



Transportation and Resources Conference Committee on AB 97

Senator Holly J. Mitchell and Assembly Member Philip Y. Ting, Chairs
Members: Senator Ricardo Lara, Senator Richard D. Roth, Senator Jim Nielsen, Senator John M. W. Moorlach
Assembly Member Phillip Chen, Assembly Member Kevin McCarty, Assembly Member Jay Obernolte,
Assembly Member Shirley N. Weber, Assembly Member Joaquin Arambula - Democratic Alternate

Table of Contents

<u>Item #</u>	<u>Title</u>	<u>Page</u>
<u>Resources and Environmental Protection</u>		
0540	Natural Resources Agency	
Issue 1	Assembly Investments	4
0555	Environmental Protection Agency	
Issue 2	Green small Business Network.....	5
3100	Science Center	
Issue 3	Science Center Trailer Bill Language.....	6
3540	Department of Forestry and Fire Protection	
Issue 4	State Responsibility Fire Prevention Fund, Prescribed Burning, and CR 40 Bridge Grants.....	7
3600	Department of Fish and Wildlife	
Issue 5	Monitoring and Reporting Water Diversion and Lifetime Trust Account	8
3760	State Coastal Conservancy	
Issue 6	Explore the Coast Grant Program.....	9
3790	Department of Parks and Recreation	
Issue 7	Improving State and Local Parks	10
Issue 8	Transfer and Appropriation of Deferred Maintenance Funding	11
Issue 9	San Mateo County Resources Conservation District, Geneva Car Barn and Powerhouse, and Outdoor Environmental Education Grants	12
3810	Santa Monica Mountains Conservancy	
Issue 10	Big Tujunga Wash Acquisition.....	13

Table of Contents

3820	San Francisco Bay Conservation and Development Commission	
Issue 11	Tenant Improvements	14
3825	San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy	
Issue 12	Proposition 40 Reversion	15
3860	Department of Water Resources	
Issue 13	Drought Emergency Response.....	16
Issue 14	Dam Safety and Emergency Response	17
Issue 15	Friant-Kern Canal Pump-Back Project, Safe Drinking Water – Replacement of Domestic Wells, and Flood Structure Maintenance – Federal Funds Budget Bill Language.....	18
3900	Air Resources Board	
Issue 16	Implementation of Volkswagen Consent Decree	19
Issue 17	Local Air Subvention Augmentation	20
Issue 18	Air Pollution Research Grants	21
Issue 19	Cap-and-Trade	22
3940	State Water Resources Control Board	
Issue 20	Implementation of Conservation Responsibilities	23
Issue 21	Safe Drinking Water	24
3960	Department of Toxic Substances Control	
Issue 22	Site Mitigation Activities	25
3970	CalRecycle	
Issue 23	Beverage Container Recycling Fund Short-term Fix TBL.....	26
8570	Department of Food and Agriculture	
Issue 24	Citrus Pest and Disease Prevention Program.....	27

Table of Contents

Transportation and Energy

0521	California State Transportation Agency	
Issue 25	Lakeview Terrace Project	28
Issue 26	GoMentum Station Project	29
2600	California Transportation Commission	
Issue 27	Active Transportation Program: Letters of No Prejudice	30
2720	California Highway Patrol	
Issue 28	CHP Police Dog Healthcare Costs.....	31
2740	Department of Motor Vehicles	
Issue 29	Capital Outlay: Perimeter Fencing.....	32
6440	University of California	
Issue 30	UC Institute for Transportation Studies	33
8660	California Public Utilities Commission	
Issue 31	Transfer of Regulatory Authority	34
Issue 32	Citation Money from PG & E for Butte Fire	35
Issue 33	Financial Incentives for Healthy Corner Stores.....	36
Issue 34	Publish Contract and DGS Audit Results on PUC Website	37
8570	Department of Food and Agriculture	
Issue 35	Small Dairy Climate Change Research	38

Issue	Description
--------------	--------------------

Various Programs

Issue 1: Assembly Investments

Governor had no proposal.

Senate had no proposal.

Assembly approved \$41.5 million one-time General Fund to fund various legislative priorities, as follows: 1) \$30 million to begin the process of procuring 207 acres of undeveloped property in the West Coyote Hills to be preserved as open space, 2) \$750,000 for La Puente Park to replace the handball courts with a skate park, 3) \$500,000 for a Type-3 brush fire engine for the City of Colton, 4) \$1.2 million for the City of Baldwin Park to make improvements to the Walnut Creed Nature Park and Morgan Park, 5) \$15,000 for a statue of Rosa Parks for the Rosa Parks Memorial State Building in San Bernardino, 6) \$2 million for the Natural Resources Agency to commission a study with Lake County and the University of California (UC), Davis for the rehabilitation of Clear Lake, 7) \$2 million for the Wildlife Health Center at UC Davis to administer grants to local marine mammal stranding network members for the ongoing marine mammal rescue effort in California, 8) \$100,000 for the Wildlife Health Center at UC Davis to administer grants to the large whale emergency response team to help with disentanglement emergency efforts, 9) \$1 million for the Lower American River Conservancy Program within the Wildlife Conservation Board to protect and enhance the Lower American River, 10) \$2 million for enhancements at the Golden Gate Park and Fulton dog parks, 11) \$1 million for erosion, trail, signage, dock and recreational improvements around the Lake Merced, and 12) \$1 million to assist in building the Chicano Art Museum in the City of Riverside.

Conference issues are the Assembly additions totaling \$41.5 million General Fund.

0555 Environmental Protection Agency

Issue	Description
-------	-------------

Support

Issue 2: Green Small Business Network

Governor had no proposal.

Senate had no proposal.

Assembly added \$1 million General Fund to expand the Green Small Business Network program.

Conference issue is the Green Small Business Network program funding added by the Assembly.

3100 Science Center

Issue	Description
-------	-------------

State Operations

Issue 3: Science Center Trailer Bill Language

Governor proposed trailer bill language (TBL) intended to change the name of the Sixth Agricultural District, currently known as the California Science Center, to Exposition Park; and clarify roles and responsibilities of the entities within the park.

Senate rejected the Administration's proposed TBL and adopted TBL to maintain funding (\$2.4 million) in the Science Center's budget past 2022 to pay for the next phase of their construction program.

Assembly did not approve the Administration's proposed TBL.

Conference issue is the TBL added by the Senate.

Issue	Description
--------------	--------------------

Grants and Subventions

Issue 4: State Responsibility Fire Prevention Fund, Prescribed Burning, and CR 40 Bridge Grants

Governor had no proposal.

Senate approved \$10 million from the State Responsibility Area (SRA) Fire Prevention Fund and budget bill language to support local assistance grants for fuel reduction efforts and to improve drought resiliency within the SRA.

Assembly approved \$10 million from the SRA Fire Prevention Fund for grants to support activities including, but not limited to, dead tree removal within the SRA and related prevention activities; approved \$10 million General Fund for prescribed burning with tribes, the U.S. Forest Service, and other partners that improve water quality in upper watersheds, forest health, and resilience to future droughts; and approved \$3 million General Fund to administer a local assistance grant to Yolo County for the replacement of the County Road (CR) 40 Bridge.

Conference issues are the 1) \$10 million added by the Assembly for prescribed burning activities, and 2) \$3 million added by the Assembly to replace the CR 40 Bridge in Yolo County.

Issue	Description
--------------	--------------------

Fish and Game Preservation Fund

Issue 5: Monitoring and Reporting Water Diversion and Lifetime Trust Account

Governor proposed trailer bill language (TBL) to eliminate the Lifetime License Trust Account and transfer \$12.5 million of the funds to the Fish and Game Preservation Fund non-dedicated account and proposed \$1.8 million, ongoing, from the Fish and Game Preservation Fund (FGPF) non-dedicated account for the department to comply with the State Water Board's emergency regulation for measuring and reporting on the diversion of water.

Senate rejected the Governor's proposals.

Assembly approved the Governor's TBL proposal related to the Lifetime License Trust Account and approved the proposal related to monitoring and reporting on water diversion, however, limited funding to one year.

Conference issues are the TBL related to the Lifetime License Trust Account and one year of funding for monitoring and reporting water diversion.

3760 State Coastal Conservancy

Issue

Description

Local Assistance

Issue 6: Explore the Coast Grant Program

Governor had no proposal.

Senate had no proposal.

Assembly approved \$226,000 from the Environmental License Plate Fund to provide funding to support the Explore the Coast Grant Program, which provides grants for programs that bring people to the coast, increase the stewardship of coastal resources, and provide educational opportunities to K-12 students.

Conference issues is the funding added by the Assembly for the Explore the Coast Grant Program.

Issue	Description
--------------	--------------------

Department Support

Issue 7: Improving State and Local Parks

Governor as part of a larger park’s improvement proposal, the Governor included 1) \$31.5 million from the State Parks and Recreation Fund for deferred maintenance projects to repair and maintain the aging infrastructure of the state park system and to address the recent damage sustained from the severe winter storms and 2) \$1.5 million State Parks and Recreation Fund to establish a park access pilot project to provide transportation to parks from urban areas and schools.

Senate approved the Governor’s proposal with the addition of budget bill language (BBL) to require the department to report back to the Legislature on the use of the \$31.5 million for fixing our parks, including where the funding was spent and types of projects, and the \$1.5 million for establishing partnerships to improve access to parks, including the number and type of participants in the program.

Assembly approved the Governor’s proposal as budgeted.

Conference issues is the BBL added by the Senate.

Issue	Description
--------------	--------------------

Natural Resources and Parks Preservation Fund

Issue 8: Transfer and Appropriation of Deferred Maintenance Funding

Governor proposed trailer bill language (TBL) to create the Natural Resources and Parks Preservation Fund and to make a one-time transfer of \$65 million General Fund, of previously appropriated funding for deferred maintenance, into this fund and appropriate it back to the department for the same purpose.

Senate approved the TBL establishing the Natural Resources and Parks Preservation Fund and denied the transfer of the unencumbered balance of park’s deferred maintenance funds.

Assembly approved the Governor’s proposal as budgeted.

Conference issue is the transfer of the unencumbered balance of deferred maintenance funds.

Issue	Description
--------------	--------------------

Local Assistance

Issue 9: San Mateo County Resource Conservation District, Geneva Car Barn and Powerhouse, and Outdoor Environmental Education Grants

Governor had no proposal.

Senate approved \$1.5 million from the Environmental License Plate Fund, on a one-time basis, and budget bill language to establish an Outdoor Environmental Education Grants Program.

Assembly approved \$4 million General Fund to administer a local assistance grant to the San Mateo County Resource Conservation District for its Butano Channel Restoration and Resiliency project and \$3.5 million General Fund to administer a local assistance grant for the adaptive reuse and restoration of the Geneva Car Barn and Powerhouse.

Conference issues are the outdoor education program added by the Senate and the two local assistance items added by the Assembly.

3810 Santa Monica Mountains Conservancy

Issue	Description
-------	-------------

Local Assistance

Issue 10: Big Tujunga Wash Acquisition

Governor had no proposal.

Senate had no proposal.

Assembly approved \$3.5 million General Fund to acquire 11 acres along the Big Tujunga Wash to preserve open space.

Conference issue is the funding for land acquisition added by the Assembly.

Issue	Description
--------------	--------------------

State Operations

Issue 11: Tenant Improvements

Governor had no proposal.

Senate approved \$5 million to be amortized over a 10-year lease period to cover the costs of tenant improvements.

Assembly had no proposal.

Conference issue is the funding for tenant improvements added by the Senate.

Issue	Description
--------------	--------------------

Bond Funds

Issue 12: Proposition 40 Reversion

Governor proposed a reversion of \$1.8 million in Proposition 40 funds to prevent a negative bond allocation balance.

Senate did not approve the Governor’s proposal.

Assembly Approved the Governor’s proposal as budgeted.

Conference issue is the Governor’s proposal.

Issue	Description
--------------	--------------------

Continuing Formulation of the CA Water Plan

Issue 13: Drought Emergency Response

Governor proposed \$6 million General Fund for the department’s continued drought response activities, including \$5 million local assistance and related support costs for emergency drinking water projects in areas of diminished groundwater supplies in the Central Valley and \$1 million for the Save Our Water campaign to focus on “Making Water Conservation a California Way of Life.”

Senate approved \$5 million for local assistance funding and rejected the \$1 million for the Save Our Water campaign.

Assembly approved as budgeted.

Conference issue is the \$1 million for the Save Our Water campaign.

Issue	Description
--------------	--------------------

Public Safety and Prevention of Damage

Issue 14: Dam Safety and Emergency Response

Governor proposed \$387.1 million from Proposition 1 to support flood control investments.

Senate approved \$103.4 million and added provisional language to schedule the appropriations in specific expenditure categories and require that funding be spent in accordance with the framework established in the 2017 Central Valley Flood Protection Plan (CVFPP) update.

Assembly approved \$112.3 million and added provisional language to schedule appropriations in specific categories and require funding be spent in accordance with the framework established in the 2017 CVFPP update.

Conference issue is the difference, \$8.9 million, in the amounts approved by each house.

Issue	Description
--------------	--------------------

State Operations and Local Assistance

Issue 15: Friant-Kern Canal Pump-Back Project, Safe Drinking Water - Replacement of Domestic Wells, and Flood Structure Maintenance - Federal Funds Budget Bill Language

Governor had no proposal.

Senate had no proposal.

Assembly approved 1) \$7 million General Fund for the Friant-Kern Canal Pump-Back Project, 2) \$8 million General Fund for replacement of domestic wells needed due to drought and other emergencies, and 3) budget bill language to allow the state to accept and expend federal disaster relief and ratepayer funds to be made available during the budget year for repairing the damage from the rains this winter, subject to Joint Legislative Budget Committee notification.

Conference issues are the three actions taken by the Assembly.

Issue	Description
--------------	--------------------

State Operations and Local Assistance

Issue 16: Implementation of Volkswagen Consent Decree

Governor proposed 1) \$2.3 million from the Air Pollution Control Fund and 14 positions to implement provisions of the Volkswagen (VW) Consent Decree, and 2) \$25 million from the Air Pollution Control Fund for local assistance to support the zero-emission vehicle (ZEV)-related aspects of the Enhanced Fleet Modernization Program Plus-Up Program or similar vehicle replacement programs.

Senate did not approve the Governor’s proposals.

Assembly approved the Governor’s proposals and added budget bill language (BBL) to 1) direct the Air Resources Board to require at least 35 percent of investments, from the ZEV Investment Plan, benefit low-income or disadvantaged communities, 2) require progress reports from Electrify America regarding the implementation of the plan, and 3) provide periodic updates to the Legislature as subsequent ZEV Investment Plans are issued for public comment. The Assembly also added BBL to require funding be used for the Enhanced Fleet Modernization Plus-Up Pilot Program and other investments that enable statewide expansion.

Conference issues are the Governor’s proposals and the BBL added by the Assembly.

Issue	Description
-------	-------------

Local Assistance

Issue 17: Local Air Subvention Augmentation

Governor had no proposal.

Senate had no proposal.

Assembly approved \$10 million from the Air Pollution Control Fund, on an ongoing basis, to augment existing subvention funding for local air districts to prioritize improving air quality in communities with high cumulative air pollution burdens.

Conference issue is the funding added by the Assembly to augment subvention funding.

3900 Air Resources Board

Issue	Description
-------	-------------

Grants

Issue 18: Air Pollution Research Grants

Governor had no proposal.

Senate approved trailer bail language (TBL) to require the Air Resources Board (ARB) to also consider the capability of the California State University (CSU), in addition to the University of California, in awarding contracts for air pollution research.

Assembly no proposal.

Conference issue is the TBL added by the Senate.

Issue	Description
--------------	--------------------

Climate Change

Issue 19: Cap-and-Trade

Governor proposed 1) trailer bill language (TBL), requiring a 2/3rds urgency vote, to confirm the Air Resources Board’s authority to administer cap-and-trade auctions beyond 2020, 2) a budget control section (15.14) that would allow the Director of Finance to allocate \$1.3 billion from the Greenhouse Gas Reduction Fund (GGRF) upon the extension of cap-and-trade authority, and 3) TBL that would exempt guidelines and other standards adopted or used by a state agency in allocation of GGRF funds from the Administrative Procedures Act and would limit the applicability of certain restrictions regarding awarding grant funds to projects that reduce methane emissions from livestock manure management operations and dairy manure management operations using digester technology.

Senate did not approve the Governor’s proposals.

Assembly adopted placeholder TBL, reflecting the work of AB 378 (Cristina Garcia, Holden, and Eduardo Garcia), to establish a market-based mechanism for greenhouse gas emission reductions beyond 2020 and stated that it is the Legislature’s intent to establish a framework for an expenditure plan later in 2017 that will reflect the framework of the final negotiated agreement. In addition, the Assembly approved the portion of the Governor’s proposed TBL that would limit the applicability of certain restrictions regarding awarding grant funds to projects that reduce methane emissions from livestock manure management operations and dairy manure management operations using digester technology.

Conference issues are the TBL added by the Assembly and the portion of the Governor’s proposed TBL that was approved by the Assembly.

3940 State Water Resources Control Board

Issue	Description
-------	-------------

Water Quality

Issue 20: Implementation of Conservation Responsibilities

Governor proposed five positions to support ongoing efforts to make water conservation a way of life.

Senate rejected the Governor's proposal.

Assembly approved as budgeted.

Conference issue is the Governor's proposal.

Issue	Description
--------------	--------------------

Water Quality

Issue 21: Safe Drinking Water

Governor had no proposal.

Senate had no proposal.

Assembly approved \$16 million General Fund for replacement of failed wells (\$7 million), connecting homes to public wastewater systems (\$5 million), and funding point-of-use treatment for domestic wells and water systems (\$4 million).

Conference issues is the funding added by the Assembly for safe drinking water proposals.

Issue	Description
--------------	--------------------

Site Mitigation and Brownfield Reuse

Issue 22: Site Mitigation Activities

Governor had no proposal.

Senate had no proposal.

Assembly approved \$2 million General Fund to convert the Laguna Nueva School Site into a Park.

Conference issues \$2 million added by the Assembly for the park conversion.

Issue	Description
-------	-------------

Beverage Container Recycling Program

Issue 23: Beverage Container Recycling Fund Short-term Fix TBL

Governor had no proposal.

Senate had no proposal.

Assembly approved placeholder trailer bill language to provide a temporary fix to the recycling program as we explore comprehensive reform to the Beverage Container Recycling Program.

Conference issue is placeholder TBL added by the Assembly.

Issue	Description
--------------	--------------------

Pest Prevention

Issue 24: Citrus Pest and Disease Prevention Program

Governor had no proposal.

Senate had no proposal.

Assembly approved \$1,000 General Fund for the Citrus Management Fund within CDFA to help prevent the spread of the Asian Citrus Psyllid (ACP) and the Huanglongbing (HLB).

Conference issues is the funding added by the Assembly for citrus pest and disease prevention.

0521 California State Transportation Agency

Issue	Description
-------	-------------

Administration of the California State Transportation Agency

Issue 25: Lakeview Terrace Project

Governor had no proposal.

Senate had no proposal.

Assembly approved \$300,000 from the General Fund for the Lakeview Terrace sidewalk project.

Conference issue is the project funding for the Lakeview Terrace sidewalk project.

Issue	Description
--------------	--------------------

Administration of the California State Transportation Agency

Issue 26: GoMentum Station Project

Governor had no proposal.

Senate had no proposal.

Assembly approved \$3.5 million from the General Fund for the GoMentum station project.

Conference issue is the funding for the GoMentum station project.

Issue	Description
--------------	--------------------

Administration of the California Transportation Commission

Issue 27: Active Transportation Program: Letters of No Prejudice

Governor had no proposal.

Senate had no proposal.

Assembly approved trailer bill language that would amend the Active Transportation Program (ATP) to provide authority for the California Transportation Commission to approve “Letters of No Prejudice” (LONP) to provide project sponsors with a tool to initiate projects with their own resources prior to the programming year.

Conference issue is the trailer bill language.

2720 California Highway Patrol (CHP)

Issue	Description
-------	-------------

Traffic Management

Issue 28: CHP Police Dog Healthcare Costs

Governor had no proposal.

Senate had no proposal.

Assembly approved \$100,000 in General Fund resources to provide retired CHP police dogs with a \$2,000 retirement plan.

Conference issue is the CHP police dog retirement funding.

2740 Department of Motor Vehicles (DMV)

Issue	Description
-------	-------------

Capital Outlay

Issue 29: Capital Outlay: Perimeter Fencing

Governor proposed one-time expenditures of \$3.95 million from the Motor Vehicle Account (MVA) to build perimeter fencing at nine DMV field offices.

Senate rejected the Governor’s proposal and approved \$3.5 million in support costs (MVA) per year for two years for overnight security and facility cleaning contracts.

Assembly approved the Governor’s proposal as budgeted.

Conference issue is the funding for perimeter fencing or for overnight security and facility cleaning contracts.

Issue	Description
--------------	--------------------

SB 1: UC Institute for Transportation Studies

Issue 30: Institute for Transportation Studies

Governor made no proposal

Senate made no proposal.

Assembly adopted placeholder budget bill language directing the University of California Institute of Transportation Studies (UC ITS) to research Caltrans' use of Asphalt Rubber products.

Conference issue is the provisional language adopted by the Assembly.

Issue	Description
--------------	--------------------

Regulation of Transportation

Issue 31: Transfer of Regulatory Authority

Governor proposed trailer bill language shifting regulatory authority for a variety of transportation functions to other stakeholders, and giving PUC investigators impoundment authority.

Senate rejected the proposed trailer bill language.

Assembly approved the trailer bill language shifting responsibility for regulating a variety of transportation functions to other stakeholders, and took no action on the trailer bill language giving PUC investigators impoundment authority.

Conference issue is the Governor’s proposed trailer bill language.

Issue	Description
--------------	--------------------

Regulation of Utilities

Issue 32: Citation Money from PG & E for Butte Fire

Governor made no proposal.

Senate made no proposal.

Assembly approved placeholder provisional language requiring the \$8.3 million in PG&E citations paid for the Butte fire to be directed to the counties of Amador and Calaveras for recovery projects in areas and neighborhoods directly impacted by, and adjacent to, the Butte Fire, or for fire prevention work.

Conference issue is the provisional language.

Issue	Description
--------------	--------------------

Regulation of Utilities

Issue 33: Financial Incentives for Healthy Corner Stores

Governor made no proposal.

Senate made no proposal.

Assembly approved \$107,000 for one position for two years and trailer bill language directing the PUC to study the energy efficiency programs targeting corner stores currently in place in San Francisco and Los Angeles Counties.

Conference issue is the funding, position, and provisional language.

Issue	Description
--------------	--------------------

Various Programs

Issue 34: Publish Contract and DGS Audit Results on PUC Website (AB 1651) Various Programs

Governor proposed \$107,000 per year from a variety of special funds for one permanent position to publish contract information and audit results on the public PUC website as required by AB 1651 (Oberholte), Chapter 815, Statutes of 2016.

Senate rejected the proposal.

Assembly approved the Governor's proposal as budgeted.

Conference issue is the funding and position.

8570 Department of Food and Agriculture

Issue	Description
--------------	--------------------

Agricultural Plant and Animal Health

Issue 35: Small Dairy Climate Change Research

Governor had no proposal.

Senate had no proposal.

Assembly approved \$250,000 General Fund for small dairy climate change research.

Conference issues is funding for small dairy climate change research.