- 2) Requires CalRecycle to work with United States Customs and Border Protection to obtain detailed data on California used tire exports to Baja California, including, but not limited to, exports of wrecked vehicles for auto dismantlers.
- 3) Prohibits a person from selling an unsafe used tire for use by a motor vehicle on a highway. Specifies that this provision does not apply to the sale of a motor vehicle, or to a tire mounted on the wheel of a motor vehicle that is being offered for sale, if the previous safe tire was not removed and replaced with an unsafe used tire.

**FISCAL EFFECT:** According to the Senate Appropriations Committee, CalRecycle estimates ongoing costs of about \$415,000 annually (California Tire Recycling Management Fund) to support three positions in order to implement the provisions of this bill.

**COMMENTS:**

1) **Author statement:**

In 2017, SR 57 called attention to the ongoing environmental and public health emergency caused by the transboundary flow of raw sewage, waste tires, trash, and sediment from the Tijuana River into the Tijuana River Estuary in the City of San Diego and requested the Governor to explore all available state resources to address the sewage crisis. Since then, the State of California has pledged millions of dollars toward studies and sewage clean-ups. The flow of waste tires into the Tijuana River Estuary has led to health complications for trash pickup volunteers and coastal residents. SB 1181 seeks to target the number of waste tires picked up by transboundary flows by increasing the minimum thread depth used tires must meet before being deemed eligible for sale for use on motor vehicles on highways. Additionally, SB 1181 calls on the California Department of Resources Recycling and Recovery to work with federal border agencies to make substantive improvements to their Waste Tire Manifest System to better monitor the flow of used tires through and from California to the neighboring Mexican states of Baja California and Sonora.

- 2) **Waste tire management.** California is faced with the challenge of diverting or safely managing more than 51 million reusable and waste tires generated annually in the state. CalRecycle's goal is to divert 75% of waste tires generated from disposal. CalRecycle staff estimates that of the approximately 51.1 million reusable and waste tires generated in 2018, approximately 42.1 million of the tires (82.3%) were diverted through various alternatives, including reuse, retreading, and combustion. On the other hand, the recycling rate, which excludes the use of tires as alternative daily cover at landfills and tire-derived fuel, increased from 33.3% in 2017 to 36.6% in 2018.

Waste tires must be managed properly from generation to proper disposal or recycling to ensure that they are not stored improperly, which can result in serious fires and provide habitat for a number of vectors, including rats and mosquitoes. For example, in 1999, the Westley Tire Fire was started when a lightning strike ignited a large tire pile in Stanislaus County. The resulting fire burned for 30 days, causing large amounts of toxic smoke and more than 250,000 gallons of pyrolytic oil that drained into a nearby stream. In 1998, the Tracy Tire Fire ignited when a grass fire spread to an unpermitted tire dump of over 7 million tires. Officials at the time were unable to extinguish the fire and determined it was better to let it burn itself in an attempt to protect groundwater, so it continued to burn for over two years, emitting hazardous smoke. It was finally extinguished in December, 2000. In response to these, and other, tire fires, the state enacted stringent tire management and tracking systems.

CalRecycle's tire management program is divided into two functional areas: 1) permitting and enforcement activities; and, 2) tire recycling and marketing development activities. The tire permitting and enforcement activities ensure that reusable and waste tires are stored and

transported safely. CalRecycle coordinates with local and regional agencies to mitigate unsafe situations at existing abandoned tire pile sites and provide technical assistance. Tire recycling activities include offering financial assistance, engaging in recycling and marketing research, and technical assistance.

- 3) **Tracking waste tires.** The Waste Tire Manifest System is a tracking mechanism used by CalRecycle to monitor the generation, transportation, and ultimate disposal of used/waste tires in California. The goal of the system is to help eliminate the illegal storage or disposal of used/waste tires by allowing CalRecycle to focus enforcement efforts on worst offenders. The manifest system requires a manifest, or comprehensive trip log, to be submitted to CalRecycle for monitoring tire movement within the state. The Waste Tire Manifest System program applies to all persons, businesses, nonprofits, and government agencies that generate, transport, or receive waste or used tires. CalRecycle and tire enforcement agency staff members inspect and investigate waste and used tire generators, end-use facilities, and haulers to ensure that manifests are properly completed, handled, and submitted to CalRecycle.

The Tire Hauler Compliance Unit, which includes the manifest system, continues to be successful in having tire haulers based in Mexico, who operate used tire transport businesses between the two countries on California roadways, register with CalRecycle. All vehicles hauling nine or more used or waste tires in California are required to register with the CalRecycle. In 2020, 23 waste tire haulers from Mexico were registered with the program. The compliance unit has Spanish-speaking staff, allowing easier and more receptive communications with the Spanish-speaking regulated community. Additionally, the unit has a separate toll-free waste tire hotline for the Spanish-speaking regulated community.

The manifest system tracks the movement of all waste and used tires throughout the state, documenting on average more than 130 million tire pick-ups and drop-offs annually. The movement of nine or more tires requires completion of a manifest by a registered hauler. The hauler is responsible for creating manifests for all pickups and drop-offs to document disposal at an authorized facility. All manifests are entered into the central database, which is regularly analyzed to identify haulers who do not show balanced pickups and drop-offs, indicating potential improper hauling or disposal. These audits result in immediate identification of the business and follow up with a violation report or an inspection, or both.

- 4) **Tire enforcement.** CalRecycle's inspection program includes integrated activities to: "Inspect tire businesses for compliance with permitting, storage, and movement laws; regulations; and state minimum standards; educate tire businesses and property owners about tire laws and regulations; survey for illegal dumping, storage, and movement of tires; and take enforcement actions as needed to correct violations."

CalRecycle utilizes its partnership with the California Highway Patrol (CHP) to carry out surveillance efforts in the border region. CHP provides roadside checkpoints to assist CalRecycle with surveillance and enforcement support to monitor illegal activities related to tire exports through California ports in the border region. Tire hauling business are required to be registered with CalRecycle and in possession of a manifest documenting the amount, origin, and destination of used and waste tires.

- 5) **Five-Year Plan.** SB 876 (Escutia, Statutes of 2000, Chapter 838) was enacted to provide a comprehensive measure to extend and expand California's regulatory program related to the management of waste and used tires. One of the key provisions of this measure requires CalRecycle to adopt and submit to the Legislature a five-year plan. The plan establishes goals and priorities for the waste tire recycling program and includes programmatic and fiscal issues as well as performance objectives and measurement criteria.
- 6) **California/Mexico border waste tire efforts.** While the majority of tires managed by the CalRecycle are waste tires, each year a portion of the used tires generated in California are of sufficient quality to be reused within the state or exported abroad, primarily to Baja California, Mexico. These used tires are transported by private businesses through border ports of entry and are allowed on a Mexican-permitted quota basis.

Used tires in Baja California come from many sources, including from new tires sold in Baja California and used tires imported as commodities from California, Arizona, and other states. After tires have been used or reused and reach the end of their useful life, some of the tires end up as waste tires. Waste tires that are not properly disposed have caused environmental problems in the California-Mexico border region, impacting areas such as the Tijuana River estuary and the New River of the Imperial Valley in California. Illegal disposal and improper storage and use of waste tires in the California-Mexico border region contribute to environmental problems in California and Mexico.

Mexican and United States federal agencies, state and local agencies, and non-profit organizations have sought to address the impacts of improperly managed waste tires in Mexico. These efforts have primarily focused on the cleanup and remediation of large legacy waste tire piles, as well as the removal of waste tires from the Tijuana River estuary and New River area. CalRecycle's efforts have included enforcement, waste tire hauler manifests, cleanup assistance, research, and technical assistance. CalRecycle continues to support the development of a tire management program in Mexico by providing technical assistance when needed and intends to build on these efforts in the years to come.

CalRecycle has funded and engaged in a range of border-related activities over the past several years in response to the environmental problems associated with waste tires in the border region, including:

- Tire flow studies in 2009 and 2017;
- CHP surveillance work to identify legacy tire piles in the border region;
- Two CalRecycle-managed cleanups of the Goat Canyon debris basins in Border Field State Park;
- A University of California, Berkeley report in 2012 on the development of an integrated waste management plan for the State of Baja California; and,
- Training for approximately 50 Mexican tire haulers regarding California's waste tire hauler registration and manifest program.

In CalRecycle's most recent Draft Five-Year Plan, CalRecycle reports plans to coordinate regular workgroups with government authorities from Mexico and the US involved with international ports to exchange information about tire commodity import and export requirements and monitoring processes.

In November 2017, CalRecycle released a report it commissioned, “The Flow of Used Tires from California to Mexico and Waste Tire Disposal Issues in Baja California and the Adjacent Areas of Sonora.” The report recommended that CalRecycle:

- Continue to strengthen the California manifest and tire tracking system so that it is possible to quantify the numbers of used tires flowing from California into Baja California as well as through California from other US states into Baja California;
- Work with US Customs and Border Protection to obtain detailed data on California used tire exports to Baja California, as well as exports of scrap vehicles for automobile dismantlers. This information will assist Baja California in managing the waste tire issues related to authorized imports of used tires; and,
- Encourage the State of California to adopt standards for used tires that are equal to or better than the recommendations and standards of most other U.S. states, the U.S. federal government, and Canada to assure that only acceptable used tires are exported to Baja California.

In spite of these efforts, the environmental problems associated with waste tires and solid waste and sediment in the border region persist and continue to impact water quality in the Tijuana River estuary and New River area. Long-term resolution requires continued collaboration and coordination with interested parties in the border region, and any such efforts should be transparent to and involve other stakeholders, including local governments and nonprofit organizations.

- 7) **This bill.** This bill prohibits the sale of unsafe used tires, which may help reduce the number of unusable tires that are exported to Mexico under the guise of reuse. However, the provision of the bill that requires CalRecycle to “strengthen the California tire tracking system to quantify more precisely the number of used tires” flowing to Mexico is vague and provides little direction, and no new authority, to CalRecycle. The bill does not specify what actions CalRecycle could take to “more precisely” count the number of tires moving through the state, and CalRecycle’s authority to do so is limited by statute. As noted above, CalRecycle maintains an extensive waste tire tracking system, under which nearly every tire transported within the state is required to be reported; however, the current system is outdated and allows the data to be submitted on paper forms, rather than electronically. Electronic reporting would improve the accuracy of the program, better enable CalRecycle to identify anomalies in the data, and allow CalRecycle to shift staff resources from data entry to more productive duties. According to CalRecycle, 92% of tire haulers continue to use paper reporting. The *committee may wish to amend the bill* to authorize CalRecycle to require tire haulers to submit data electronically.

CalRecycle has limited, if any, authority over other states’ exports to Mexico. Does CalRecycle have the authority to count tires moving “from other states through California and into the State of Baja California, Mexico and the nearby state of Sonora, Mexico?” The Commerce Clause of the US Constitution limits states’ rights to impede or interfere with the commerce of another state. The *committee may wish to amend the bill* to clarify the direction to CalRecycle to track tires flowing from other states through California “to the extent feasible.”

Finally, the bill directs CalRecycle to work with US Customs and Border Protection to obtain

detailed data on California used tire exports. Additional data on used tire exports may be useful in monitoring the flow of tires into and out of the state, but it should be noted that CalRecycle has no authority over a federal agency.

**8) Additional amendments:**

- a) As there is no statutory definition of a “safe” tire, the committee may wish to amend the bill to replace “previous safe tire” on page 2, line 17, with “tire that is not unsafe.”
- b) Make related clean up changes by replacing “board” with “department” in related code sections.

9) **Double referral.** This bill has also been referred to the Assembly Transportation Committee.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

Surfrider Foundation

**Opposition**

None on file.

**Analysis Prepared by:** Elizabeth MacMillan / NAT. RES. /





Date of Hearing: June 13, 2022

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Luz Rivas, Chair

SB 1052(Kamlager) – As Amended May 19, 2022

**SENATE VOTE:** 38-0

**SUBJECT:** Baldwin Hills Conservancy: urban watersheds conservancy expansion

**SUMMARY:** Expands the territory of the Baldwin Hills Conservancy (BHC); changes the name to Baldwin Hills and Urban Watersheds Conservancy; updates BHC’s governing board makeup; updates BHC’s responsibilities; and, deletes the sunset date on the BHC statutes.

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

**THIS BILL:**

- 1) Changes the BHC name to the Baldwin Hills and Urban Watersheds Conservancy.
- 2) Expands the territory of the BHC jurisdiction to include southern Ballona Creek Watershed, and Upper Dominguez Channel.
- 3) Revises the BHC area to include land area currently from the Santa Monica Freeway (Interstate 10) to the Harbor Freeway and Transit Way (Interstate 110), to Manchester Boulevard and Firestone Boulevard to Lincoln Boulevard (or Interstate 105), which includes the Kenneth Hahn State Recreation Area, the southern portion of the Ballona Creek Watershed, the Upper Dominguez Channel, and the Baldwin Hills community. “Baldwin Hills, southern Ballona Creek Watershed, and Upper Dominguez Channel area” also includes Ballona Creek and adjacent property within 50 yards of Ballona Creek on either side, from the Santa Monica Freeway (Interstate 10) to the Marina Freeway (Interstate 90). Ballona Creek is included in the Baldwin Hills, southern Ballona Creek Watershed, and Upper Dominguez Channel area for purposes of connectivity.
- 4) Defines the “Southern Ballona Creek Watershed” as an approximately 40-square-mile portion of the area of land with the hydrologic unit code of 180701040300 including the Ballona Creek, a nine-mile long flood protection channel, including 50 yards on both sides of the channel for right-of-way, trail access, and greening. The physical boundaries are reflected in the Baldwin Hills and Urban Watersheds Conservancy maps and are described as follows: The northern boundary is the Santa Monica Freeway (Interstate 10); the eastern boundary extends to approximately San Pedro Street and continues down S. Avalon Boulevard to approximately Slauson Avenue, then recedes to approximately Western Avenue; the southern boundary aligns slightly above Manchester Avenue beginning in the City of Inglewood and continues to Playa Vista, veering south along Pershing Avenue to Imperial Highway. The watershed is composed of all or parts of the Cities of Culver City, Inglewood, Los Angeles, and Santa Monica, and unincorporated areas of View Park, Windsor Hills, and Ladera Heights.

- 5) Defines the “Upper Dominguez Channel” as an approximately 33-square-mile portion of the area of land with the hydrologic unit code of 180701060101 including the Laguna Dominguez Trail, a one-mile long portion of the flood protection channel that drains the Los Angeles basin. The physical boundaries are reflected in the Baldwin Hills and Urban Watersheds Conservancy maps and are described as follows: The southern boundary aligns slightly above Manchester Avenue beginning in the City of Inglewood and continues to Playa Vista veering south along Pershing Avenue to Imperial Highway; the eastern boundary extends from S. Van Ness Avenue beginning in the City of Inglewood and progresses diagonally southeast to approximately Vermont Avenue at Interstate 105, and then receding back diagonally to Western Avenue at W. 135th Street; the southern boundary follows W. 135th Street and bisects the City of Hawthorne heading west to approximately S. Douglas Street into the of City of El Segundo, excluding El Segundo Beach and Dunes, the Hyperion Water Reclamation Plant, and the Los Angeles Department of Water and Power Scattergood Generating Station, as well as any land or facilities included in the Chevron Products Company El Segundo Refinery, then continues into a portion of the City of Manhattan Beach bounded by approximately Rosecrans Avenue on the north, Highland Avenue to the west, and Pacific Coast Highway (Highway 1) on the east, with Gould Avenue at the southernmost point. As described, the watershed is composed of all or parts of the Cities of Inglewood, Hawthorne, El Segundo, and Manhattan Beach, and unincorporated areas of Del Aire, Lennox, and Westmont.
- 6) Increases the number of voting members on the BHC Board from 13 to 15, and increases the number of nonvoting members on the Board from 7 to 12. Reduces from 5 to 3 the number of voting members of the public appointed by the Governor who are residents of Los Angeles County.
  - a) Includes the following representatives as the additional voting members:
    - i) The Mayor of the City of Los Angeles, or the mayor’s designee.
    - ii) The Mayor of the City of Culver City, or the mayor’s designee.
    - iii) An appointee from the South Bay Cities Council of Governments.
  - b) Includes the following representatives as the additional non-voting members:
    - i) The Director of the City of Los Angeles Department of Recreation and Parks, or the director’s designee.
    - ii) The Director of the City of Inglewood Parks, Recreation and Community Services Department or the Director of the City of Inglewood Public Works Department, or their designee.
    - iii) The President of the Board of Airport Commissioners of Los Angeles World Airports, or the president’s designee.
    - iv) The Director of the City of Los Angeles Department of Public Works, or the director’s designee.
    - v) The Director of Conservation, or the director’s designee.
- 7) Provides that a quorum shall consist of eight voting members of the board, and the affirmative vote of at least five of the voting members of the board shall be required for the transaction of any business of the board.
- 8) Adds climate resilience to BHC’s program and resource stewardship responsibilities.

- 9) Requires BHC to carry out projects and activities to further the purposes of this division throughout the region and, in doing so, the board shall make every effort to ensure that, over time, conservancy funding and other efforts are spread equitably across each of the various subregions and among the stated goal areas, with adequate allowance for the variability of costs associated with individual regions and types of projects.
- 10) Requires BHC to study the potential environmental and recreational uses of the Baldwin Hills, southern Ballona Creek Watershed, and Upper Dominguez Channel areas.
- 11) Deletes the requirement for BHC to enter into a memorandum of understanding with the Department of Parks and Recreation that would require the conservancy and the department to cooperate in the sharing of technical assistance, data, and information-
- 12) Requires BHC to develop and adopt a proposed watershed and open-space plan for improvements in the conservancy territory.
- 13) Requires BHC to report on the plan to the Legislature on or before January 1, 2024, and sunsets that requirement on January 1, 2028.
- 14) Establishes the Baldwin Hills, Southern Ballona Creek Watershed, and Upper Dominguez Channel Urban Watershed Improvement Program to be administered by BHC for climate change adaptation improvements, to protect, conserve, and restore the health and resilience of the watersheds and communities of the region. In implementing this program, BHC is required to coordinate and collaborate with other state agencies, federal agencies, local entities, and stakeholders.
- 15) Authorizes BHC to test new funding, policy, planning, and implementation approaches with the area covered by an initiative to test new ways of accomplishing the program objectives and goals with the intent of broadening the scope of the initiative to apply to the entire program area. States that this section shall not be construed as requiring the Legislature to appropriate additional funds.
- 16) Deletes the January 1, 2026, sunset date on the BHC operating statutes.

**FISCAL EFFECT:** According to the Senate Appropriations Committee, enactment of this bill would result in unknown, likely significant cost pressure (General Fund, special fund, or bond funds) to fund activities and projects in the expanded territory. BHC estimates that administrative costs would be minor and absorbable.

**COMMENTS:**

1) **Author's statement:**

The Baldwin Hills Conservancy is one of 10 conservancies created by the Legislature with the mission of preserving open space and habitat while facilitating public access to California's wilderness and wildlife.

The BHC achieves these goals through projects that preserve and restore wildlife habitat, improve watersheds, and provide low-impact recreational and educational

uses. The BHC applies for funding from various sources to support projects throughout their territory which covers western Los Angeles County, in the area surrounding the Baldwin Hills and the Kenneth Hahn State Recreation Area.

This agency addresses climate impacts and improves quality of life by increasing access to nature, cleaning our water, and engaging communities directly.

While the Conservancy has successfully completed numerous projects within its territory, several neighboring and nearby communities in need have not had access to the same opportunities.

Expanding the Baldwin Hills Conservancy would provide additional resources for communities that have faced historic disinvestment.

- 2) **Baldwin Hills Conservancy.** BHC was enacted in 2001 (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 California Natural Resources Agency. BHC provides local assistance funding to public agencies and non-profits to restore and improve the territory pursuant to this 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. It covers nearly two square miles of underdeveloped land, most of which is privately owned oil wells, but also contains the 500-acre Kenneth Hahn State Recreation Area, West Los Angeles College, and Holy Cross Cemetery. BHC's jurisdiction includes the Baldwin Hills Parklands, which are 480 acres of public parks managed by California State Parks, Los Angeles County Parks and Recreation, Los Angeles City Parks and Recreation, Culver City Parks, and Mountains Recreation and Conservation Authority.

Within BHC's jurisdiction, canyons and gullies give shelter to plant and animal life, including small numbers of native species once abundant in the region. Spillways dump runoff into adjacent Ballona Creek, an ecological and physical link between the Santa Monica Mountains, the Baldwin Hills, and Santa Monica Bay.

BHC's enacting legislation required the Legislative Analyst's Office (LAO), not later than December 31, 2006, to review the effectiveness of BHC in acquiring and developing open-space land and recreational opportunities in the Baldwin Hills area. The LAO report, *Meeting Objectives; More Work to Be Done: Baldwin Hills Conservancy*, found that the region surrounding the Baldwin Hills area has historically been park poor. An inventory of recreational land use within a five-mile radius of the Baldwin Hills area, completed shortly before the conservancy's inception, identified less than 0.91 acres of park-land or recreational facilities per 1,000 residents.

Since then, BHC has been meeting its statutory mission to provide access to parks, trails, and open space within its jurisdiction.

- 3) **Proposed territory expansion.** SB 1052 expands the boundaries of BHC to include the Southern Ballona Creek Watershed and Upper Dominguez Channel area.

Ballona Creek is a nine-mile long flood protection channel that drains the Los Angeles basin, from the Santa Monica Mountains on the north, the Harbor Freeway (110) on the east, and the Baldwin Hills on the south. The Ballona Creek Watershed totals about 130 square miles. Its land use consists of 64% residential, 8% commercial, 4% industrial, and 17% open space. The major tributaries to the Ballona Creek include Centinela Creek, Sepulveda Canyon Channel, Benedict Canyon Channel, and numerous storm drains. The watershed is comprised of all or parts of the Cities of Beverly Hills, Culver City, Inglewood, Los Angeles, Santa Monica, West Hollywood, and unincorporated Los Angeles County.

The Dominguez Channel is a 15.7-mile-long river in southern Los Angeles County, California, in the center of the Dominguez Watershed of 110 square miles. The Upper Dominguez Channel area, as covered by this bill, would include a 33-square-mile portion of the area of land along the Channel, for which the bill provides a specific description.

The 2015 Los Angeles County Park Needs Assessment (Assessment) found that nearly 1/3 (32.2%) of Los Angelinos are in “very high” need of access to parks and open space. According to the author, expanding the BHC would provide additional resources for communities that have faced historic disinvestment. With SB 1052, BHC would be able to serve a larger area and invest in parks and open space in areas of high need, which is clear in the Assessment.

- 4) **More hands make lighter work.** While the particular statutory goals of each state conservancy differ somewhat, the conservancies generally were created in response to considerations that certain vital land resources, from a natural resources perspective, were subject to development and other pressures.

The Senate Natural Resources & Water Committee noted in its analysis that the expansions proposed in this bill overlap with expansions proposed by SB 1122 (Allen) for the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC) in the Dominguez Watershed. The proposed overlap only includes about 17 square miles of the Dominguez Channel watershed and less than two square miles of the coastal watersheds of Manhattan Beach.

Overlapping jurisdictions are not new for conservancies, however. The RMC director notes that their jurisdiction currently has overlap with the Santa Monica Mountains Conservancy, which has never resulted in any conflict. If anything, the overlap has ensured there are sufficient resources being directed to the public spaces benefitting the conservancies’ constituents. Furthermore, RMC’s implementing statute, pursuant to Public Resources Code sec. 32621(d), provides that RMC:

... shall consult with other conservancies within the Resources Agency prior to implementing any project pursuant to this division in which there may be a jurisdictional overlap between those conservancies. Each of those conservancies shall make its best effort to resolve any issues regarding any project development that is carried out pursuant to this division in a mutually advantageous and environmentally beneficial manner. Any dispute between the conservancies shall be referred to the Resources Agency for resolution.

This bill, in establishing the Baldwin Hills, Southern Ballona Creek Watershed, and Upper Dominguez Channel Urban Watershed Improvement Program, would specifically require BHC to “coordinate and collaborate with other state agencies, federal agencies, local entities, and stakeholders.”

The BHC director concurred and cited that both conservancies have overlap with the State Department of Parks and the California Coastal Commission, and where conservancies’ territories overlap, they greatly benefit due to having more hands on deck to support the environment and bring more state resources to the projects being invested in.

- 5) **What’s in a name?** SB 1052 changes BHC’s name to the Baldwin Hills and Urban Watersheds Conservancy Act.
- 6) **This is the end (of a sunset).** In the LAO’s aforementioned 2007 report to the Legislature, it recommended extending the sunset date for BHC by five years, to January 1, 2013, and recommended that the Legislature require a review, prior to the new sunset date, of BHC’s effectiveness and progress towards fulfilling its statutory objectives during the period. LAO noted that the sunset date would provide the Legislature with a basis on which to determine whether the conservancy structure continues to be the appropriate one for addressing land conservation goals in the Baldwin Hills area.

This bill repeals the January 1, 2026, sunset date. Staff does not see a reason not to let BHC exist in perpetuity to continue providing critical access to parks and open spaces in a very urban area where residents need that access.

7) **Related legislation.**

AB 2897 (O’Donnell) expands the territory of the RMC to include the Dominguez Channel watershed and Santa Catalina Island. This bill was held by the author in the Assembly Natural Resources Committee.

SB 1122 (Allen) expands the territory of the RMC to include the Dominguez Channel watershed, Santa Catalina Island, and adjacent coastal waters of Palos Verdes. This bill is scheduled to be heard in this committee on June 13, 2022.

AB 963 (Kamlager, 2021) and AB 2000 (Kamlager, 2020) are similar to SB 1052. AB 963 passed out of Assembly Natural Resources and was held in Assembly Appropriations. AB 2000 did not move forward due to COVID priorities.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

None on file.

**Opposition**

None on file.

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

Date of Hearing: June 13, 2022

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Luz Rivas, Chair

SB 895 (Laird) – As Introduced February 1, 2022

**SENATE VOTE:** 39-0

**SUBJECT:** Solid waste: nonprofit convenience zone recycler: definition

**SUMMARY:** Revises the definition of “nonprofit convenience zone recycler” (nonprofit center) for purposes of the California Beverage Container Recycling and Litter Reduction Act (Bottle Bill).

**EXISTING LAW** establishes the Bottle Bill, which:

- 1) Requires beverage containers, as defined, sold in-state to have a California Refund Value (CRV) of 5 cents for containers that hold fewer than 24 ounces and 10 cents for containers that hold 24 ounces or more. Requires beverage distributors to pay a redemption payment to CalRecycle for every beverage container sold in the state.
- 2) Provides that these funds are continuously appropriated to the Department of Resources Recycling and Recovery (CalRecycle) for, among other things, the payment of refund values and processing payments.
- 3) Requires CalRecycle to annually designate all “convenience zones,” defined as an area one-half mile around a dealer.
- 4) Requires, in a convenience zone where a recycling center or location does not exist and until one has been established in that zone (unserved zone), all dealers in the zone to either redeem empty beverage containers or pay CalRecycle an in-lieu fee of \$100 per day until a recycling location is established. Authorizes CalRecycle to exempt convenience zones, as specified (exempt convenience zones).
- 5) Defines “dealer” as a retail establishment that offers the sale of beverages in beverage containers to consumers. Exempts lodging, eating, or drinking establishments and soft drink vending machines.
- 6) Defines “recycling center” as an operation that is certified by CalRecycle and accepts and pays the CRV for empty beverage containers.
- 7) Requires CalRecycle to pay handling fees to supermarket sites, nonprofit convenience zone recyclers, and rural region recyclers to provide an incentive for the redemption of empty beverage containers in a convenience zone.

**THIS BILL** revises the definition of “nonprofit convenience zone recycler” by:

- 1) Removing the requirement that a nonprofit center has operated in the same location for at least five years.

- 2) Requiring that a nonprofit center be located within two miles, rather than one mile, of a supermarket that is located within an exempt convenience zone.
- 3) Making related technical and clarifying changes.

**FISCAL EFFECT:** According to the Senate Appropriations Committee:

- 1) CalRecycle estimates ongoing costs of \$130,000 annually (Beverage Container Recycling Fund) for handling fee payments to two existing non-profit recycling centers that would become eligible for handling fees.
- 2) Unknown cost pressure for handling fee payments to additional non-profit convenience zone recycling centers that open in the future based on new eligibility under the bill, and for additional CRV payments to the extent that the additional recycling opportunities increase the recycling rate.
- 3) CalRecycle anticipates staffing costs for this bill would be minor and absorbable.

**COMMENTS:**

1) **Author's statement:**

Grey Bears Thrift Store, located in Santa Cruz, is a locally owned and operated nonprofit that has operated a certified drop-off recycling station for over 40 years and continuously promotes conservation of resources, diversion of material from landfills, and community engagement.

SB 895 updates the definition of a nonprofit convenience zone recycler to ensure Grey Bears has access to handling fees, that defray operating and infrastructure costs, so they can meet the needs of the currently underserved communities of Santa Cruz, Capitola, and unincorporated mid-Santa Cruz County. This bill supports the recycling of reusable materials for a greener California economy by ensuring Grey Bears, an established recycling center, is included in the definition of a nonprofit convenience zone recycler.

- 2) **Bottle Bill.** The Bottle Bill was established in 1986 to be a self-funded program that encourages consumers to recycle beverage containers and to prevent littering. The program accomplishes this goal by requiring consumers to pay a deposit for each eligible container purchased. Then the program guarantees consumers repayment of that deposit, the CRV, for each eligible container returned to a certified recycler. Statute includes two main goals for the program: (1) reducing litter; and, (2) achieving a recycling rate of 80% for eligible containers. Containers recycled through the Bottle Bill's certified recycling centers also provides a consistent, clean, uncontaminated stream of recycled materials with minimal processing.
- 3) **Eligible beverage containers.** Only certain containers containing certain beverages are part of the CRV program. Most containers made from glass, plastic, aluminum, and bimetal (consisting of one or more metals) are included. Containers for wine, spirits, milk, fruit juices over 46 ounces, vegetable juice over 16 ounces, and soy drinks are not part of the



program. Container types that are not included in the CRV program are cartons, pouches, and any container that holds 64 ounces or more.

- 4) **Ways to redeem containers.** Consumers have four potential options to redeem containers:
- a) Return the container to a convenience zone recycling center located within ½-mile radius of a supermarket. These are generally small centers that only accept beverage containers and receive handling fees. During the 2019-20 fiscal year (FY), CZ recyclers redeemed about 30% of beverage containers.
  - b) Return to “dealers,” i.e., stores that sell CRV containers, that accept them. In convenience zones without a convenience zone recycler, beverage dealers, primarily supermarkets, are required to either accept containers for redemption or pay CalRecycle an “in lieu” fee of \$100 per day. Few stores accept beverage containers for redemption.
  - c) Return the container to an “old line” recycling center, which refers to a recycler that does not receive handling fees and usually accepts large quantities of materials, frequently by truckload from municipal or commercial waste collection services. Traditional recyclers collected a little more than half of all CRV containers (58%) in the 2019-20 FY.
  - d) Consumers can also forfeit their CRV and “donate” their containers to residential curbside recycling collection. In the 2019-20 FY, curbside programs collected about 12% of CRV containers. Curbside programs keep the CRV on these containers.
- 5) **Recycling center closures.** In August 2019, rePlanet closed all 284 of its recycling centers in California. Before its closure, rePlanet was the largest recycling network in California. Following the closures, rePlanet stated, “With the continued reduction in State fees, the depressed pricing of recycled aluminum and PET plastic, and the rise in operating costs resulting from minimum wage increases and required health and workers compensation insurance, the Company has concluded that operation of these recycling centers is no longer sustainable.” More than 1,000 recycling centers have closed since 2013.

Several factors have contributed to the closure of these recyclers. Commodity prices have dropped significantly, causing low scrap value for recycled materials. In 2011, PET plastic scrap prices were at a peak of \$500/ton and have steadily declined. By November 2020, the price dropped to \$101/ton. Additionally, the methods to determine processing payments do not accurately reflect the cost of recycling or provide a reasonable financial return. Processing payments also lag behind the steady decline in scrap values. Processing payments are intended to cover the difference between a container’s scrap value and the cost of recycling it, including a reasonable rate of return. The calculation to determine the “cost of recycling” does not consider things like transportation costs, putting rural recyclers at a significant disadvantage. Large recyclers that process high numbers of containers generally have lower costs, on average, than smaller centers. Current statute requires CalRecycle to use the average cost of all recycling centers, which results in some centers receiving higher payments than are necessary, while other centers do not receive enough support to remain in business.

The recycling center closures are the biggest challenge facing the Bottle Bill, as they leave many Californians without redemption opportunities. The Legislature, the Administration,

and stakeholders have attempted to collaborate on Bottle Bill reforms to align with the state's climate change goals and the state's 75% solid waste reduction, recycling, and composting goal, as well as creating long-term fiscal sustainability. However, legislative policy and budget proposals intended to accomplish these goals through substantial program reforms have failed.

- 6) **This bill.** This bill revises the definition of nonprofit center to ensure that a nonprofit located in the author's district is eligible to receive handling fees so that it can continue to provide redemption opportunities to consumers. This change may result in modest improvements to recycling opportunities in other parts of the state, as well. According to CalRecycle, this change is likely to make one or two additional nonprofit centers eligible for handling fees. This change may also encourage additional nonprofit centers to open near unserved convenience zones, increasing redemption opportunities for consumers. To the extent that this bill results in more "served" convenience zones, it will relieve dealers located in those zones from the state's take-back requirements.

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

Californians Against Waste

##### **Opposition**

None on file.

**Analysis Prepared by:** Elizabeth MacMillan / NAT. RES. /

Date of Hearing: June 13, 2022

**ASSEMBLY COMMITTEE ON NATURAL RESOURCES**

Luz Rivas, Chair

SB 1062 (McGuire) – As Amended April 18, 2022

**SENATE VOTE:** 39-0

**SUBJECT:** The Fixing the Firefighter Shortage Act of 2022

**SUMMARY:** Establishes the Fixing the Firefighter Shortage Act of 2022.

**EXISTING LAW:**

- 1) Establishes the Department of Forestry and Fire Prevention (CAL FIRE) in the California Natural Resources Agency to provide fire protection and prevention services, as specified. CAL FIRE is the lead agency for fire protection in the State Responsibility Area (SRA).
- 2) Authorizes counties to elect to assume responsibility for the prevention and suppression of all fires on all land in the county, including lands within the SRA, as provided. These are the contract counties.
- 3) Requires budgeted sums to be allocated to the contract counties at least equal to the direct cost of fire protection, as provided.

**THIS BILL:**

- 1) Establishes the Fixing the Firefighter Shortage Act of 2022.
- 2) Requires CAL FIRE to maintain a standard minimum level of staffing on each of CAL FIRE's fire engines of three professional firefighters.
- 3) Requires CAL FIRE to meet this minimum level of staffing without requiring the regular practice of forcing overtime on their personnel. Requires this standard minimum level of staffing to be met by adding 356 full-time firefighters to provide the appropriate personnel to staff the existing fleet of frontline fire engines the department has identified as of January 1, 2022.
- 4) Requires CAL FIRE to increase its existing firefighter fuel crews budgeted for the 2021–22 fiscal year by adding 16 additional fuel crews and adding 768 firefighters to staff those crews.
- 5) Requires, on or before January 1, 2024, CAL FIRE to provide to the Legislature a long-term staffing plan for the department. Requires the plan to identify the staffing and infrastructure needs for the department through the year 2030 to meet the new era of wildfire firefighting.
- 6) Sunsets this bill on January 1, 2028.

**FISCAL EFFECT:** According to the Senate Appropriations Committee, enactment of this bill would result in estimated ongoing costs of \$281 million in the first year and \$299 million phased in over five years and annually thereafter (General Fund) to support 1,297 positions, to add 16

additional hand crews of 48 firefighters each, to add firefighters for relief staffing, and to provide commensurate funding to six contract counties. In addition, to the extent that the additional resources provided by this bill result in avoided or mitigated catastrophic wildfires from what otherwise would occur, this bill could result in significant cost savings due to reduced emergency fire suppression and other wildfire-related costs (General Fund, special funds).

## COMMENTS:

### 1) **Author's statement.**

The alarm couldn't be sounding louder. Our state is facing unprecedented, destructive wildfires. Fourteen of the largest 20 wildfires in California history have occurred just in the last decade. MegaFires are threatening the way of life for millions of Californians – destroying tens of thousands of homes and businesses. Over \$30 billion in insured losses have gripped this state with just the 2017, 2018 and 2020 fire seasons. Billions more have occurred since. Wildfires have severely threatened or impacted our air quality... who would have ever thought just ten years ago [that] schools would be cancelled or students would be forced indoors for weeks on end due to smoke days each and every year.

2) **Wildfires and their growing intensity.** California's climate makes it naturally susceptible to wildfires due to seasonal precipitation and dry summer months, but the impacts of climate change have contributed to drier conditions, greater frequency of fires, and more intense fires. This trend has been particularly notable in the last few years, which have seen some of the worst wildfires in the state's recorded history. For example, the 2018 wildfire season included the Camp Fire in Butte County, which became the single most destructive wildfire in state history with nearly 19,000 structures destroyed and 85 fatalities, including the near-total destruction of the town of Paradise. The 2020 wildfire season also included several particularly catastrophic wildfires. Five of the 20 most destructive wildfires in the state's history occurred in 2020 alone. Many of these fires were not only large and destructive, but they also exhibited extreme behavior. These wildfires overwhelmed the state's fire response capacity and led to the destruction of roughly 7,800 structures and the deaths of 23 people. With this growth in fires, CAL FIRE's total base wildfire protection budget has grown by nearly two-thirds over the past five years alone (from \$1.3 billion in 2017-18 to \$2.1 billion in 2021-22).

3) **Staffing CAL FIRE.** CAL FIRE is responsible for fire prevention and suppression in more than 31 million acres across the state. CAL FIRE's firefighters, fire engines, and aircraft respond to more than 5,400 wildland fires that burn an average of 156,000 acres each year, and, according to CAL FIRE, "answer the call [of duty] more than 450,000 times for other emergencies each year.

The heart of CAL FIRE's emergency response capability is a force of nearly 5,300 full-time fire professionals, foresters, and administrative employees; 1,783 seasonal firefighters; 2,750 local government volunteer firefighters; 600 Volunteers in Prevention; and, 4,300 inmates and wards that currently provide 196 fire crews.

CAL FIRE operates nearly 1,000 fire engines (343 state and 624 local government); 184 rescue squads; 63 paramedic units; 9 hazmat units; 28 aerial ladder trucks; 59 bulldozers; 6 mobile communication centers; and, 11 mobile kitchen units.

The Newsom Administration has made significant investments in wildfire prevention and forest health, firefighting equipment and technology, and additional firefighting personnel to enhance fire protection surge capacity. In recognition of the heavy toll of successive exhausting wildfire seasons, the Governor proposed \$400 million on an ongoing basis to improve the health and wellness of CAL FIRE firefighters.

Over the last few years, the state has provided augmentations for a variety of response-related purposes, such as to support additional firefighters, hand crews, support staff, fire engines, air tankers, helicopters, and various types of new technology, including:

- Fire crews – \$143 million in FY 2021-22, and \$124 million and 617 positions ongoing to support 16 new CAL FIRE hand crews staffed by seasonal firefighters, eight year-round California Conservation Corps (CCC) hand crews, and six seasonal CCC hand crews.
  - Relief Staffing– \$85.6 million ongoing starting in FY 2020-21 to support additional firefighting positions and fire response surge capacity. This includes: \$34.2 million to support 172 permanent firefighting positions; \$44 million for 378 seasonal firefighters and other surge capacity; \$7.5 million for the six CAL FIRE contract counties; and \$1.8 million for facilities and equipment, such as purchasing vehicles. These increases are partially offset by a reduction of \$1.9 million to reflect a lower level of unplanned overtime within the CAL FIRE’s fire protection program as a result of the higher ongoing staffing levels.
  - Year-Round Fire Engines. About \$40 million in 2019-20 to purchase and staff 13 additional fire engines on a year-round basis. Includes \$8.3 million (one time) to purchase the fire engines and \$32.6 million ongoing for 131 positions.
- 4) **It’s been a hard day’s night and [they’ve] been workin’ like a dog.** The first 24 to 48 hours of a massive megafire like the Camp Fire, no one sleeps. Firefighters work under grueling conditions nonstop, and the voracity of fires over the last few years have placed significant strains on firefighters. Firefighters are working long overtime hours and many times up to 40 days in a row without a single day off.

CAL FIRE has full-time firefighters and hires seasonal firefighters during peak fire months. When major fires break out, CAL FIRE can request local resources from local fire departments that send out their strike teams. Even with reinforcements, the state can still come up short handed with firefighters when multiple fires are burning concurrently.

In 2020, according to CAL FIRE, roughly 7,900 requests for fire engines, 900 requests for bulldozers and 600 requests for helicopters could not be filled. During extreme wildfire events, when multiple large wildland fires burn simultaneously, resources are still strained.

In addition, working long overtime hours 40+ days in a row, away from their families, is leading to significant stress and mental health challenges among firefighters. According to the California Professional Firefighters Association, in an already difficult and dangerous profession, this amount of overtime can prove deadly, with exhaustion impeding decision making and physical abilities. Over the last four years, more than 54,000 calls have been

made by firefighters to state mental health hotlines. Divorce rates are up three times, along with suicide rates for firefighters nationally, as well as rising substance abuse rates.

The people that fight California's wildfires are at a breaking point as a result of bigger fires and a staffing shortage, according to the CAL FIRE 2881 union. The union represents 5,400 firefighters and the president said shifts that used to be 72 hours a week have gotten as high as 50 days without a break. Crews are unable to be relieved because of the short staffing.

Hiring new firefighters will avoid overtime costs and save money for taxpayers, freeing up those savings for other fire prevention efforts.

This bill requires a minimum level of staffing for all engines without regularly relying on overtime staffing for personnel and require CAL FIRE to provide to the Legislature a long-term staffing plan to meet the new era of wildfire firefighting.

- 5) **Show me the money.** CAL FIRE provides fire protection to keep damages to life, property, and natural resources within social, political, and economic constraints. The proposed budget for Fiscal Year 22-23 includes \$3.2 billion for 8,532 positions for CAL FIRE's total fire protection program. However, the funding for staffing is still being negotiated between the Legislature and the Administration, which have until June 15 to approve a final budget.

The author may wish to continue tracking the budget developments to verify alignment of final funding for CAL FIRE and the necessary increase in staffing proposed by this bill.

- 6) **This bill.** SB 1062 requires CAL FIRE to maintain a standard minimum level of three professional firefighters on each of CAL FIRE's fire engines, and require CAL FIRE to meet this minimum level of staffing without requiring the regular practice of forcing overtime on their personnel. This standard minimum level of staffing would be met under the bill by adding 356 full-time firefighters to provide the appropriate personnel to staff the existing fleet of frontline fire engines. The bill would also require CAL FIRE to increase its existing firefighter fuel crews budgeted for FY 2021-22 by adding 16 additional fuel crews and adding 768 firefighters to staff those crews.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

California Professional Firefighters  
Little Hoover Commission  
Pacific Gas and Electric Company and Its Affiliated Entities

### **Opposition**

None on file.

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

Date of Hearing: June 13, 2022

**ASSEMBLY COMMITTEE ON NATURAL RESOURCES**

Luz Rivas, Chair

SB 1036 (Newman) – As Amended June 6, 2022

**SENATE VOTE:** 38-0

**SUBJECT:** California Conservation Corps: California Ocean Corps Program.

**SUMMARY:** Establishes the California Ocean Corps Program to provide competitive grants to certified local conservation corps (LCCs) located in coastal counties.

**EXISTING LAW:**

- 1) Establishes the California Conservation Corps (CCC) in the Natural Resources Agency (NRA) and requires the CCC to implement and administer the conservation corps program. (Public Resources Code §1400, et seq)
- 2) Directs CCC program activities, including the management of environmentally important lands and water, public works projects, facilitating public use of resources, assistance in emergency operations, assistance in fire prevention and suppression, energy conservation, and environmental restoration.
- 3) Finds and declares it is in the best interest of the state that federal funds designated to be expended by federal agencies for this purpose be allocated, to the extent feasible, to the CCC and LCCs.
- 4) Defines a "Community Conservation Corps" (LCC) as a nonprofit public benefit corporation formed or operating pursuant to Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code, or an agency operated by a city, county, or city and county, that is certified by the CCC as meeting all of the specified criteria.

**THIS BILL:**

- 1) States the intent of the Legislature that the California Ocean Corps create and facilitate work and training opportunities to be as expansive and accessible as practicable.
- 2) Requires the director of the CCC to establish and administer the California Ocean Corps Program to provide competitive grants to certified LCCs located in coastal counties in order to provide opportunities for young people, ages 16 to 30 years, to complete workforce preparation, training, and education programs, and, ultimately, to obtain employment, or continue education, in ocean and coastal conservation or related fields. Requires the director to provide grants to certified LCCs located in coastal counties to offer casual volunteer opportunities, paid internships, or long-term, paid skill development programs.
- 3) Requires the director to prioritize grants to certified LCCs located in counties impacted by the Huntington Beach oil spill that started in early October 2021, including Orange County.
- 4) Requires the grant program to fund programs or projects that provide both of the following:

- a) Address the impacts, and potential impacts, of climate change on ocean, coastal, and bay resources, including sea level rise, storm surge, beach and bluff erosion, salt water intrusion, and flooding, restore and enhance coastal watersheds and habitat, provide public access to the coast, or address extreme weather events or other natural and manmade hazards that threaten coastal communities, infrastructure, and natural resources; and,
  - b) Provide workforce development opportunities, including education, training, certifications, or placement services for jobs and careers in ocean and coastal conservation and related fields.
- 5) Requires the director to prioritize projects that use natural infrastructure in coastal communities to help adapt to climate change and that provide multiple public benefits.
  - 6) Requires the director to give consideration to projects in a variety of ecosystems along the state's coastline.
  - 7) Requires the director to develop and adopt program guidelines. Requires the director, before the adoption of the program guidelines, to seek input from the State Coastal Conservancy, California Coastal Commission, Ocean Protection Council, and certified LCCs on the draft guidelines.
  - 8) Exempts the development and adoption of program guidelines of this bill from the requirements of the Administrative Procedures Act.
  - 9) Requires the director to develop performance measures and accountability controls to track progress and outcomes of all grants.
  - 10) Requires, on or before January 1, 2026, the director to report the outcomes to the appropriate fiscal and policy committees of the Legislature.
  - 11) Sunsets the provisions of this bill on January 1, 2027.

**FISCAL EFFECT:** According to the Senate Appropriations Committee, enactment of this bill would result in costs pressure, likely in the millions of dollars, to fund the California Ocean Corps; annual costs of \$376,000 to the CCC coordinate with the LCCs and Ocean Corps, process grant applications, prepare reports, and implement the provisions of this bill; and, unknown but likely significant ongoing cost pressure to continue funding the California Ocean Corps following the sunset of this bill on January 1, 2027.

**COMMENTS:**

1) **Author's statement:**

As the recent oil spill off the coast of Orange County demonstrated, our state's coastal areas are vulnerable and need to be safeguarded in every way possible. In the face of accelerating climate change and the devastating impacts of recent oil spills, Californians up and down the state will benefit from a workforce



development program designed to maintain, protect and restore California's beaches and other coastal ecosystems.

- 2) **Local Conservation Corps.** The CCC, established in 1976, is the oldest and largest state conservation corps program in the country. It's modeled after the 1930s Civilian Conservation Corps. The CCC's motto is "Hard work, low pay, miserable conditions ... and more!" The CCC has provided more than 74 million hours of natural resource work, such as trail restoration, tree planting, habitat restoration, and more than 11.3 million hour of work on emergency response – fires, floods, and earthquakes — since 1976.

The CCC certifies LCCs to ensure they are meeting statutory requirements and to make them eligible for CCC and other state grant funds. Annual certification by the CCC provides LCCs recognition that they are operating according to mandatory statutes and fulfilling the mission of what it means to be a conservation corps program.

LCCs are non-profit or local government entities that share a similar mission as the CCC, by providing job skills training and educational opportunities while preserving and protecting the environment. The CCC has a long history of working collaboratively with LCCs through the state certification program and CCC grant programs.

While the statewide CCC generally works in more remote areas, the LCCs work in urban areas, near CCC members' homes. This provides a critical opportunity to at risk young people with family responsibilities, especially young single parents.

There are 14 state-certified LCCs in California, each of which is an individual nonprofit organization serving its local region. The mission of each LCC is to preserve and protect the environment and provide job skills training and educational opportunities to young men and women, primarily ages 18-26.

Each LCC works with or operates a charter school where corpsmembers can earn their high school diploma or GED and get connected to college and vocational education programs. Corpsmembers are paid stipends and often receive scholarships upon completing their term of service. LCCs provide workforce training, on the job experience and valuable certifications to help corpsmembers move forward in their careers and provide local businesses with a skilled, diverse and qualified workforce.

One quarter of all corpsmembers finish their high school diploma while in the Corps, and most graduates begin college. According to the 2014 economic analysis *The Economic Benefits of Bottle Bill Funding of the Local Conservation Corps*, while enrolled in the LCCs, each member receives education and job training that leads to \$260 million in increased lifetime earnings for each year's class for each \$20 million investment in LCCs. Finally, as more productive members of society, public finances are improved due to higher tax contributions and decreased demand for public services, generating over \$14 million in revenue and savings.

- 3) **Funding the LCCs.** Since the first LCC's inception in 1982 (with the Marin County Conservation Corps), the LCCs had traditionally been funded through a variety of sources, including a mix of state and federal grants, contracts with service recipients, direct fundraising and the California Beverage Container Recycling and Litter Reduction Act

(Bottle Bill). As government budgets tightened after the recession, state and federal grants decreased, making the LCCs more dependent on Bottle Bill funding to remain solvent.

Early in the LCC's history, the Bottle Bill was passed in 1986, which included funding for a number of projects that support recycling, including the LCCs. Bottle Bill funding had increased over the years, as additional LCCs have been formed and is indexed to cost of living.

In part due to the LCCs' efforts, in 2014, California had the highest recycling rate in the nation, with 82% of CRV eligible products being recycled. As a result, however, the program was a victim of its own success; the high consumer participation and redeemed deposits left little funding leftover for recycling programs, including the LCCs.

At the time, Bottle Bill funds were the bread and butter of the LCC's budget, representing 75% of the LCC's funding portfolio, and as a result of the reliance of the Bottle Bill funds, the LCCs had invested substantially in capital equipment needed for recycling, that would become obsolete without recycling-related funding.

In response, the LCCs underwent a metamorphosis to make themselves eligible for alternative state funding sources unrelated to beverage container recycling and expanded the skills training opportunities for their corpsmembers.

In order to stabilize the LCCs' funding, the Legislature allocated additional funds from the Electronic Waste Recovery and Recycling Account, the California Tire Recycling Management Fund, and the California Used Oil Recycling Fund for activities related to each funding source, including beverage container recycling and litter abatement programs; programs relating to the collection and recovery of used oil and electronic waste; and, the clean-up and abatement of waste tires.

In Fiscal Year 2022-23, \$25,946,018 was available to the 14 LCCs through the Electronic Waste Recovery and Recycling Account (\$8,000,000); California Tire Recycling Management Fund (\$5,000,000); California Used Oil Recycling Fund (\$2,000,000); and California Beverage Container Recycling Fund (\$10,946,018). Funds are to be awarded equally among the LCCs per grant award.

The LCCs have proven their ability to evolve and adapt to changing funding sources and expansions of their job skills training.

- 4) **California Ocean Corps Program.** This bill would further state investment and expansion of the LCCs by creating the California Ocean Corps Program to provide competitive grants to certified LCCs located in coastal counties to address the impacts, and potential impacts, of climate change on ocean, coastal, and bay resources, including sea level rise, storm surge, beach and bluff erosion, salt water intrusion, and flooding, restore and enhance coastal watersheds and habitat, provide public access to the coast, or address extreme weather events or other natural and manmade hazards that threaten coastal communities, infrastructure, and natural resources.

Current law requires young people participating in the Corps Program to generally be engaged in projects which, among other things, "preserve, maintain, and enhance environmentally important lands and waters."

The Ocean Protection Council's 2020-2025 Strategic Plan to Protect California's Coast and Ocean highlighted a need to significantly increase and strengthen targets for marine protection, halt and reverse species decline, and revive ecosystem services. The plan adopted a goal to enhance coastal and marine biodiversity, including targets to (1) protect, restore, or create 10,000 acres of coastal wetlands by 2025, (2) increase the acreage of coastal wetlands in California by 20% by 2030 and 50% by 2040, and (3) preserve 15,000 acres of seagrass beds and create an additional 1,000 acres by 2025. The plan further includes objectives to improve coastal access, improve coastal and ocean water quality, and build resiliency to sea-level rise, coastal storms, erosion, and flooding. A California Ocean Corps could implement projects to address these concerns and priorities while also helping to train the next generation of workers focused on ocean and coastal conservation and restoration in California.

- 5) **Prioritization for Southern California LCCs.** On the evening of October 2, 2021, an oil spill was detected in Southern California, originating from an underwater pipeline owned by Amplify connected to the Elly platform about 4-miles offshore near Long Beach that spilled approximately 24,696 gallons. The oil spill has significantly affected the City of Huntington Beach, with substantial ecological impacts occurring at the beach and at the Huntington Beach Wetlands.

The Ocean Corps will focus on the restoration and protection of coastal habitats and waters, specifically on wetlands and marshes hardest hit by the Orange County oil spill. The Ocean Corps will not only provide essential environmental repair work but serve in an invaluable capacity as environmental stewards in the community while better educating the public about climate issues along the coast.

This bill prioritizes grants for certified LCCs located in counties impacted by the Huntington Beach oil spill that started in early October 2021, including Orange County. There are two LCCs that fit that bill: Conservation Corps of Long Beach and the Orange County Local Conservation Corps.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

7th Generation Advisors

### **Opposition**

None on file.

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



Date of Hearing: June 13, 2016

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Luz Rivas, Chair

SB 1063 (Skinner) – As Amended April 18, 2022

**SENATE VOTE:** 27-9

**SUBJECT:** Energy: appliance standards and cost-effective measures

**SUMMARY:** Authorizes the California Energy Commission (CEC) to impose earlier implementation dates for appliance efficiency standards based on specified factors.

**EXISTING LAW:**

- 1) Requires the CEC to establish appliance efficiency standards based on a reasonable use pattern. The CEC may prescribe other cost-effective measures, including incentive programs, fleet averaging, energy and water consumption labeling not preempted by federal labeling law, and consumer education programs, to promote the use of energy and water efficient appliances whose use requires a significant amount of energy or water use on a statewide basis. An appliance manufactured on or after the effective date of these standards may not be offered for sale in California unless it complies with the standards. Appliance efficiency standards may not become effective sooner than one year after the CEC adopts or revises the standards.
- 2) Requires the CEC to adopt standards for appliances to facilitate the deployment of flexible demand technologies. These standards may include labeling provisions to promote the use of appliances with flexible demand capabilities. The flexible demand appliance standards must be based on the ability of the appliance's functions to be scheduled, shifted, or curtailed to reduce greenhouse gas (GHG) emissions associated with electricity generation. The standards shall become effective no sooner than one year after the date of their adoption or updating.
- 3) Authorizes the CEC to adopt regulations establishing an administrative enforcement process for appliance efficiency violations, and allows the CEC to assess a civil money penalty for violations up to \$2,500 for each violation. Penalties assessed for appliance efficiency violations are deposited into the CEC's Appliance Efficiency Enforcement Subaccount and fund the CEC's appliance efficiency enforcement activities upon appropriation by the Legislature.

**THIS BILL:**

- 1) Authorizes CEC to adopt an appliance efficiency standard sooner than one year after adoption or revision if the CEC adopts a finding of good cause.
- 2) Requires CEC to consider the following factors when making a finding of good cause:
  - a) The availability of products on the market that meet the adopted or revised standard;
  - b) The impact of an earlier effective date on the manufacturers;

- c) The health and safety benefits of an earlier effective date; and,
- d) The impact on innovation resulting from a one-year delay between the date of adoption or revision and the effective date of the standard.

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

**COMMENTS:**

1) **Author statement:**

California is a mecca for technological innovation – home to global tech companies innovating the newest devices. This includes state-of-the-art efficient and “green” appliance technologies that help California’s homeowners and business owners use less energy and water and fight climate change. Despite the fast pace of innovation, California’s appliance standards process requires strict waiting periods before new technology standards are adopted.

SB 1063 will help California access new technologies more quickly by allowing new appliance standards to be applied more quickly, if the California Energy Commission makes a “good cause” finding that accelerated adoption is warranted.

- 2) **Appliance efficiency standards.** Existing law grants CECs the authority to establish energy and water efficiency standards for appliances, which are contained in Title 20 of the California Code of Regulations. Standards are based on a reasonable pattern of use for the appliance. The standards apply to categories of appliances offered for sale in California, and CEC enforces these standards at the manufacturer and retailer level.

Under existing law, appliance standards cannot take effect sooner than one year after the CEC adopts or revises the standard to provide manufacturers with time to adjust to the new standards and give retailers time to sell off old stock. However, long grace periods also result in lost potential energy savings. These losses are unnecessary in circumstances where most manufacturers are voluntarily complying before the enforcement deadline. For example, in 2018, the CEC updated standards for portable electric spas. At the time of adoption, more than 77% of the models available has already complied with the new standard. CEC estimates that the yearlong delay in implementation for the remaining manufacturers resulted a loss of potential energy savings worth up to \$22 million per year.

- 3) **This bill.** This bill allows the CEC to shorten the effective date of new and revised appliance standards to less than one year if it makes a finding of good cause, based on specified factors. These factors include product availability, impacts on manufacturers, health and safety concerns, and impacts associated with allowing the sale noncompliant products for a year. While this bill enables the CEC to establish an effective date sooner than one year after adopting the standards, this bill does not allow the CEC to completely waive the process of specifying a future effective date.
- 4) **Prior legislation:** SB 49 (Skinner, Chapter 697, Statutes of 2019) expanded the CEC’s appliance energy efficiency authority by requiring the CEC develop standards for appliances to facilitate the deployment of flexible demand technologies. The standards must be based

on the ability of an appliance's operations to be scheduled, shifted, or curtailed to reduce GHG emissions associated with electricity generation.

5) **Double referral:** This bill has also been referred to the Utilities and Energy Committee.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

Environment California

**Opposition**

None on file.

**Analysis Prepared by:** Elizabeth MacMillan / NAT. RES. /





Date of Hearing: June 13, 2022

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Luz Rivas, Chair

SB 1206 (Skinner) – As Amended June 6, 2022

**SENATE VOTE:** 30-9

**SUBJECT:** Hydrofluorocarbon gases: sale or distribution

**SUMMARY:** Prohibits the sale or distribution of bulk hydrofluorocarbons (HFCs) that exceed specified global warming potential (GWP) limits and requires the Air Resources Board (ARB) to initiate a rulemaking for the adoption of low and ultra-low GWP refrigerant alternatives in California in sectors where it is practicable. This bill also requires ARB to submit a proposal to the Legislature by January 1, 2024, specifying how to transition the state's economy away from HFCs and to low or ultra-low GWP alternatives by 2035.

**EXISTING LAW:**

- 1) Existing federal law directs the U.S. Environmental Protection Agency to address HFC emissions by phasing down the production and consumption of HFCs by 85% by 2036.
- 2) Establishes ARB as the air pollution control agency in California and requires ARB, among other things, to control emissions from a wide array of mobile sources and coordinate, encourage, and review the efforts of all levels of government as they affect air quality.
- 3) Requires ARB to achieve reductions in statewide emissions of methane and HFCs by 40% below 2013 levels by 2030.
- 4) Prohibits the sale, lease, rent, or otherwise entering into commerce of any equipment that uses a federally prohibited refrigerant or a refrigerant prohibited by ARB due to risk to human health or the environment.
- 5) Requires the Public Utilities Commission (PUC) to consider developing a strategy for including low-GWP refrigerants in equipment funded by the energy efficiency programs overseen by the PUC and identify opportunities to assess the energy efficiency performance for GWP alternatives for fluorinated gas-based appliances and equipment.
- 6) Establishes the Fluorinated Gases Emission Reduction Incentive Program to be administered by ARB to promote the adoption of low-GWP refrigerant technologies.

**THIS BILL:**

- 1) Defines, for the purpose of this legislation:
  - a) "Bulk" as a regulated substance of any amount that is in a container for the transportation or storage of that substance such as cylinders, drums, ISO tanks, and small cans. A regulated substance contained in a manufactured product such as an appliance, an aerosol can, or a foam is not a bulk substance;

- b) “Hydrofluorocarbons” as fluorinated gases used primarily as refrigerants in refrigeration, air-conditioning equipment, foam expansion agents, aerosol propellants, solvents, and fire suppressants;
  - c) “Global warming potential” as a measure of how much energy the emissions of one ton of gas will absorb over a given period of time relative to the emissions of one ton of carbon dioxide. The specific values for a substance are those published by the Intergovernmental Panel on Climate Change in its Fourth or Fifth Assessment Report, or as determined by ARB in a regulation;
  - d) “Low GWP” as GWP of less than 150; and
  - e) “Ultra-low GWP” as GWP of less than 10.
- 2) Prohibits the sale, distribution, or entering into state commerce bulk HFCs or bulk blends containing HFCs that exceed:
- a) GWP of 2,200 after January 1, 2025;
  - b) GWP of 1,400 after January 1, 2030; and
  - c) GWP of 750 after January 1, 2033.
- 3) Authorizes ARB to establish maximum allowable GWP levels for HFCs entered into commerce in the state that are lower than the targets in the bill.
- 4) Exempts reclaimed HFCs and HFCs exclusively used in FDA-approved metered dose inhalers.
- 5) Requires that beginning January 1, 2025, any HFCs used to replenish leaks or otherwise service equipment owned operated by the state must be reclaimed.
- 6) Requires ARB to initiate a rulemaking to require low and ultra-low alternatives to HFCs in a sector unless it is not practicable for entities in the sector to comply with the requirement.
- 7) Provides that violations are subject to specified existing ARB enforcement and civil penalty statutes.
- 8) Requires ARB to post an assessment by January 1, 2025, specifying how to transition California’s economy from away from HFCs by 2035 through maximizing recovery and reclamation and increasing adoption of alternative low and ultra-low GWP refrigerants, including:
- a) A list of all existing sources of incentives for reducing HFC emissions to 40% of 2013 levels by 2030 and whether the GWP of the technology supported in these programs should be lowered;

- b) Proposals for additional incentives, safety testing, and demonstration projects to aid the transition away from HFCs and increase market availability of alternative refrigerants and reclamation technology. This includes testing needed to update safety standards for design and use of equipment using low and ultra-low GWP refrigerants;
- c) Suggested legislative or regulatory changes necessary to transition away from HFCs;
- d) Recommendations on interim steps to fully transition to ultra-low or no GWP alternatives including how to establish a robust reclamation system for HFCs with higher GWP;
- e) An analysis by the CEC of issues preventing high levels of HFC reclamation today, which must include an analysis of the reverse supply chain, include interviews with appliance technicians servicing HFC-using appliances in California, and with refrigerant distributors and wholesalers;
- f) Workforce training recommendations to grow the workforce of technicians capable of handling natural alternatives with GWP < 15 and servicing the new appliances that use these refrigerants; and
- g) A list of all areas where the State owns or operates appliances that use HFCs and a proposal for the most cost-effective way to improve refrigerant management, including leak detection and reduction and reclamation during decommissioning, and to transition those appliances to ultra-low GWP or no-GWP alternatives.

**FISCAL EFFECT:** According to the Senate Appropriations Committee:

- Unknown costs of up to \$630,000 annually (Cost of Implementation Account) for ARB to prepare and submit a report to the Legislature, and to accommodate accelerated implementation needs due to prohibitions on bulk HFCs or bulk blends offered for sale or distribution in the state.
- Unknown, likely minor costs for various department to consult with ARB.

**COMMENTS:**

- 1) **Background.** CO<sub>2</sub> remains in the atmosphere for centuries, which makes it the most critical GHG to reduce in order to limit long-term climate change. However, short-lived climate pollutants (SLCPs) including HFCs, methane, and soot (black carbon), only persist in the atmosphere from a few weeks to 15 years, but have much higher GWP than CO<sub>2</sub>, and therefore pose a significant threat to meeting climate goals.

SB 1383 (Lara) Chapter 395, Statutes of 2016, requires reductions of HFCs (also known as F-gases) which are synthetic gases used in refrigeration, air conditioning, insulation foams, solvents, aerosol products, and fire protection. They are primarily produced for use as substitutes for ozone-depleting substances which are being phased out globally. HFCs, on average, have a global warming potential 1600 times that of CO<sub>2</sub> on a 20-year time scale, and are increasing at a more rapid pace than any other GHG in the U.S., and increasing 10-15%

annually around the globe. SB 1383 requires reductions of HFCs 40 percent below 2013 levels by 2030.

Class I and Class II refrigerants are Ozone-Depleting Substances (ODS), and Class II ODSs have less ozone depletion potential than Class Is. HFCs were initially developed as Class II alternatives to Class I ODSs due to their lower ozone depletion potential. HFCs are subject to the Montreal Protocol, adopted in 1987 to address the depletion of the ozone layer, which requires incremental HFC phase-out, culminating with complete replacement by 2030.

The US EPA Significant New Alternatives Policy (SNAP) program was established under Section 612 of the FCAA to identify and evaluate substitutes for ozone depleting substances. Under SNAP, US EPA Rules adopted in 2015 effectively banned 38 HFCs across the aerosol, new car air conditioning, retail food refrigeration, and foam blowing sectors, but a 2017 federal court ruling reversed these rules, finding that the FCAA does not authorize the replacement of non ODSs, including some HFCs, to address climate change concerns.

SB 1013 (Lara), Chapter 375, Statutes of 2018, adopted analogous HFC regulations in state law and offers financial incentives to assist businesses with technology transition.

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

Hydrofluorocarbons (HFCs), now commonly used in air conditioners and refrigerators, are a potent driver of climate change. Although HFCs are among the so-called “short-lived climate pollutants” that only persist in the atmosphere for about 20 years, over those 20 years they are thousands of times more damaging to the climate than carbon dioxide. That’s why the international science community has targeted taking action now on HFCs and other short lived climate pollutants as critical to help avert catastrophic climate change.

SB 1206 is aimed at significantly lowering emissions from HFCs by incentivizing the market for reclaiming and reusing existing HFCs and limiting the sale of high global warming potential HFCs and directing the CA Air Resources Board (CARB) to develop proposals for transitioning away from HFCs to available, alternative refrigerants by 2035.

- 3) **Proposed author's amendments.** The author is asking the committee to amend the bill to revise the 2030 GWP limit up from 1,400 to 1,500 and to specify that ARB’s assessment shall be “by sector”.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

Californians Against Waste  
Environment California

### **Opposition**

None on file.

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

Date of Hearing: June 13, 2022

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Luz Rivas, Chair

SB 1256 (Wieckowski) – As Amended June 6, 2022

**SENATE VOTE:** 28-9

**SUBJECT:** Waste management: disposable propane cylinders

**SUMMARY:** Bans the sale of disposable propane cylinders on and after January 1, 2028.

**EXISTING LAW:**

- 1) Defines "household hazardous waste (HHW)" as hazardous waste generated incidental to owning or maintaining a place of residence, but does not include waste generated in the course of operating a business at a residence.
- 2) Requires counties and cities to provide services for the collection of HHW and that the state will provide an expedited and streamlined regulatory structure to facilitate the collection of HHW. Requires residents to dispose of HHW through specified HHW collection programs.

**THIS BILL:**

- 1) Defines "disposable propane cylinder" as a nonrefillable propane canister, weighing approximately two pounds when filled with propane, with a designation of "DOT 39" from the United States Department of Transportation. Exempts the following canisters:
  - a) Products that are customarily designed for use in the construction industry, and, when full, contain less than 15 ounces of fuel, whether filled solely with propane or not; and,
  - b) Cylinders that have an overall product height-to-width ratio of 3.55 to 1 or greater.
- 2) On and after January 1, 2028, prohibits the sale, or offering for sale, a disposable propane cylinder.
- 3) Authorizes a city attorney or county counsel to impose civil liability for violations in the amount of \$500 per day for the first violation, \$1,000 per day for a second violation, and \$2,000 per day for third and subsequent violations. Specifies that civil penalties collected shall be paid to the office that brought the action.

**FISCAL EFFECT:** Nonfiscal

**COMMENTS:**

1) **Author's statement:**

California can do much better when it comes to reusing and refilling products and disposing of materials, often hazardous materials, that are often discarded haphazardly. SB 1256 would transition California away from single-use 1 pound propane cylinders to refillable cylinders option. These propane cylinders currently

place a great burden on our municipalities, park systems, and material recovery facilities.

Most propane cylinders currently end up in the trash or as litter. Those that are not empty should be taken to household hazardous waste facilities. However, it can be difficult to tell if these cylinders are actually empty, on top of that hazardous waste facilities are often not easily accessible for consumers. Even when these propane cylinders are properly disposed of there are still high costs and handling involved. This requires a significant diversion of financial resources from facilities, which are typically funded by local governments. The improper disposal of these products puts the safety of workers at these facilities at risk.

California's local, state, and national parks have long struggled with the impacts of these improperly disposed single-use 1lb propane cylinders. Yosemite's sustainability initiative includes a focus on reducing the improper disposal of propane cylinders; as a result, the only cylinders now available for purchase inside of Yosemite are refillable. It is time to transition California away from single-use products that harm our environment, pose a threat to the safety of workers, and end up in our landfills.

- 2) **HHW management.** At the local level, certified local agencies, known as Certified Unified Program Agencies (CUPAs), are responsible for developing local programs to collect, recycle, or properly dispose of HHW. The California Environmental Protection Agency (CalEPA) oversees the 81 CUPAs, and the statewide implementation of the Unified Program, which protects Californians from hazardous waste and hazardous materials by ensuring consistency throughout the state regarding the implementation of administrative requirements, permits, inspections, and enforcement at the local regulatory level. California Hazardous Waste Law provides several management requirements for HHW generators and establishes a streamlined permitting process for HHW collection facilities.
- 3) **Propane cylinders.** Disposable propane cylinders are single-use, generally one-pound, propane cylinders typically used in camping stoves, portable heaters, lanterns, portable showers, portable grills, boat engines, scooters, lawn care equipment, insect foggers, and welding equipment. It is estimated that between 40-60 million disposable one-pound propane cylinders are sold in the United States every year. As California accounts for roughly 10% of the population, it is estimated that more than 4 million disposable one-pound propane cylinders are sold in California each year. The current price for a disposable one-pound propane cylinder filled with gas averages about \$5.00.

Under existing law, a consumer is permitted to dispose of an empty propane tank or cylinder in the curbside trash or recycling bin. If a propane tank or cylinder is not empty then it must be brought to a HHW facility; however, in most instances, it is impossible to know whether a cylinder is completely empty.

Cylinders received at HHW facilities are typically placed into 55-gallon drums, then transported to recycling/processing facilities where the cylinders are off-gassed to ensure no residual gas remains in the cylinder. Once empty, they are punctured and then crushed, baled, and the metal is recycled.

These safety measures are critical to avoid the risk of explosion that could cause injury to personnel or damage to infrastructure, which contributes to the cost of collecting and recycling these cylinders. According to data provided by the author, the transportation and recycling/processing cost of a disposable propane cylinder is approximately \$3.00.

Based on data from the Department of Resources Recycling and Recovery, it is estimated that only 25% of the approximately 4 million disposable propane cylinders sold in California are recovered through HHW operations. Calculating in the cost of transporting and processing for these items, local governments, using ratepayer funds, are likely spending upwards of \$3 million per year to handle this relatively small waste stream. The majority of the remaining three million or more disposable propane cylinders end up in the solid waste stream.

Refillable one-pound propane cylinders are also sold in California and nationally; however, sales information or market share for these products is unknown. The current retail price for empty refillable one-pound propane cylinders is about \$14.00, with the average retail price to refill cylinders around \$2.00 each. The initial retail price for exchange model of one-pound propane cylinder (filled with gas) is \$21.99, with the refilled cylinder under the exchange model price at \$11.99 each.

- 4) **Improper disposal poses risks to workers and infrastructure.** According to a May 23, 2019, article from Waste 360, a waste, recycling, and organics industry trade association, "Small, disposable propane tanks are convenient commodities, but they are a safety and economic nightmare for materials recovery facilities (MRFs), landfills, and parks, causing fires and explosions when tanks leak or get punctured... Disposable propane cylinders exploded at a Kent County, Mich., MRF in June 2016 and again in June 2017. 'In 2016, it cost over \$68,000 from one tank, and a worker was knocked off the baler,' says Darwin Baas, Kent County Public Works director. 'We receive dozens a week. When they are tipped on the floor, they are often covered by paper and old corrugated cardboard and easy to miss. They get punctured in the baler. They cause chemical damage and fire, and when the fire is put out, they cause water damage.'"
- 5) **Transitioning from disposable to refillable cylinders.** According to a December 21, 2020, report from the Statewide Commission on Recycling Markets and Curbside Recycling:

Single-use 1 lb. propane cylinders are a threat to human and environmental health. When "empty," single-use cylinders often still contain a small amount of gas, posing a danger to sanitation workers due to risk of explosion and resulting fires. Because of the high hazard level, this waste stream is very costly to manage and dispose of properly. Ironically, 80% of the purchase price is for the single-use packaging, the steel cylinder, which is the main culprit of the disposal issue.

Every year in North America, 40 million single-use 1 lb. propane cylinders are used, with an estimated of over four million in California alone. Because of limited disposal options, the empty cylinders are often disposed of improperly in landfills, dumpsters, household trash or recycling bins, campsites, on the roadside or in recycling containers and can cause explosions...

Made of hot rolled steel, these cylinders have very high GHG impacts with an estimated 11 million lbs of [greenhouse gas] emissions avoided if CA moved to refillables only. All other sizes of propane cylinders have been made refillable for decades, including BBQ size 5-gallon and the 20-gallon size used on forklifts. The public is trained to refill BBQ tanks and can do the same with 1 lbs in California, but when the cost of the 1 lb has been externalized onto local governments via HHW programs when the refillables now exist and are sold and refilled in California, we believe the sale of disposables should be banned in short order.

In light of the disposal problems of these products, some governments, businesses, and environmental nonprofits have begun encouraging alternatives to disposable cylinders. One such effort, Refuel Your Fun (RFYF), was developed by the California Product Stewardship Council (CPSC) in 2015 using CalRecycle HHW grants to help transition communities to refillable cylinders. This is accomplished through a variety of methods, including conducting outreach and exchange events to get more refillables into circulation. To date, CalRecycle has awarded 33 grants (approximately \$2.5 million in funds) throughout the state that have focused on refillable propane cylinders.

- 6) **Availability of refillables.** According to data provided by the sponsor, since the introduction of refillable propane cylinders in 2013, approximately 380,000 have been sold in California; this number represents a doubling in just the last two years. The sponsor states that the current refillable tank manufacturing capacity stands at approximately one million per year. While the current estimate of demand for disposables is around four million per year, consumers demand should drop once they transition to refillable cylinders, as these products have a ten-year lifespan.
- 7) **Suggested amendment.** To ensure consistency in the language, the committee may wish to replace “products” on page 2, line 10 with “cylinders.”
- 8) **Double referral.** This bill has also been referred to the Assembly Judiciary Committee.

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

California Interfaith Power & Light  
California Product Stewardship Council  
California Resource Recovery Association  
California Waste & Recycling Association  
City of Sunnyvale  
City of Thousand Oaks  
County of Santa Barbara  
County of Santa Clara  
Del Norte Solid Waste Management Authority  
Delta Diablo  
Little Kamper, LP  
Los Angeles County Solid Waste Management Committee/Integrated Waste Management Task Force



National Stewardship Action Council  
Republic Services - Western Region  
Resource Recovery Coalition of California  
RethinkWaste  
Sea Hugger  
StopWaste  
Western Placer Waste Management Authority (WPWMA)

**Opposition**

California Retailers Association  
Worthington Industries, INC.

**Analysis Prepared by:** Elizabeth MacMillan / NAT. RES. /



Date of Hearing: June 13, 2022

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Luz Rivas, Chair

SB 260 (Wiener) – As Amended June 2, 2022

**SENATE VOTE:** 23-7

**SUBJECT:** Climate Corporate Accountability Act

**SUMMARY:** Requires United States-based businesses with annual revenues in excess of one billion dollars to annually report the full range of greenhouse gas (GHG) emissions attributable to the business, including direct emissions, electricity use, and indirect emissions from the business' supply chain and other sources. Specifies procedures for implementation and enforcement by the Air Resources Board (ARB) and the Secretary of State (SOS).

**EXISTING LAW:**

- 1) Requires ARB to adopt a statewide GHG emissions limit equivalent to 1990 levels by 2020, to ensure that statewide GHG emissions are reduced to at least 40% below the 2020 statewide limit no later than December 31, 2030, and to adopt rules and regulations to achieve maximum technologically feasible and cost-effective GHG emission reductions.
- 2) Requires ARB to prepare and approve a scoping plan every five years for achieving the maximum technologically feasible and cost-effective reductions in GHG emissions from sources or categories of sources of GHGs.
- 3) Authorizes ARB to adopt a regulation that establishes a system of market-based declining annual aggregate emission limits for sources or categories of sources that emit GHG emissions, applicable until December 31, 2030. Under this authority, ARB adopted a cap and trade regulation which applies to large industrial facilities and electricity generators emitting more than 25,000 metric tons of carbon dioxide equivalent per year, as well as distributors of fuels, including gasoline, diesel, and natural gas.
- 4) Requires, under AB 32, the monitoring and annual reporting of GHG emissions from GHG emission sources beginning with the sources or categories of sources that contribute the most to statewide emissions; and dictates that for the cap-and-trade program established pursuant to AB 32, entities that voluntarily participated in the California Climate Action Registry prior to December 31, 2006, and had developed a GHG emission reporting program, would not be required to significantly alter their reporting or verification program except as necessary for compliance.
- 5) Authorizes ARB to adopt a schedule of fees to be paid by the sources of GHG emissions regulated pursuant to the division added by AB 32, which would include the provisions of this bill. Requires fee revenues to be deposited into the Air Pollution Control Fund, to be appropriated by the Legislature for purposes of carrying out AB 32.
- 6) Requires corporations in California to report specified operating information to the SOS.

**THIS BILL:**

- 1) Makes findings and declarations regarding California’s emission reductions, the state’s economy, the role businesses and consumer consumption plays in GHG emissions, the right of consumers to know businesses’ climate impacts, and the need for the proposed legislation.
- 2) Defines relevant terms, including “reporting entity” to mean a partnership, corporation, limited liability company, or other business entity formed under the laws of this state, the laws of any other state of the United State or the District of Columbia, or under an act of the Congress of the United States with total annual revenues in excess of one billion dollars that does business in California; and “scope 1, 2, and 3 emissions” in line with established standards, as specified.
- 3) Requires ARB to, on or before January 1, 2024, adopt regulations requiring reporting entities to verify and annually report all scope 1, 2, and 3 emissions to SOS in an easily understandable and accessible manner, using GHG Protocol standards and guidance developed by the World Resources Institute and the World Business Council for Sustainable Development, including potential modeling and statistical analysis, as specified.
- 4) Requires ARB to, in developing the above regulations or others deemed necessary to implement this bill, consult with specified experts and stakeholders.
- 5) Provides that ARB’s existing penalty authority does not apply, and instead authorizes SOS to impose administrative and civil penalties for failure to comply with the bill’s reporting requirements, as follows:
  - a) An administrative penalty of \$25,000 per day for the first 30 days, and \$50,000 per day thereafter, for late or incomplete reports.
  - b) A civil penalty for other violations of \$1,000,000 per violation, assessed by the Attorney General in a civil action.
- 6) Provides that the provisions of the bill are severable.

**FISCAL EFFECT:** According to the Senate Appropriations Committee:

- ARB estimates ongoing costs of approximately \$3 million in 2022-23 and \$7 million annually thereafter (General Fund) to collect relevant information, promulgate regulations, assess emission factors and quantification methods, perform participant outreach and verifier training courses, produce a report, and make recommendations, among other things.
- The SOS estimates one-time costs of about \$6 million in 2022-23 and ongoing costs of about \$1 annually thereafter (General Fund) to handle the receipt and review of disclosures from reporting companies, provide a publicly available digital platform, and coordinate with ARB, among other things.
- The Department of Justice (DOJ) estimates ongoing costs of about \$800,000 annually (General Fund) beginning in 2025-26 to enforce the provisions of this bill.

- Unknown potential revenue collected from civil penalties on reporting entities that fail to comply with the provisions of this bill.

#### COMMENTS:

- 1) **Background.** The “scope” framework was introduced in 2001 by the World Resources Institute (WRI) and World Business Council for Sustainable Development as part of their Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. The goal was to create a universal method for companies to measure and report the emissions associated with their business. The three scopes allow companies to differentiate between the emissions they emit directly into the air, which they have the most control over, and the emissions they contribute to indirectly.

Scope 1 covers direct emissions from owned or controlled sources, such as fuel combustion, company vehicles, or fugitive emissions. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company. Scope 3 includes all other indirect emissions that occur in a company’s value chain, such as purchased goods and services, business travel, employee commuting, waste disposal, use of sold products, transportation and distribution (up- and downstream), investments, and leased assets and franchises.

Recent research from CDP (formerly the Carbon Disclosure Project) found that scope 3 supply chain emissions are on average 11.4 times higher than operational (scope 1 and 2) emissions, which is more than double the previous estimate.

Worldwide, the vast majority of GHG emissions can be attributed as the scope 1, 2, or 3 emissions of a business. One frequently cited statistic from CDP states that 71% of all GHG emissions worldwide since 1988 are the result of a mere 100 companies. All 100 of those companies are fossil fuel producers. Since scope 3 emissions include “subsequent use of sold products,” any use of fossil fuels by downstream businesses or individuals counts towards that producer’s scope 3 total. This illustrates how complicated, but also how expansive, a complete accounting of some businesses’ total GHG emissions can be.

The scope 3 emissions for one organization are often the scope 1 and scope 2 emissions of another. For example, the emissions created by burning natural gas in a power plant would be accounted for as scope 1 emissions for the power plant, as scope 3 emissions for the company responsible for initially extracting the natural gas from the earth, and as scope 2 emissions for any business who purchased the electricity made by that power plant.

- 2) **Author’s statement:**

California has been at the forefront of climate policy in recent decades, establishing a successful cap and trade program, committing to preserve 30% of California’s lands in their natural state, and setting and achieving ambitious emission reduction targets. These reductions were partially met, and continue to be bolstered by the emission reporting requirements as laid out in the California Global Warming Solutions Act. These requirements, however, only apply to electricity generators, industrial facilities, fuel suppliers, and other major emitters, missing many sources of corporate pollution. Without the same requirements for these corporate entities, California is left without proper

information and will not be able to accurately regulate and reduce these emissions. Filling this gap with detailed data regarding corporate activities is a crucial next step for the state to ensure that we continue to decrease the rampant GHGs that are destroying our planet.

California, like the rest of the world, is already deeply impacted by climate change, with worsening droughts, floods, and the unforgettable devastation brought on by an influx of massive wildfires – the top five largest wildfires in the state’s history have all occurred in 2018 or later. We no longer have the time to rely on massive corporations to voluntarily report their emissions, and cannot afford any possibility that the emissions we are being told about have been altered or manipulated to ensure a positive public-facing appearance for a particular company. Rather, these corporations must be required to transparently report their activities and the emissions associated with them. Californians are watching their state get irrevocably harmed by climate change, and they have a right to know who is at the forefront of the pollution causing this. SB 260 would bolster California’s position as a leader on climate change, will allow for consumers to make informed decisions regarding their patronage of these corporations, and will give policymakers the specific data required to significantly decrease corporate emissions.

- 3) **Opposition concerns.** The California Chamber of Commerce and other business groups oppose this bill for a variety of reasons, primarily focused on the challenges of accurately reporting scope 3 emissions. According to the Chamber:

Because there is no objective criteria for assessing Scope 3 emissions data, two companies with similar actual Scope 3 emissions may report significantly different data depending on the company and/or methodology used...SB 260 requires ARB to “verify” reporting entities’ emissions data. While this may be achievable for Scope 1 and Scope 2 data (which despite being duplicative to what ARB currently requires, are nonetheless within the reporting entities’ control), it will be nearly impossible for ARB to “verify” emissions data that is, by its very nature, subjective, inaccurate, and often incomplete...California is not in the business of regulating out of state emissions, nor should it be. California should continue to implement and build upon existing programs and policies to regulate in-state emissions rather than seek to obtain emissions data throughout the international supply chain, especially seeing how it would have no authority to regulate emissions beyond the California border...

- 4) **How will the bill be funded?** As noted above, implementation of this bill may carry substantial costs. While the Senate Appropriations Committee analysis suggests these costs will be borne by the General Fund, by placing its provisions within the division added by AB 32, this bill’s costs may be funded by an ARB-adopted fee on sources of GHG emissions.

- 5) **Prior legislation:**

SB 449 (Stern, 2021) would have required specified financial institutions to disclose climate-related financial risks, and establishes an advisory task force to assess climate-related financial risks facing the state. SB 449 died in the Senate Appropriations Committee.

AB 766 (Gabriel, 2021) in part requires covered corporations, as defined, to report on their potential financial impacts and risk exposure from climate change, as well as estimated total

GHG emissions attributable to assets they own or manage. AB 766 is in the Assembly Natural Resources Committee.

6) **Double referral.** This bill has been double-referred to the Assembly Judiciary Committee.

### **REGISTERED SUPPORT / OPPOSITION:**

#### **Support**

350 Humboldt: Grass Roots Climate Action  
350 Sacramento  
California Alliance for Retired Americans  
City of Los Angeles  
Climate Reality Project, San Fernando Valley  
Climate Reality Project: Silicon Valley  
Earthjustice  
Plug in America

#### **Opposition**

Agricultural Council of California  
Alliance for Automotive Innovation  
American Bankers Association  
American Council of Life Insurers  
American Forest & Paper Association  
American Property Casualty Insurance Association  
Associated General Contractors of California  
Association of California Life & Health Insurance Companies  
Brea Chamber of Commerce  
Building Owners and Managers Association of California  
California Apartment Association  
California Bankers Association  
California Building Industry Association  
California Business Properties Association  
California Cement Manufacturers Environmental Coalition  
California Chamber of Commerce  
California Construction and Industrial Materials Association  
California Independent Petroleum Association  
California League of Food Producers  
California Manufacturers & Technology Association  
California Railroads  
California Restaurant Association  
California Retailers Association  
California Trucking Association  
Carlsbad Chamber of Commerce  
Chemical Industry Council of California  
El Dorado Hills Chamber of Commerce  
EMA Truck & Engine Manufacturers Association  
Garden Grove Chamber of Commerce

Harbor Association of Industry & Commerce  
Household and Commercial Products Association  
Innovating Commerce Serving Communities  
Lodi Chamber of Commerce  
Long Beach Area Chamber of Commerce  
NAIOP of California  
National Association of Mutual Insurance Companies  
Orange County Business Council  
Oxnard Chamber of Commerce  
Pacific Merchant Shipping Association  
Personal Insurance Federation of California  
Pleasanton Chamber of Commerce  
Rancho Cordova Area Chamber of Commerce  
Redondo Beach Chamber of Commerce  
San Gabriel Valley Economic Partnership  
Securities Industry and Financial Markets Association  
Silicon Valley Leadership Group  
South Bay Association of Chambers of Commerce  
TechNet  
Tenaska  
Tulare Chamber of Commerce  
Western Independent Refiners Association  
Western States Petroleum Association  
Western Wood Preservers Institute  
Wilmington Chamber of Commerce

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



Date of Hearing: June 13, 2022

ASSEMBLY COMMITTEE ON NATURAL RESOURCES

Luz Rivas, Chair

SB 886 (Wiener) – As Amended May 19, 2022

**SENATE VOTE:** 33-1

**SUBJECT:** California Environmental Quality Act: exemption: public universities: university housing development projects

**SUMMARY:** Exempts from the California Environmental Quality Act (CEQA) a public university housing project (i.e., for students, faculty and/or staff) that meets specified conditions, until January 1, 2030.

**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).
- 2) Exempts from CEQA any residential development project, including any subdivision, or any zoning change that is undertaken to implement and is consistent with a specific plan for which an EIR has been certified after January 1, 1980, unless substantial changes or new information require the preparation of a supplemental EIR for the specific plan, in which case the exemption applies once the supplemental EIR is certified.
- 3) Exempts from CEQA specified residential housing projects which meet detailed criteria established to ensure the project does not have a significant effect on the environment. [SB 1925 (Sher), Chapter 1039, Statutes of 2002] The SB 1925 exemptions are available to:
  - a) Affordable agricultural housing projects not more than 45 units within a city, or 20 units within an agricultural zone, on a site not more than five acres in size;
  - b) Urban affordable housing projects not more than 100 units on a site not more than five acres in size; and,
  - c) Urban infill housing projects not more than 100 units on a site not more than four acres in size which is within one-half mile of a major transit stop.
- 4) Exempts from CEQA residential, mixed-use, and "employment center" projects, as defined, located within "transit priority areas," as defined, if the project is consistent with an adopted specific plan and specified elements of a sustainable communities strategy adopted pursuant to SB 375. [SB 743 (Steinberg), Chapter 386, Statutes of 2013]
- 5) 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. [SB 35 (Wiener), Chapter 366, Statutes of 2017]

- 6) Exempts from CEQA multi-family 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. [AB 1804 (Berman), Chapter 670, Statutes of 2018]
- 7) Provides that the approval of a long-range development plan (LRDP) (i.e., a physical development and land use plan to meet the academic and institutional objectives for a particular campus or medical center of public higher education) is subject to CEQA and requires the preparation of an EIR.
- 8) Provides that the approval of a project on a particular campus or medical center of public higher education is subject to CEQA and may be addressed in a tiered environmental analysis based upon a LRDP EIR.

**THIS BILL:**

- 1) Exempts from CEQA, until January 1, 2030, a public university housing project, as defined, carried out by a public university on real property owned by the public university if all of the following are met:
  - a) The project is consistent with an LRDP EIR or master plan EIR certified within 15 years.
  - b) Each building of the project is certified as Leadership in Energy and Environmental Design (LEED) platinum or better.
  - c) No more than one-third of the project square footage is used for nonresidential purposes.
  - d) The project is either within one-half mile of a major transit stop, one-half mile of the campus boundary, or has 15 percent lower per capita vehicle miles traveled.
  - e) The project has a transportation demand management program.
  - f) The project's construction impacts are fully mitigated.
  - g) The project does not result in any net additional greenhouse gas (GHG) emissions, as determined by the Air Resources Board (ARB).
  - h) All contractors and subcontractors at every tier on the project will be required to pay prevailing wages. An entity cannot be prequalified or shortlisted or awarded a contract to perform work on the project unless the entity provides an enforceable commitment to the public university that the entity and its contractors and subcontractors, at every tier, will use a skilled and trained workforce to perform all work on the project that falls within an apprenticeable occupation in the building and construction trades, except as specified.
  - i) Requires all cleaning, maintenance, groundskeeping, food service, or other work traditionally performed by persons with University of California (UC) Service Unit job classifications to be performed only by UC employees at any facility, building, property, or space that is part of the project.
  - j) The public university holds at least one noticed public hearing in the project area to hear and respond to public comments before determining that the project is exempt.

- k) The public university files a notice of exemption (NOE) with the Office of Planning and Research (OPR).
- 2) Does not apply this CEQA exemption to a university housing project that:
- a) Is located on an environmentally sensitive site, as specified.
  - b) Requires the demolition of certain types of housing or historic structures.
  - c) Is located on a site that was previously used for housing that was occupied by tenants and was demolished within 10 years before the public university submits an application pursuant to this exemption.
  - d) Is located on a site that contains housing units that are occupied by tenants and the housing units are offered for sale, were subsequently offered for sale, to the general public by a subdivider or subsequent owner of the site.

**FISCAL EFFECT:** According to the Senate Appropriations Committee:

- Unknown, potentially significant costs (General Fund) for ARB to certify that projects do not result in any net additional emission of GHGs.
- To the extent that this bill results in additional spending on faculty, staff, and student housing projects from what otherwise would occur, unknown, potentially significant costs (General Fund) to public postsecondary institutions.
- Unknown costs, likely in the low hundreds of thousands of dollars per project, for public postsecondary institutions to meet the specified requirements for projects under this bill. These costs would be offset by savings due to being exempt from other environmental reporting requirements under CEQA.

**COMMENTS:**

- 1) **Background.** CEQA includes various statutory exemptions, as well as categorical exemptions in the CEQA Guidelines, for housing projects. For example, any residential development project, including any subdivision, or any zoning change that is consistent with an adopted specific plan is exempt from CEQA pursuant to a statute enacted in 1984.

Since 1978, CEQA has included statutory exemptions for housing projects. There are now 12 distinct CEQA exemptions for housing projects. Three are specific to projects with an affordable housing fraction, 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.

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

Currently, California universities are facing a growing housing crisis as enrollment continues to grow, yet campus expansions and the available housing on and around campus fails to meet demand. To address this misalignment, SB 886 will provide a statutory exemption from CEQA for student or faculty housing projects built on UC, California State University (CSU), and California Community College (CCC) campuses. Although CEQA is crucial for protecting our communities, each step of the CEQA process is subject to appeals and lawsuits that can increase project costs and create delays. It's not unusual for it to take three to four years and millions of dollars to resolve a single lawsuit, while appeals regularly take six months to resolve. In one instance, a proposed development by UC Berkeley that would've added 130 housing units to their campus was delayed for over two years due to CEQA lawsuits. These delays have real-life consequences including increasing homelessness: currently, 5% of UC, 10% of CSU, and 19% of CCC students are homeless. Faculty and staff on these campuses are left in similar circumstances, with 25% of part-time college faculty on some form of public assistance, in part due to the high costs of housing near their job sites.

For those students and faculty able to secure housing, many are pushed far from campus to find units they can afford, resulting in increased commutes and associated GHG emissions. Projects streamlined under this bill will have inherent environmental benefits by addressing this issue, building campus infill and allowing students and faculty to live where they work or go to school. Additionally, these projects will still be reviewed by the array of environmental regulations facing the university systems, including LRDPs and master plans, both of which develop comprehensive EIRs.

Stifling university access, particularly due to decreased university housing guarantees and skyrocketing housing costs, will only restrict opportunities for middle and working class families who rely on higher education as a means of socioeconomic growth. SB 886 ensures that the UC, CSU, and CCC systems remain one of California's greatest assets – not just for those who can afford to live in the communities that house these universities, but for all who want to further their education

- 3) **Is this bill's exemption a practical tool to advance university housing?** Although CEQA does not include any specific exemptions for university housing projects, as noted above, there are several avenues under current law to claim a CEQA exemption for residential projects, which can include university-sponsored projects, as well as private projects to house university students, faculty and staff. This bill introduces a university-specific exemption that includes an array of unique environmental and labor conditions that will cost the developer significant time and money to satisfy. The extra time reduces the value of a CEQA exemption. The extra cost will likely be borne by the students.

In addition, there are conditions in this bill that may be difficult, or impossible, to determine at the time an exemption is claimed, absent the same kind of project-specific analysis the bill is trying to avoid. These include the requirement that the project's construction impacts are fully mitigated and the requirement for LEED certification (discussed below). Because a CEQA exemption can be challenged in court on the basis it was improperly claimed, it may also be difficult to defend the approval of an exemption where there is little or no record to support the agency's determination.

These issues beg the question whether the bill provides a practical process to expedite the construction of student housing. The entities that could best answer this question – UC, CSU and CCC – have taken no position and submitted no letters on the bill.

- 4) **LEED follows.** LEED is a voluntary, third-party certification where buildings are evaluated on a point scale based on a variety of factors, including construction practices, materials, design, and energy efficiency. LEED certification necessarily follows CEQA review, project approval and construction. It is not possible for a project to meet the LEED certification requirement at the time CEQA determinations are made by the lead agency. By the time LEED certification is, or is not, received, the opportunity to review the lead agency's determination will have passed, so there is no clear way to enforce a project proponent's pledge, or a lead agency's determination, that a project will be certified by LEED.

If the author and the committee wish to assure the LEED certification requirement is implemented as intended, *the author and the committee may wish to consider* amendments to require the lead agency to determine that LEED Platinum certification has been received prior to the issuance of a certificate of occupancy, to file notice of that determination with OPR, and to provide that the lead agency's determination may be enforced by an action commenced pursuant to Section 21167 within 30 days of filing the notice.

- 5) **Is a LRDP or master plan EIR relevant to an individual housing project as many as 15 years later?** Universities have been required to prepare EIRs for their long-range plans since the 1980s. No specific update interval is required and the practice among public universities varies. According to the author, these are the LRDP adoption dates for UC campuses:

- UC Berkeley -- 2021 (2036)
- UC Davis -- 2018
- UC Merced -- 2020 (2030)
- UC San Diego -- 2018 (2035)
- UC Santa Cruz -- 2005 (2020)
- UC Los Angeles -- 2002 (amended in 2018, 2025)
- UC Riverside -- 2021 (2035)
- UC Santa Barbara -- 2010 (2025)

In the recent UC Berkeley case, the LRDP was considered to not properly account for population growth or adequately plan for housing.

This bill unconditionally relies on LRDP (UC) or master plan (CSU and CCC) EIRs that may be 15 years old and include no relevant analysis of the impacts of the proposed housing project. This is inconsistent with CEQA, where tiering or exemptions based on a prior EIR depend on the prior EIR remaining relevant, with exceptions when substantial changes occur or new information becomes available.

*The author and the committee may wish to consider* amendments to assure exemptions are tied to a relevant planning-level analysis. This could be done by reducing the shelf-life of prior EIRs to less than 15 years and incorporating the exceptions specified in Section 21166.

- 6) **How big is too big?** This bill includes no unit or acreage restrictions. Considering the cost and complications of meeting the conditions for the exemption, the bill probably biases toward larger projects. While that's a good thing from the standpoint of meeting campus housing needs, these larger projects are also more likely to have significant impacts due to construction, traffic, and other factors, including on the surrounding communities, whose ability to review and comment on project impacts will be curtailed by the bill. *The author and the committee may wish to consider amendments to limit the exemption to projects of 1,000 units or less.*

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

Abundant Housing LA  
California Forward Action Fund  
California State Council of Laborers  
California YIMBY  
City of Gilroy Council Member Zach Hilton  
District Council of Iron Workers of the State of California and Vicinity  
GENup  
International Union of Operating Engineers, Cal-Nevada Conference  
North Westwood Neighborhood Council  
State Building & Construction Trades Council of California  
UC Student Association

### **Opposition**

City of Goleta (unless amended)  
City of Santa Cruz

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

Date of Hearing: June 13, 2022

**ASSEMBLY COMMITTEE ON NATURAL RESOURCES**

Luz Rivas, Chair

SB 922 (Wiener) – As Amended May 11, 2022

**SENATE VOTE:** 24-1

**SUBJECT:** California Environmental Quality Act: exemptions: transportation-related projects

**SUMMARY:** Expands California Environmental Quality Act (CEQA) exemptions for specified transit, bicycle and pedestrian projects, and extends these exemptions from 2023 to 2030.

**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.
- 2) CEQA exempts specified transportation project types, including the following:
  - a) Approval of a bicycle transportation plan for an urbanized area for restriping of streets and highways, bicycle parking and storage, signal timing, and related signage, until January 1, 2030.
  - b) A project for the institution or increase of passenger or commuter service on rail or highway rights-of-way already in use, including modernization of existing stations and parking facilities.
  - c) A project for the institution or increase of passenger or commuter service on high-occupancy vehicle lanes already in use, including the modernization of existing stations and parking facilities.
  - d) Facility extensions not to exceed four miles in length which are required for the transfer of passengers from or to exclusive public mass transit guideway or busway public transit services.
- 3) SB 288 (Wiener), Chapter 200, Statutes of 2020, added temporary CEQA exemptions for the following “clean transportation” project types:
  - a) Pedestrian and bicycle facilities, including bicycle parking, bicycle sharing facilities, and bikeways.
  - b) Projects that improve customer information and wayfinding for transit riders, bicyclists, or pedestrians.
  - c) Transit prioritization projects, as defined.
  - d) On highways with existing public transit service or that will be implementing public transit service within six months of the conversion, a project for the designation and conversion of general purpose lanes or highway shoulders to bus-only lanes, for use either during peak congestion hours or all day.
  - e) A project for the institution or increase of new bus rapid transit, bus, or light rail service, including the construction of stations, on existing public rights-of-way or existing highway rights-of-way, whether or not the right-of-way is in use for public mass transit.

- f) The maintenance, repair, relocation, replacement, or removal of any utility infrastructure associated with a project listed above.
  - g) A project to construct or maintain infrastructure to charge or refuel zero-emission transit buses, as specified.
  - h) A project that combines any of the components of a project listed above.
  - i) A project carried out by a city or county to reduce minimum parking requirements.
- 4) SB 288 requires exempt projects meet all of the following criteria:
- a) A public agency is carrying out the project and is the lead agency for the project.
  - b) The project is located in an urbanized area, as defined.
  - c) The project is located on or within an existing public right-of-way.
  - d) The project does not add physical infrastructure that increases new automobile capacity on existing rights-of-way except for minor modifications needed for the efficient and safe movement of transit vehicles, such as extended merging lanes. The project shall not include the addition of any auxiliary lanes.
  - e) The construction of the project does not require the demolition of affordable housing units, including rent-controlled units and units occupied by low-income tenants.
- 5) SB 288 requires a project exceeding \$100 million to also meet all of the following criteria:
- a) The project is incorporated in a regional transportation plan, sustainable communities strategy, general plan, or other plan that has undergone a programmatic-level environmental review within 10 years of the approval of the project.
  - b) Construction impacts are fully mitigated.
  - c) The lead agency completes and considers the results of a project business case and a racial equity analysis.
  - d) The lead agency holds specified public meetings.
- 6) SB 288 requires the lead agency to certify that the project will be completed by a skilled and trained workforce, as specified.
- 7) SB 288 sunsets the section adding the exemptions above on January 1, 2023.

**THIS BILL:**

- 1) Exempts from CEQA, until January 1, 2030, active transportation plans and pedestrian plans, if the lead agency holds noticed public hearings and files a notice of exemption (NOE) with the Office of Planning and Research (OPR).
- 2) For the exemptions added by SB 288, extends the January 1, 2023 sunset until 2030, and makes the following changes to SB 288's general requirements:
  - a) Allows a local agency, instead of requiring a public agency, to carry out the project and be the lead agency.
  - b) Prohibits a project from inducing single-occupancy vehicle trips, adding additional highway lanes, widening highways, or adding physical infrastructure or striping to highways except as specified.



- 3) Makes the following changes to individual SB 288 project exemptions:
  - a) Applies to pedestrian and bicycle facilities that improve safety, access, or mobility.
  - b) Expands “transit prioritization projects” to include:
    - i) Signal and sign changes such as the installation of traffic signs or new signals.
    - ii) Conversion to dedicated transit lanes, including transit queue jump or bypass lanes and turn restrictions.
    - iii) Narrowing of lanes to allow for dedicated transit lanes or transit reliability improvements.
    - iv) Widening of existing transit travel lanes by removing or restricting street parking.
    - v) Transit stop access and safety improvements.
  - c) Exempts the designation and conversion of general purpose lanes to high-occupancy vehicle lanes or bus-only lanes, or highway shoulders to part-time transit lanes. Defines “part-time transit lanes” as designated highway shoulders that support the operation of transit vehicles during specified times and are not open to nonpublic transit vehicles at any time.
  - d) Exempts projects for the institution or increase of existing BRT, bus, or light rail service, including the rehabilitation of stations, terminals, or existing operations facilities, as specified. Retroactively applies these changes to projects where lead agency filed an NOE before January 1, 2023.
  - e) Expands exemption for projects to construct or maintain infrastructure to charge or refuel zero-emission buses to include infrastructure for zero-emission transit trains and ferries. Requires specified noticed public meetings for this exemption to apply.
  - f) Exempts eliminating minimum parking requirements, instituting parking maximums, removing or restricting parking, and implementing transportation demand management requirements or programs.
- 4) Requires, for SB 288 projects that exceed \$100 million the local agency to complete an analysis of residential displacement and suggest anti-displacement strategies, designs, or actions where 50 percent of the project or project’s stops and stations are located in an area that is at-risk of residential displacement, as identified by the lead agency, and that will have a maximum of 15-minute peak headways.

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

**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 there would not be 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 on the environment, 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 actions taken by public agencies can be challenged in superior court once the agency approves or determines to carry out the project. CEQA appeals are subject to unusually short statutes of limitations. Generally, a petition must be filed within 30 to 35 days, depending on the type of decision. The courts are required to give CEQA actions preference over all other civil actions. The petitioner must request a hearing within 90 days of filing the petition and, generally, briefing must be completed within 90 days of the request for hearing.

CEQA includes statutory exemptions for certain transportation project types (listed above). In addition, the CEQA Guidelines include categorical exemptions that apply to some transportation projects, including: (1) work on existing facilities where there is negligible expansion of an existing use, specifically including "(e)xisting highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities" (Section 15301(c), CEQA Guidelines); and (2) minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees, except for forestry or agricultural purposes, specifically including the creation of bicycle lanes on existing rights-of-way (Section 15304 (h), CEQA Guidelines).

If a project is not exempt from CEQA, but the initial study shows that it would not result in a significant effect on the environment, the lead agency must prepare a negative declaration, and no EIR is required.

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

SB 922 will extend the sunset of SB 288, ensuring that sustainable transportation projects are not unnecessarily delayed. SB 288 provides an exemption for specified transportation projects, those that provide inherent environmental benefits and improve the safety and accessibility of our transportation system, from CEQA. Although CEQA is crucial for protecting our communities, each step of the CEQA process is subject to appeals and lawsuits that can increase project costs and create delays. It's not unusual for it to take three to four years and millions of dollars to resolve a single lawsuit, while appeals regularly take six months to resolve. When CEQA is misused as a tool to delay or halt critically needed projects, it has real consequences for California – making it more difficult to build the active transportation and sustainable transit projects that will result in a safer, healthier, and equitable future for all Californians.

SB 288 successfully exempted sustainable transportation projects that should not be reviewed under this process, and in the short time since its passage, has resulted in numerous projects being built out. Thus far, ten projects have been streamlined across the state, including protecting pedestrian walkways and bikeways, building out bus rapid transit projects, and expanding electric vehicle charging options. Seven of these ten

projects are located in disadvantaged communities, resulting in expanded equitable transportation options for neighborhoods that are currently shouldering a disproportionate burden of the state's vehicle pollution. Additionally, bike lane, complete street and public transit projects are proven to create jobs and increase investment in local businesses, with ten to thirteen jobs per million dollars spent, and a five to one economic return in direct and indirect spending and support for local businesses.

Beyond the projects actually built under SB 288, numerous others have been identified by transit agencies as 'under consideration' to utilize the SB 288 exemption. Without the extension present in SB 922, these projects will be subject to review, lawsuits, and appeals under CEQA, resulting in potentially year-long delays, or agencies determining that the projects simply aren't feasible without this exemption.

The necessity for this exemption is only bolstered by the federal Bipartisan Infrastructure Law, which will increase California's transit fund allocation. This funding will be crucial to California's economic recovery, and SB 922 will ensure these funds are more efficiently and effectively utilized.

- 3) **Back so soon?** SB 288, approved by this committee and enacted in 2020, was billed as a measure to speed investment in "shovel-ready" clean transportation to boost COVID economic recovery. An essential part of the SB 288 agreement was a two-year sunset. At the time, the author said "SB 288 will jumpstart sustainable transportation projects as an essential part of California's economic recovery from COVID-19, unlocking opportunities for getting people and economy back to work."

According to OPR, the total NOEs filed under SB 288 has been 22.

- 4) **Without CEQA, or a similar review, how will a lead agency confirm that certain conditions have been met?** This bill includes criteria that may be difficult to clearly determine at the time an exemption is claimed, absent further analysis. For example:
- a) The project does not induce single-occupancy vehicle trips.
  - b) The project's construction impacts are fully mitigated.

Because a CEQA exemption can be challenged in court on the basis it was improperly claimed, it may also be difficult to defend claims where there is little or no record to support the agency's determination.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

American Planning Association, California Chapter  
 Bay Area Council  
 California Downtown Association  
 California Transit Association  
 CalStart  
 City of Pleasanton  
 City of Redwood City

ClimatePlan  
East Bay for Everyone  
East Bay Leadership Council  
East Bay Transit Riders Union  
Friends of Caltrain  
League of California Cities  
League of Women Voters of California  
Los Angeles County Metropolitan Transportation Authority  
Los Feliz Neighborhood Council  
Mayor Eric Garcetti, City of Los Angeles  
Mayor of City & County of San Francisco London Breed  
Metropolitan Transportation Commission  
Monterey-Salinas Transit District  
Natural Resources Defense Council  
North Bay Leadership Council  
Orange County Transportation Authority  
Peninsula Corridor Joint Powers Board (CALTRAIN)  
Planning and Conservation League  
Safe Routes to School National Partnership  
San Diego Regional Chamber of Commerce  
San Francisco Bay Area Rapid Transit District (BART)  
San Francisco Bay Area Water Emergency Transportation Authority  
San Francisco Municipal Transportation Agency  
San Joaquin Regional Transit District  
San Jose Chamber of Commerce  
San Luis Obispo Council of Governments  
San Mateo County Transit District  
Silicon Valley Leadership Group  
Solano Transportation Authority  
Southern California Association of Governments  
SPUR  
Valley Industry and Commerce Association  
Walk San Francisco

**Opposition**

None on file.

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