

California State Assembly



Agenda

Assembly Budget Subcommittee No. 4 on Climate Crisis, Resources, Energy, and Transportation

Assemblymember Steve Bennett, Chair

Wednesday, April 10, 2024
9:30 A.M. – State Capitol, Room 447

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Non-Presentation Items: Staff have suggested the following items do not receive a formal presentation from the Administration in order to focus time on the most substantial proposals. Members of the Subcommittee may ask questions or make comments on these proposals at the time designated by the Subchair or request a presentation by the Administration at the discretion of the Subchair. Members of the public are encouraged to provide public comment on these items at the designated time.

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Public Comment will be taken in person after the completion of all panels and any discussion from the Members of the Subcommittee.

Items To Be Heard

3790 California Department of Parks and Recreation

Issue 1: General Fund Solutions Update – Access Package

The 2021 and 2022 Budget Acts committed approximately \$1.27 billion to the Access Package. The programs under this proposal aim to increase access to California’s state parks, preserve the state’s biological diversity, and protect its most valued natural and cultural resources. Similar to the climate package, the access package utilized the State’s significant budget surpluses from 21-22 and 22-23 to provide one-time spending spread across multiple budget years.

The Governor’s budget proposes \$37.3 million in cuts and \$1 million in fund shifts to the access package, as outlined below. This represents a 3% reduction from the Access Package overall.

Reductions:

Program	Reduction	Reduction Detail	Total Net Appropriation ¹	Percent Reduction ²
Waterway Connections Initiative	\$12.3 million	\$12.3 million from 21-22	\$154 million	8%
Outdoor Equity Grant Program	\$25 million	\$25 million from 24-25	\$115 million	22%

Below are descriptions of the programs that have associated General Fund budget solutions:

- **Waterway Connections Initiative** - increases and expands inland water-related outdoor access to Priority Communities. Priority Communities are communities of 2,500 (or more) near rivers, inland waterways, and inland water systems, and that lack a meaningful connection to nature.
- **Outdoor Equity Grant Program** - establishes hubs for local activities and trips to natural areas for underserved communities. The program also empowers youth and families with outdoor leadership education, career pathways, environmental justice engagement, and access to nature.

¹ This total includes reductions approved in the 23-24 budget
² Percent reductions use the adjusted 23-24 appropriation totals

Original 2021-22 Access Package
(in millions)

Program	Original Multiyear Total³	Revised Multiyear Total⁴
Wildfire Restoration	113	-
Waterways Connection Initiative	154	-
Equity Grants	115	-
Statewide Parks Program	380	197.4
Sacramento Railyards	30	-
Tesla-Alameda Expansion	30	-
California Cultural and Art Installation in Parks Program	25	-
India Basin	50	-
Priority Acquisition	6	-
Community Engagement	1	-
Deferred Maintenance	185	133.1
Natural Resources and Preservation Fund Transfer	145	30.0
First Partner Pilot Programs	9	-
K-12 and Interpretive Program Development	24	-
Total	1,267	

All new, one-time appropriations from budgets 2021-2023 to the Department of Parks and Recreation

The following one-time, discretionary appropriations in the list below were made in past years' budgets outside of the climate package.

³ Based on 2021-22 and 2022-23 budget agreements.

⁴ Based on 2023-24 budget agreement.

Members of this subcommittee may wish to consider asking questions regarding implementation status and could consider cutting these appropriations to help address the deficit to the extent that funds remain.

2021-22

- \$181 million for specific local projects identified in a budget control section (and \$11 million for support/administrative costs).
- \$143 million for the Statewide Parks Program (originally \$155 million; reduced by \$11.6 million in 2023-24).
- \$154.2 million to establish a new Statewide Urban Rivers and Waterways Program. (Governor’s 2024-25 budget proposes to reduce funding by \$12 million, leaving \$142 million.)
- \$138 million for deferred maintenance projects (originally \$185 million; reduced by \$16 million in 2022-23 and by \$31 million in 2023-24).
- \$113.5 million for projects to address damage from the 2020 wildfires to various state parks, including Big Basin Redwoods State Park.
- \$40.1 million for various capital outlay projects.
- \$40 million for the Outdoor Equity Grants Program authorized by Chapter 675 of 2019 (AB 209, Limón).
- \$30 million for Sacramento railyards rehabilitation.
- \$30 million in 2021-22, \$30 million in 2022-23, \$21 million in 2023-24, and \$21 million in 2024-25 to support the Harbors and Watercraft Revolving Fund.
- \$30.8 million for the Alameda-Tesla Expansion Area.
- \$25 million for the Indian Basin project in San Francisco.
- \$10 million for the continuation of projects at the Malibu Creek State Park and Leo Carrillo State Park to repair damage from the Woolsey fire.
- \$9.1 million for various outdoor access pilot programs.
- \$6.3 million for the property acquisition program.
- \$3 million for a grant to the California Museum.
- \$1.6 million for radio replacements.
- \$856,000 in 2021-22, \$646,000 in 2022-23, and \$646,000 in 2024-25 to develop, implement, and maintain a telematics program.

2022-23

- \$411 million for specific local projects identified in a budget control section (and \$8 million for administrative costs).
- \$54 million in 2023-24 for the Statewide Parks Program (originally \$75 million in 2022-23, \$56 million in 2023-24, \$69 million in 2024-25, and \$25 million in 2025-26; reduced in 2023-24 budget).
- \$25 million in 2022-23, 2023-24, and 2024-25 for the Outdoor Equity Grants Program authorized by Chapter 675 of 2019 (AB 209, Limón). (Governor’s 2024-25 budget proposes to eliminate \$25 million planned for 2024-25).
- \$30 million deposit into the Natural Resources Park Preservation Fund for future capital outlay projects (originally \$50 million; reduced by \$20 million in 2023-24).
- \$33.2 million for various capital outlay projects.
- \$25 million for a Cultural and Art installation Program.
- \$25 million for the India Basin project in San Francisco.
- \$15.2 million for the Beach Erosion Control Program.
- \$15 million for K-12 and interpretive program enrichment.
- \$15 million for African American history and engagement in state parks.
- \$13.5 million for state parks pass programs.
- \$9.8 million for tribal lands acknowledgement and interpretation improvements.
- \$7.5 million for the AltaSea Center for Innovation.
- \$5 million reappropriation of funding for a new state park.
- \$5 million for Tamarack wildfire repair in Grover Hot Springs State Park.
- \$3.5 million for Malakoff Diggins State Historic Park mine remediation.
- \$2 million for the Oceanography Program for Coastal Data Information Program.

2023-24

- \$100 million for specific local projects identified in a budget control section.
- \$23.2 million for Americans with Disabilities Act improvements under the Tucker Consent Decree.
- \$14 million to repair damage from 2023 winter storms.

- \$2.5 million for one-time component of proposal to establish and open Dos Rios Ranch as a new state park for day-use operations.
- \$2.5 million for one-time component of proposal to support Endangered Species Act compliance at Fort Ord Dunes State Parks.
- \$3 million for the Southeast Los Angeles Cultural Center.
- \$1 million from the Natural Resources Park Preservation Fund (previously transferred from the General Fund) for preliminary plans for the Border Field State Park Monument Mesa Day Use and Interpretive Area project.
- \$1.9 million from the Natural Resources Park Preservation Fund (previously transferred from the General Fund) for the construction phase of the El Capitan State Beach Entrance Improvement project.

Panel

- Liz McGuirk, Chief Deputy Director, Department of Parks and Recreation
- Angie Lottes, EPM - Statewide, Wildfire, and Coastal Programs, Department of Parks and Recreation
- Sedrick Mitchell, Deputy Director Community Engagement, Department of Parks and Recreation
- Lizzie Urie, Principal Program Budget Analyst, Department of Finance
- Helen Kerstein, Principal Fiscal and Policy Analyst, Legislative Analyst's Office

LAO Comments

LAO Comments: Legislature Could Consider Alternative and/or Additional Reductions. To the extent the Legislature needs to find alternative and/or additional solutions to those chosen by the administration, it has some options among the non-package augmentations. First, the Legislature could consider reducing rather than delaying some or all of the funding the Governor proposes shifting to a future year. Second, the Legislature could look at uncommitted balances in other non-package augmentations that the Governor has not targeted for solutions. Below we provide examples within both categories.

Could Revert Uncommitted Funding From Non-Climate Package Augmentations: Based on our review of expenditure data, the following amounts of funding provided in recent budgets remain uncommitted at the time of this writing:

- California Department of Parks and Recreation's (Parks') Outdoor Equity Program: \$50 million from previous appropriations remains uncommitted (in addition to the \$25 million the Governor proposes reducing from planned 2024-25 funding). Awards are anticipated to be made in May 2024.

- Parks' Natural Resources and Park Preservation Fund: \$26 million remains uncommitted of the original \$50 million transfer from the General Fund, after \$20 million was included as budget solution last year.

Staff Comments

The Subcommittee may wish to ask the following questions:

Waterway Connections Initiative or Urban Waterfront Program:

1. Can the department provide an implementation status update on the Waterway Connections Initiative?
2. Why does the program focus on access to inland waters?
3. What kinds of projects did the department fund with the \$141.7 million that is not proposed for reductions? Has all of that money been committed?
4. How is the department measuring the success of this program?

Outdoor Equity Program:

5. Can the department provide an implementation update on the Outdoor Equity Program?
6. How much funding has been awarded so far?
7. How much funding remains?
8. What is the timeline for awarding the remaining uncommitted funds?
9. What are some examples of projects awarded that the department finds are emblematic of the mission of this program?

Other:

10. What was the \$50 million transfer from the General Fund to the Parks' Natural Resources and Park Preservation Fund's intended use?
11. How does the department plan to spend the remaining \$26 million that is uncommitted?

Staff Recommendation: Hold Open.

**3640 Wildlife Conservation Board
 3760 State Coastal Conservancy
 3790 Department of Fish and Wildlife
 Various Conservancies**

Issue 2: General Fund Solutions Update – Climate Package

The 2021 and 2022 Budget Acts committed billions of dollars across departments under the California Natural Resources Agency, including the Wildlife Conservation Board, the State’s various conservancies, and the Department of Fish and Wildlife.

Specifically, the Wildlife Conservation Board received over \$1.2 billion for water and drought resilience and to expand the state’s nature-based solutions to address the impacts of climate change. The Department of Fish and Wildlife received over \$540 million in the 2021 and 2022 climate package, and the State’s Conservancies received over \$1.4 billion cumulatively.

Given the serious deterioration of the State’s budget since the passage of the climate package, the 2024-25 budget proposes various budget solutions to solve the budget problem. For the departments before the committee today, this includes \$737.1 million in reductions and \$33.5 million in fund shifts across programs. These reductions and fund shifts are outlined in more detail in the tables below.

Reductions:

Department	Program	Reduction	Reduction Detail	Total Net Appropriation ⁵	Percent Reduction ⁶
Various State Conservancies	Project Implementation in High-Risk Regions	\$27.7 million	\$4.4 million from 21-22, \$1.9 million in 22-23, \$21.4 million in 23-24	\$378 million	7%
State Coastal Conservancy	Coastal Protection and Adaptation	\$171.1 million	\$54.6 million from 22-23, \$116.5 million from 23-24	\$326 million	52%
State Coastal Conservancy	Adapting Infrastructure to sea-level rise	\$62.2 million	\$62.2 million from 23-24	\$135 million	46%
State Coastal Conservancy	Adapting to sea-level rise	\$158.7 million	\$158.7 million from 23-24	\$420 million	38%

⁵ This total includes reductions approved in the 23-24 budget

⁶ Percent reductions use the adjusted 23-24 appropriation totals

Wildlife Conservation Board	Watershed Climate Resilience: Cascades and High Sierra Upper watersheds	\$153.7 million	\$7.2 million from 21-22, \$22 million from 22-23, \$3.5 million from 23-24, \$114 million from 24-25, \$7 million from 25-26	\$175 million	88%
Wildlife Conservation Board	Watershed Climate Resilience: Land Acquisitions and Habitat Enhancement	\$158.7 million	\$22 million from 22-23, \$15.7 million from 23-24, \$114 million from 24-25, \$7 million from 25-26	\$159 million	99%
Wildlife Conservation Board	Resource Conservation Investments Strategies	\$5 million	\$2 million from 22-23, and \$3 million from 23-24	\$5 million	100%

Fund Shifts:

Department	Program	Fund Shift	Fund Shift Detail	Total Net Appropriation ⁷	Percent Reduction
Fish & Wildlife, and Parks & Recreation	Stewardship of State-owned Land	\$34.5 million	\$3.4 million from 22-23, and \$31.1 million from 23-24 delayed and shifted from GF to GGRF	\$280 million	N/A

Below are descriptions of the programs that have associated General Fund budget solutions:

- **Project Implementation in High-Risk Regions** - supports projects that improve natural lands to reduce the risk of catastrophic fire in areas where people live. These grants accelerate on-the-ground activities that reduce the risks of wildland fires.
- **Coastal Protection and Adaptation** - supports local and regional projects related to coastal protection and adaptation.
- **Adapting Infrastructure to Sea-Level Rise** - protects coastal communities and natural resources from sea level rise.
- **Adapting to Sea Level Rise** - support coastal communities in adapting to sea level rise.
- **Watershed Climate Resilience: Cascades and High Sierra Upper watersheds** - holistically study, plan, and manage water from headwaters to groundwater to outflow, at a watershed scale; support competitive grants to improve watershed protection and

⁷ This total includes reductions approved in the 23-24 budget

climate resiliency including, but not limited to, streamflow enhancement. While the reduction will lead to WCB awarding fewer grants, it has other funding sources available for these types of projects, including \$43 million from Proposition 68 (2018) and annual support of \$21 million from the Habitat Conservation Fund. A partial reduction is proposed for this item in early action.

- **Watershed Climate Resilience: Land Acquisitions and Habitat Enhancement** - competitive grants to improve watershed protection and climate resiliency in Southern California including, but not limited to, streamflow enhancement. A partial reduction is proposed for this item in early action.
- **Resource Conservation Investment Strategies** – science-based, non-binding, voluntary conservation strategy that identifies at-risk natural resources and species, and potential actions to protect them. Accepting this elimination is proposed in early action.
- **Stewardship of State-owned Land** – for deferred maintenance on state-owned land managed by the Department of Fish and Wildlife.

The Climate package was broken down into various sub-packages, including coastal resilience, nature-based solutions, and water and drought resilience. The entirety of these packages – which allocated money to multiple departments across agencies – can be found below.

Governor’s Proposed Changes to Coastal Resilience Package

General Fund Unless Otherwise Noted (In Millions)

Program	Department	Original Multiyear Total ^a	Revised Multiyear Total ^b	Proposed Reductions	Proposed Multiyear Total
Protecting the coast from climate change	SCC	\$500	\$326	-\$171	\$155
Adapting to sea-level rise	SCC	420 ^c	420 ^c	-159	261 ^c
Adapting infrastructure to sea-level rise	SCC	144 ^d	135 ^d	-62	72 ^d
Protecting the ocean from climate change	OPC	117 ^e	117 ^e	-35	82 ^e
Implementing SB 1	OPC	102 ^d	102 ^d	-25 ^f	77 ^e
Adapting to sea-level rise in state parks	Parks	12	12	—	12
Totals		\$1,295	\$1,112	-\$452	\$660

^aBased on 2021-22 and 2022-23 budget agreements.

^bBased on 2023-24 budget agreement.

^cIncludes \$80 million from the Greenhouse Gas Reduction Fund (GGRF).

^dIncludes \$38 million from GGRF.

¶Includes \$17 million from Proposition 68 (2018) bond funds.

¶Governor proposes delaying \$27 million from 2023-24 to 2024-45 and shifting the fund source for \$37 million in 2024-25 from General Fund to GGRF.

¶Includes \$74 million from GGRF.

SCC = State Coastal Conservancy; OPC = Ocean Protection Council; SB 1 = Chapter 236 of 2021 (Senate Bill 1, Atkins); and Parks = Departments of Parks and Recreation.

Governor’s Proposed Changes to Nature-Based Activities Package

General Fund (In Millions)

Program	Department	Original Multiyear Total ^a	Revised Multiyear Total ^b	Proposed Reduction	Proposed Multiyear Total
Land Acquisition and Management Programs		\$495	\$495	—	\$495
Various WCB programs	WCB	\$245	\$245	—	\$245
Habitat restoration	DWR	200	200	—	200
Opportunity coastal acquisition	SCC	50	50	—	50
Wildlife Protection Programs		\$403	\$368	—	\$368
Protect wildlife from changing conditions	WCB	\$353	\$318	—	\$318
Climate change impacts on wildlife	CDFW	50	50	—	50
Regionally Focused Programs		\$383	\$273	-\$5	\$268
Conservancy funding	Various	\$230	\$130	—	\$130
Wildlife corridors (including Liberty Canyon)	CDFW and SMMC	52	52	—	52
San Joaquin Valley flood plain restoration	WCB	40	40	—	40
Natural Community Conservation Program Planning and Land Acquisition	CDFW	36	30	—	30
Climate Smart Land Management Program	DOC	20	16	—	16
Resource conservation strategies	WCB	5	5	-\$5	-

Youth and Tribal Programs		\$152	\$152	—	\$152
Local and tribal NBS corps programs	CCC	\$49	\$49	—	\$49
Tribal program	CNRA	100	100	—	100
Tribal staffing	CNRA	3	3	—	3
Wetland Focused Programs		\$111	\$101	-\$10	\$91
Wetlands Restoration Program	CDFW	\$54	\$54	—	\$54
NBS Wetlands Restoration Program	DC	36	36	—	36
San Francisco Bay wetlands support	SCC	11	1	—	1
Redondo Beach wetlands restoration	CNRA	10	10	-\$10	-
Other Programs		\$21	\$21	—	\$21
CalCIS	CNRA	\$18	\$18	—	\$18
Partnerships and improvements	CNRA	2	2	—	2
California nature support	CNRA	1	1	—	1
Totals		\$1,565	\$1,409	-\$15	\$1,394

Based on 2021-22 and 2022-23 budget agreements.

^bBased on 2023-24 budget agreement.

WCB = Wildlife Conservation Board; DWR = Department of Water Resources; SCC = State Coastal Conservancy; CDFW = California Department of Fish and Wildlife; SMMC= Santa Monica Mountains Conservancy; DOC = Department of Conservation; NBS = Nature-based solutions; CCC = California Conservation Corps; CNRA = California Natural Resources Agency; DC = Delta Conservancy; and CalCIS = California Climate Information System.

Governor’s Proposed Changes to Water and Drought Resilience Package⁸

General Fund (In Millions)

Habitat/Nature-Based Solutions		\$1,208	\$1,208	-\$438	\$770
Wildlife and habitat projects	CDFW, DWR	\$459	\$459	—	\$459
Watershed climate resilience	WCB	334	334	-\$312	22
Watershed climate resilience	DWR	161	161	-126	35
Aquatic/large-scale habitat projects	Various	149	149	—	149
Spending from various bonds	WCB, DWR	105	105	—	105
Water Quality and Ecosystem Restoration		\$1,191	\$1,027	-\$102	\$925
Water resilience projects	CNRA	\$445	\$445	—	\$445 ^e
Streamflow enhancement program	WCB	250	250	—	250
Salton Sea	DWR	220	101	—	101
PFA's support	SWRCB	200	155	-\$102	53
Urban streams and border rivers	Various	70	70	—	70
Clear Lake	CNRA	6	6	—	6

All new, one-time appropriations from budgets 2021-2023 to the Wildlife Conservation Board, the Department of Fish and Wildlife, the State’s Conservancies, and the State Coastal Commission.

The following one-time, discretionary appropriations in the list below were made in past years’ budgets outside of the climate package.

Members of this subcommittee may wish to consider asking questions regarding implementation status and could consider cutting these appropriations to help address the deficit to the extent that funds remain.

Department of Fish and Wildlife

2021-22

- \$11.52 million for biodiversity and endangered species activities (original appropriation was for \$59.6 million on a one-time basis; the 2022-23 budget reverted

⁸ Only the portions of the package that impact departments before the committee today are included in the chart; to view the whole chart visit: <https://lao.ca.gov/Publications/Report/4841>)

\$48.08 million of the 2021-22 appropriation and provided an ongoing appropriation of \$12.02 million beginning in 2022-23).

- \$41.75 million for various one-time upgrades and equipment.
- \$15 million for deferred maintenance on state lands.
- \$1.3 million for Drift Gill Net Transition Program (SB 1017).
- \$448,000 in 2021-22, \$272,000 in 2022-23, and \$272,000 in 2023-24 (in addition to special funds) for telematics services.
- \$50,000 for a specific local project identified in a budget control section.

2022-23

- \$20 million in 2022-23 and \$20 million in 2023-24 for vegetation mapping.
- \$13 million to address inventory backlog in California Natural Diversity Database.
- \$5 million for cannabis restoration grant program.
- \$3.31 million for wireless in-car camera systems.
- \$1.93 million to replace aging vessel fleet.
- \$1.08 million for Wildlife Waystation emergency response.
- \$810,000 for automated license data system 365-day license and electronic display information (AB 817).
- \$2.4 million for specific local projects identified in a budget control section.

2023-24

- \$17 million reappropriation for fish screens in Monterey County.
- \$8.6 million spread over three years for the nutria eradication program.
- \$1 million in 2023-24 and \$99,000 in 2024-25 to reactivate high-priority stream gages (SB 19).
- \$15,000 for California Monitoring Plan for salmon and steelhead.

Wildlife Conservation Board

2021-22

- \$10.75 million for specific local projects identified in a budget control section.

2022-23

- \$5 million for the Pollinator Program.
- \$18.9 million for specific local projects identified in a budget control section.

2023-24

- \$5 million for Western Joshua Tree conservation.

State Coastal Conservancy

2021-22

- \$13 million for Explore the Coast Grant Program (original appropriation was \$14 million; the 2023-24 budget reduced funding by \$1 million).
- \$80.96 million for specific local projects identified in a budget control section.

2022-23

- \$10.8 million for the Santa Monica Bay Foundation.
- \$72.3 million for specific local projects identified in a budget control section.

California Coastal Commission

2021-22

- \$31 million for local coastal plan update grants.
- \$10 million for the Whale Tail Program grants.

2022-23

- \$128,000 for security system upgrades and training.
- \$120,000 for attorneys fees.

California Tahoe Conservancy

2022-23

- \$1 million for Lake Tahoe Americans with Disabilities Act upgrades.

San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy

2021-22

- \$62.6 million for specific local projects identified in a budget control section.

2022-23

- \$65.7 million for specific local projects identified in a budget control section.

2023-24

- \$120 million for specific local projects identified in a budget control section.

Santa Monica Mountains Conservancy

2021-22

- \$8 million for specific local projects identified in a budget control section.

2022-23

- \$10 million for the Liberty Canyon wildlife crossing.
- \$25.5 million for specific local projects identified in a budget control section.

2023-24

- \$9 million for specific local projects identified in a budget control section.

Panel

- Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
- Jennifer M. Norris, Executive Director, Wildlife Conservation Board
- Amy Hutzell, Executive Director, State Coastal Conservancy
- Andrew Hull, Principal Program Budget Analyst, Department of Finance
- Daniel Ross-Jones, Finance Budget Analyst, Department of Finance
- Lizzie Urie, Principal Program Budget Analyst, Department of Finance
- Erin Carson, Staff Finance Budget Analyst, Department of Finance
- Sonja Petek, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office
- Helen Kerstein, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office

LAO Comments

LAO Comments: Proposal Eliminates Nearly All Unspent Coastal Funding. The Governor’s proposal would reduce a significant share (49 percent) of funding from the coastal resilience package—proportionally more than any other of the thematic packages. One rationale for this approach is that a significant amount of SCC’s funding has not been spent, making it easier to pull back to help solve the state’s significant budget deficit without halting particular projects or renegeing on specific spending commitments. We note that a key reason this magnitude of funding still is available is because the Governor had proposed reducing it in the

2023-24 budget, not because there is a lack of activities to pursue. During budget negotiations—which lasted through June 2023—SCC could not make plans to spend funds that might not materialize. The funds ultimately were restored in the final budget agreement because the Legislature viewed these activities as significant priorities. However, given that the funds have not yet been awarded for specific projects, approving these proposed reductions likely would be less disruptive than other alternatives the Legislature may have to consider. In addition, based on our review of expenditure data, OPC has about \$20 million in uncommitted funds that the Legislature also could consider reducing.

LAO Comments: Legislature Could Consider Alternative and/or Additional Reductions From Unspent Current- and Prior-Year Funds. Based on our review of expenditure data, we estimate that about \$400 million remains uncommitted from various prior- and current-year nature-based activity-related program appropriations that the Governor does not propose reducing. Given the significant amount of uncommitted funding in this area, to the extent the Legislature needs to identify alternative and/or additional solutions, it has multiple options to consider. Some examples include:

- **Various WCB Programs (\$102 Million).** These WCB programs support planning, acquisition, and restoration projects on natural and working lands. Currently, about \$102 million of the \$245 million originally provided for these programs remains uncommitted and could be considered for reduction. Such a reduction would mean fewer projects are completed. However, a significant amount of funding still would be retained, both in these programs as well as in other programs that support activities with similar objectives, such as CDFW’s program to mitigate climate change impacts on wildlife and WCB’s other programs. We note that WCB indicates that it plans to make additional awards for these programs in the coming months. Thus, if the Legislature would like to reduce funding for these programs, taking early action would maximize the amount of savings available.
- **WCB’s Program to Protect Wildlife From Changing Conditions (\$100 Million).** WCB originally received \$353 million to protect wildlife from changing conditions. Of this amount, \$218 million has been committed to projects and the 2023-24 budget package reduced \$35 million. However, nearly \$100 million remains uncommitted and thus could be considered as a potential solution. As with WCB’s other programs discussed above, additional reductions would result in fewer projects, but the board still would maintain significant funding for similar activities from other sources. WCB indicates that it plans to make additional awards totaling roughly \$30 million in the coming months, making this program another potential candidate for early action.

Staff Comments

The Subcommittee may wish to ask the following questions:

Sea Level Rise:

1. Can the State Coastal Conservancy provide descriptions of each of the sea level rise programs?
2. What is the difference between the programs?
3. What kinds of entities apply for each program?
4. Can the Conservancy provide an implementation update?
5. What is the average award amount for each program?
6. How is the Conservancy tracking the success and implementation of the programs?
7. Does the Conservancy have updates on any of the federal grants they applied to?
8. Do the proposed cuts affect the State's competitiveness in receiving grants due to a lost state match?

WCB:

1. What alternative funding sources exist for watershed resilience?
2. Can Board staff provide an implementation update on its program to protect wildlife from changing conditions?
3. The LAO notes that this program has \$100 million of uncommitted funds. What is the timeline for those funds to be committed?
 - a. Can staff provide more details as to what the impact would be if this uncommitted funding were cut?
4. The LAO also notes there are \$102 million in uncommitted funds across various WCB programs.
 - a. What programs have uncommitted funds?
 - b. How much funding is uncommitted by program?

Conservancies: Project Implementation in High-Risk Regions:

1. How was funding split among the conservancies for the Project Implementation in High-Risk Regions allocation?
2. How is the proposed \$27.2 million reduction split across the conservancies?
3. What kinds of projects were funded with this investment?

4. How does this pot of funding differ from other fire resilience and vegetation management grant programs?

Staff Recommendation: Hold Open.

3100 Exposition Park

Issues: Various Proposals from Exposition Park: Capacity Building & Southeast Underground Parking Structure

Exposition Park Capacity Building

The Governor's budget requests \$479,000 in Exposition Park Improvement Fund and \$84,000 in reimbursement authority in 2024-25 and ongoing for four positions to address the increased workload in Exposition Park.

Background. The Office of Exposition Park Management, the Science Center, and the California African American Museum (CAAM), are located in Exposition Park, a 152-acre tract in south Los Angeles, which is owned by the state. For budget purposes, these three departments are collectively known as Exposition Park.

The Office of Exposition Park Management provides long-term leadership in the development and implementation of park usage policy and day-to-day management, operation and promotion of the park for its tenants and the public. The mission of the Science Center is to stimulate curiosity and inspire science learning. The mission of CAAM is to research, collect, preserve, and interpret, for public enrichment, the history, art, and culture of African Americans with an emphasis on California and the western United States.

Increased visitors and activities at Exposition Park have placed greater demand on the work capacity of the Office of Exposition Park Management, according to Exposition Park staff. The proposed staff positions are intended to create operational efficiencies and support expanded events, facilities, management, and communications and business development needs. The Office of Exposition Park Management requests the following four positions.

One Event Coordinator. According to Office of Exposition Park Management, the event coordinator will support efforts to generate additional revenue for the Exposition Park Improvement Fund to be used for park-wide operations and improvements through oversight of increased activation of Park property for rental usage, as well as exploration of multiple revenue streams. Due to the growing demands for facility use, the Office of Exposition Park Management has resorted to mandated overtime to cover critical events. This position is intended to provide adequate staffing support for event management and will be reimbursable from events held throughout the Park.

One Exposition Park Facilities Manager. According to the Office of Exposition Park Management, the Facilities Manager will be responsible for overseeing maintenance and facility improvements, as well as providing oversight of approved major capital outlay projects, including a future underground parking garage and park project, which will facilitate significant revenue generation for the Park. These projects are needed to support the Park's Master Plan and efforts towards preparing the Park to host the 2028 Summer Olympics and Paralympics. The Park requires significant repairs, which are essential to the safety of the Park and its millions of annual visitors. This position will also

be responsible for managing short- and long-term maintenance of various mechanical, electrical and plumbing (MEP) and Fire & Life Safety (FLS) systems.

One Operations Assistant. According to the Office of Exposition Park Management, this position will be filled by an Associate Governmental Program Analyst (AGPA) to provide essential executive leadership support including assistance with continuous engagements with the Board of Directors, coordinating schedules and meetings, and assisting with reporting deadlines. The AGPA will also assist the OEPM staff with general operations such as interactions with, as well as dissemination of information to the Board, the public, and Park partners regarding major and critical events impacting daily operations of the park.

One Strategic Communications. According to the Office of Exposition Park Management, Exposition Park does not currently have a unified communication or business development strategy. This position is intended to lead strategic communications, formulate policies and operation to develop private partnerships and business development opportunities. This position will also be responsible for the formulation, operation, and/or evaluation of program policies.

Southeast Underground Parking Structure

The Governor's budget requests \$352 million Public Building Construction Fund for Exposition Park for the design-build phase of Exposition Park's Southeast Underground Parking Structure project to construct an underground parking structure with a public park on its top-deck with an adjacent headquarters and community center.

Background. In 2023-24, the Legislature provided \$14 million from lease revenue bonds for the performance criteria for this project. The total project cost is estimated at \$366 million.

The scope of the project includes, but is not limited to:

- An underground parking structure/garage with no less than 1,500 spaces.
- Structure/garage with adequate load-bearing infrastructure to hold a nearly 6-acre park cap that will serve as park space for the community and can host large festivals or outdoor events.
- EV charging stations.
- Parking automation.
- Security cameras.
- Distributed Antenna System (DAS) for cellular support.
- Parking management offices and facility storage.
- Public restrooms.

- Freight/service elevator.
- All necessary systems to support the underground structure including backup generator(s), CO2 detectors with automatic exhaust fans, sump pump(s), fire suppression systems, emergency phones, Wi-Fi and lighting system.
- Landscaping, trees, shrubbery, and flowers.
- Walking paths.
- Hydration stations.
- Wind and solar art installations.

Panel

- Andrea Ambriz, General Manager, Exposition Park
- Lizzie Urie, Principal Program Budget Analyst, Department of Finance
- Mike McGinness, Principal Program Budget Analyst, Department of Finance
- David Jenson, Junior Staff Analyst, Department of Finance
- Helen Kerstein, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office

LAO Comments

Southeast Underground Parking Structure

LAO Bottom Line: We recommend the Legislature consider whether continuing to fund this project remains a high legislative priority given the deterioration in the condition of the General Fund, as user fees deposited into the Exposition Park Improvement Fund (EPIF) appear unlikely to be sufficient to support the project. If the project continues to be a high priority, we recommend the Legislature consider whether it wants to move forward with the full proposed scope at this time or approve a reduced scope that is consistent with the project description from last year.

Proposal. The Governor’s budget proposes \$352 million in lease revenue bonds for the design-build phase of a project to construct an underground parking structure with a public park on its top deck to replace existing surface parking at Exposition Park. The proposal also includes the construction of an adjacent headquarters and community center. In 2023-24, the Legislature provided \$14 million from lease revenue bonds for the performance criteria for this project. The total project cost is estimated at \$366 million.

LAO Comments. Since the Legislature last considered this project in 2023-24, the condition of the General Fund has deteriorated. Additionally, our office and the Department of Finance now forecast substantial ongoing deficits—roughly \$30 billion annually—in 2025-26 through 2027-28. In light of the state’s worsening budget picture, we think the Legislature should be very cautious about adopting new proposals that could exacerbate the state’s budget problems—not

only in the budget year but also in future years—and contribute to the Legislature potentially needing to make painful cuts to existing state programs in the future.

With that context in mind, we note that the design-build phase of the underground parking structure project is anticipated to be quite costly—over \$350 million. The administration proposes to borrow money to fund these costs by issuing lease revenue bonds. We estimate that the debt service payments for these lease revenue bonds would total roughly \$25 million per year for 25 years. How much of these debt service payments will be repaid by the General Fund still is unclear. This is because the administration indicates that it expects to use some combination of two sources—General Fund and EPIF—to repay the bonds issued to support the project, but it has not yet determined the share that will come from each source. Despite this uncertainty, based on the condition of the condition of EPIF (which is already running an operating deficit), significant General Fund support likely would be required. This, in turn, would put additional pressure on the already strained General Fund.

We also note that when the Legislature considered this project in 2023-24, the [budget proposal](#) identified that the project would construct an underground parking structure with a public park on its top deck to replace existing surface parking at Exposition Park. That proposal did not mention that the project would also construct an adjacent 3-story, 43,000-square-foot headquarters and community center. The administration indicates that the omission of these project components from the project description was a labeling oversight. Regardless, this omission creates uncertainty around whether the Legislature intended to fund these project components. Furthermore, a lack of clarity also exists regarding whether these project components are needed on an urgent basis or could be deferred until a later date when the General Fund might be in a better position to support them.

LAO Recommendations. First, we recommend the Legislature consider whether continuing to fund this project remains a high legislative priority given the deterioration in the condition of the General Fund over the past year. This is because the debt service payments for this costly project are anticipated to be roughly \$25 million per year for 25 years, and we expect that a significant portion of these costs may need to come from the General Fund.

Second, if the project continues to be a high priority for the Legislature, we recommend it consider whether it wants to move forward with the full proposed scope at this time or consider approving a reduced scope in line with the project description that was provided in the 2023-24 budget proposal. That more limited scope included constructing an underground parking structure with a public park on its top deck to replace existing surface parking at Exposition Park but did not include constructing an adjacent headquarters and community center. The Legislature could then revisit whether to fund these other components at a later date when the condition of the General Fund improves.

Staff Comments

Exposition Park Capacity Building:

1. What is the fund health of the Exposition Park Improvement Fund?

2. How is revenue generated for the fund?
3. Does the Exposition Park Improvement Fund have an operating deficit?
4. Can the fund support these additional positions?

Southeast Underground Parking Structure:

5. Does the administration have an estimated percentage breakdown of how payments will be split between the GF and Expo Park Improvement fund for the debt service payments?
6. What is the estimated cost of debt service payments per year for the underground parking structure?
7. When will the debt service payments begin on the project if it were to move forward?
8. How many parking spots would be added if the project were to move forward?
9. What would be the impact of delaying the project?
10. For the upcoming events slated for the Park, how many people are expected to visit the park for these events?
11. What is the need for a new headquarters building?

Staff Recommendation: Hold Open.

3790 California Department of Parks and Recreation

Issue 4: Malakoff Diggins State Historic Park Mine Remediation Implementation

The Governor's budget requests \$6 million General Fund in 2024-25 and \$1.5 million General Fund in 2025-26 and 2026-27 to continue implementation of improvements required by the California State Water Resources Control Board (SWRCB) and to maintain the remedial actions to abate contamination resulting from historic mining activities at Malakoff Diggins State Historic Park (SHP) for the Mine Remediation Project.

Background: Located in the Sierra Nevada foothills, Malakoff Diggins State Historic Park is home to California's largest hydraulic gold mine and provides visitors with a glimpse back in time to the gold rush days.

This historic park unit is subject to Public Resources Code (PRC) 5024, requiring state agencies to take several actions to ensure the preservation of state-owned historical resources under their jurisdiction. Malakoff Diggins is listed on the National Register of Historic Places and is subject to the Secretary of the Interior's Standards for historic preservation.

As a result of historic mining activities and operations, there are environmental hazards within this park unit in violation of the Clean Water Act. Ongoing erosion from the Malakoff Diggins mine pit causes turbid surface water runoff containing particulate-bound metals, including mercury, to discharge to Humbug Creek, a tributary to the South Fork Yuba River. The California Central Valley Regional Water Quality Control Board has, consequently, issued a waste discharge requirement.

The Department has received funding for initial studies and the first phase of implementation of approved remediation plans. This request and its proposed tasks will build from previous appropriations used for design, permitting, and initial implementation and construction for continuation and expansion.

The timeframe for the project is unknown due to the nature of the work and because the scope is under the direction of the regulators. After approval of the preferred alternative, initial remedies will be installed, implemented, and monitored. The Department is in discussions to finalize the plan and begin initial construction activities.

The Department states this request is necessary to complete these activities to inform discussions on future remediation steps. Once this initial phase is complete, depending upon how the environment reacts and what future toxicity levels reflect, the project could go into further implementation of additional remedies or move into ongoing operation and maintenance.

This request consists of: (1) \$3.0 million (\$1.5 million in 2025-26 and 2026-27) for sampling and monitoring, maintenance of prior cleanup actions undertaken by the state, and may include limited cleanup activities; and (2) \$6 million to continue implementation of improvements.

Panel

- Brian Dewey, Assistant Deputy Director Facilities and Development, Department of Parks and Recreation
- Lizzie Urie, Principal Program Budget Analyst, Department of Finance
- Helen Kerstein, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office

Staff Comments

The Subcommittee may wish to ask the following questions:

1. Did the department consider using fund sources other than the General Fund? Why or why not?
2. How much funding has the department received for this remediation project to date?
3. What communities are impacted by the runoff that runs into the South Fork Yuba River from this historic mining site?
4. What would be the impact if this funding were to be delayed?
5. How many other remediation sites is the department responsible for that are a result of historic mining?

Staff Recommendation: Hold Open.

Non-Presentation Items

3790 California Department of Parks and Recreation

Issue 5: R.H. Meyer Memorial SB Parking Lot Expansion, Facility and Site Modifications

The Governor's budget requests \$152,000 from available California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection (Proposition 40) bond funds (Public Resources Code Section 5096.610(a)) for the working drawing phase of the continuing R.H. Meyer Memorial State Beach (SB): Parking Expansion, Facility and Site Modifications project in Los Angeles County.

Staff Recommendation: Absent member questions or input from the public at this hearing, staff recommends this item be approved as budgeted when the Subcommittee takes action.

3600 California Department of Fish and Wildlife

Issue 6: Coastal Wetlands Fund Abolishment – BCP and TBL

The Governor's budget requests the abolishment of the Coastal Wetlands Fund (3104) and to transfer the remaining fund balance to the General Fund, as revenue no longer comes into this Fund.

The proposed TBL will enable CDFW to abolish Fund 3104 and transfer the remaining fund balance to the General Fund. There has been no expenditure activity in this fund since 2008-09. Even though there has not been any activity, having an active fund requires CDFW to complete financial statements and additional reconciliation due to interest posting. This can take significant staff time and abolishing the fund will allow the CDFW to focus that staff time on other priority funds.

Staff Recommendation: Absent member questions or input from the public at this hearing, staff recommends this item be approved as budgeted when the Subcommittee takes action.

Issue 7: Golden Eagle Conservation

The Governor's budget requests \$2.4 million from the Fish and Game Preservation Fund - Habitat Restoration and Enhancement Dedicated Account in Fiscal Year (FY) 2024-25 with an extended encumbrance period through June 30, 2026, and an extended liquidation period through June 30, 2031, to support golden eagle conservation.

Staff Recommendation: Absent member questions or input from the public at this hearing, staff recommends this item be approved as budgeted when the Subcommittee takes action.

Issue 8: Long-term Funding for Vegetation Management and Fire Resiliency Positions

The Governor's budget requests \$2 million from the Timber Regulation and Forest Restoration Fund (TRFRF) in 2024-25 and ongoing to support CDFW's facilitation of and participation in statewide forest health and fire-resiliency initiatives.

In 2019-20, CDFW received \$2 million for five years, and 15 permanent positions, supported by General Fund and TRFRF, to implement the new workload requirements mandated by SB 901 (Dodd), Chapter 626, Statutes of 2018. The \$2 million appropriated in 2019-20 will expire June 30, 2024. This proposal is necessary to support the permanent staffing provided by the 2019-20 appropriation, so that the CDFW may continue to support the prevention of wildfires outlined in the state's Wildfire and Forest Resilience Action Plan, and assist partner agencies in post-fire clean-up and recovery.

Additionally, CDFW requests to move all TRFRF authority scheduled in Program 2605 to Program 2590 to align funding to better support mission level goals.

Background: The Wildfire and Forest Resilience Action Plan was created to accelerate efforts to: restore the health and resilience of state forests, grasslands, and natural places; improve the fire safety of communities; and sustain the economic vitality of rural forested areas. Implementing the Action Plan is an ongoing effort that will continue for years.

The Action Plan identifies four broad goals which are subdivided into 99 "Key Actions" that, if implemented, will allow California to increase the pace and scale of forest health projects, strengthen protection of communities, manage forests to achieve the state's economic and environmental goals, drive innovation, and measure progress. Program staff support about 25 percent of the Key Actions. For example, Program staff help improve regulatory efficiency by collaborating with interagency policy groups to improve data collection, expedite the Department's Lake or Streambed Alteration Agreements permitting processes, develop guidance documents, and create training for the California Vegetation Treatment Plan (CalVTP). Additionally, the Program works to improve utility-related wildfire risk through review and collaboration on documents, coordination with partner agencies including OEIS, and consultation on regional utility projects. The Program also collaborates with federal partners to expedite permitting and increase the pace and scale of fuel reduction activities on federal lands. These actions will help the federal government treat 500,000 acres in California and the Task Force considers these treatments necessary to reduce the risk to the state from the threat of catastrophic wildfire.

As a responsible agency, the CDFW issues regulatory authorizations if proposed activities by public or private actors would result in impacts to resources within CDFW's statutory jurisdiction. Regulatory authorizations that CDFW issues include Lake or Streambed Alteration Agreements and Incidental Take Permits. Fish and Game Code Section 1602 requires an entity to notify CDFW prior to commencing any activity that may "substantially divert or obstruct the natural flow of, or substantially change or use any material from the bed, channel, or bank of, any river, stream, or lake..." The Department reviews notifications and determines whether a Lake or Streambed Alteration Agreement is necessary. Fish and Game Code Section 2080.1 requires

an incidental take permit for any activity that may result in “take”, as defined by State law, of any species protected under the California Endangered Species Act.

Staff Recommendation: Absent member questions or input from the public at this hearing, staff recommends this item be approved as budgeted when the Subcommittee takes action.

Issue 9: Oiled Wildlife Care Network Resources – BCP and implementing TBL

The Governor’s budget requests \$750,000 Oil Spill Prevention and Administration Fund (OSPAF) in 2024-25 and ongoing for the Oiled Wildlife Care Network (OWCN) to address an increase in operational costs and improve response activities for managing oiled wildlife.

Background: The Lempert-Keene-Seastrand Oil Spill Prevention and Response Act established the Office of Spill Prevention and Response program (OSPR) and in turn required OSPR to establish a network of rescue and rehabilitation facilities for oiled wildlife.

The OWCN, in coordination with OSPR, was founded in 1994 and is responsible for providing the best achievable rescue and care for wildlife impacted by oil spills statewide and maintains a state of readiness through: (1) retaining appropriate member organizations in strategic locations within the state; (2) training volunteers and member organizations; (3) equipment staging; (4) research on oiled wildlife rehabilitation methods; (5) maintaining wildlife hazing teams; and (6) attending industry drills and exercises in coordination with OSPR.

The OWCN is comprised of more than 40 member organizations, and includes over 1,300 trained responders, and specialized equipment and facilities throughout the state. The OWCN has responded to more than 75 spills throughout California and cared for more than 10,000 oiled birds, mammals, and reptiles/amphibians.

The Oiled Wildlife Care Network (OWCN)’s current budget of \$2.5 million is not able to support the increased costs of the program. Previous increases in the OWCN budget were directly related to increases in programmatic scope requested by the state. In 2008, the OWCN budget increased from \$1.5 million to \$2 million when proactive recovery was added to the mission. In 2014, the budget increased from \$2 million to \$2.5 million when statewide coverage was added. Over the past 15 years, necessary increases to costs, and expansion of the network partner organizations, have come at the budgetary expense of other elements of the program, including research support, equipment/supply acquisition, and facility maintenance. Without an increase in the base budget, the OWCN is unlikely to be able to support all programmatic elements within its business plan.

This budget change proposal would require trailer bill language to raise the limit of the amount that can be appropriated to the Oil Spill Prevention and Administration Fund to allow for this additional ongoing appropriation.

Staff Recommendation: Absent member questions or input from the public at this hearing, staff recommends this item be approved as budgeted when the Subcommittee takes action.

3720 Coastal Commission

Issue 10: Essential Accounting, Business Services, and Operational Resources

The Governor's budget requests \$1.133 million in ongoing funding from the Coastal Act Services Fund (CASF) to support operational costs and three previously authorized positions in the Accounting Unit and the Fiscal & Business Services Unit.

Background: The temporary funding provided to the Commission from 2017 through 2023 has been critical to maintaining facilities and operations, including to address increased costs of records management, needs identified in the Office of State Audits Evaluation, and increased complexity of the Commission's budgets and accounting functions. There are adequate funds in the CASF to maintain this funding for ongoing essential operating expenses for facilities and archival/storage costs and to fund the existing three positions on an ongoing basis.

CASF revenue comes from Coastal Commission permit fees, which, pursuant to Commission regulations, increase each year according to inflation. Thus, the Commission expects the fund balance to increase over time and provide sufficient funding to sustain this request on an ongoing basis. It is critical that the Commission have permanent ongoing funding authorized for these operational and staff expenses beginning in 2024-25.

The California Coastal Commission requests \$1,133,000 in ongoing funding from the Coastal Act Services Fund (CASF) to support operational costs and three previously authorized positions in the Accounting Unit and the Fiscal & Business Services Unit.

The 2017 Budget Act authorized two temporary appropriations from the CASF. First, it authorized \$637,000 for two years to cover increased operational costs for facilities and the Department of General Services (DGS) State Records Center (SRC) archival and data storage costs, which have both been increasing for years. In addition, it provided \$122,000 per year, for two years, for an Associate Governmental Program Analyst position for critical business services and accounting functions to address and implement recommendations of the Coastal Commission's 2015-16 non-audit evaluation conducted by the Department of Finance, Office of State Audits and Evaluations (OSAE Evaluation). These 2017 appropriations were temporary due to uncertainty about the CASF fund condition at that time.

Subsequently, the 2019 and 2021 Budget Acts included extensions of these appropriations, and the 2021 Budget Act also authorized one Senior Accounting Officer (Specialist) in the Accounting Unit and one Staff Services Analyst (General) in the Fiscal & Business Services Unit to more fully address the OSAE Evaluation as well as increased workload in these units.

The 2021 reappropriations will expire at the end of the 2023-24 fiscal year, resulting in a loss of critical resources that are necessary to run the Commission's facilities and administrative functions. As a small department, the Commission relies on a small Accounting and Fiscal & Business Services staff to handle multiple duties. As such, the managers over these units are working managers that are responsible for developing and administering the accounting operations and the fiscal & business services operations, respectively. The Accounting Unit

oversees all billing, payments, receipts, monthly reconciliation, fiscal year-end close, grant drawdowns, and all work with the State Controller's office and the State Treasurer's Office. The Fiscal & Business Services Unit oversees budgeting, procurement, contract and grant management, facilities and leases, travel coordination, equipment inventory, and fleet management. The workload in these units is ongoing and requires ongoing funding to sustain the Commission's existing service levels.

Staff Recommendation: Absent member questions or input from the public at this hearing, staff recommends this item be approved as budgeted when the Subcommittee takes action.

Issue 11: Expedite Administration Priority Projects in the Coastal Zone

The Governor's budget requests three new permanent positions to expedite state-funded priority projects, including ecological restoration, wildfire resilience and nature-based climate adaptation, in the coastal zone. The positions will be funded through interagency agreements (IA) with the Department of Parks and Recreation, State Coastal Conservancy, and the Department of Forestry and Fire Protection that are leading or funding the implementation of such projects.

This proposal is intended to support additional staff capacity to expedite coastal permits for state-funded priority projects concerning ecological restoration, wildfire resilience and nature-based climate adaptation projects. Priority projects reduce impacts (e.g. coastal floods, coastal erosion, wildfires, and cost of emergency response to such events) and the related costs by enhancing flood-mitigating ecosystems, protecting shorelines from erosion, increasing wildfire resilience, and reducing fuel loads.

The Coastal Commission has a backlog of items for technical review and must adhere to statutory and regulatory deadlines. Additional staff would expedite permitting and participate in the types of planning and coordination work needed to design and implement projects and utilize funding efficiently. Supporting prioritization of these types of projects, and particularly getting them through the environmental review and permitting stages in a timely and efficient manner, is also intended to better position state and local partners to then apply for "shovel ready" federal funding opportunities.

Background: The number of state-funded ecological restoration, wildfire resilience and nature-based climate adaptation projects will increase substantially in the coming years to preserve biodiversity and adapt to climate change and sea level rise, as reflected in the associated increased spending at the state and federal levels. Since 2021, the state has invested billions of dollars to support these projects, while Congress has also made unprecedented investments in coastal resilience with passage of the Bipartisan Infrastructure Law and Inflation Reduction Act.

The Coastal Commission conducts environmental review and authorizes coastal permits for development in the coastal zone, as required by the Coastal Act. Unlike other regulatory agencies however, the Coastal Commission is not authorized to charge permit fees to public agencies to cover the cost of environmental review and permit processing which has led to a

bottleneck in the processing of permits and may delay the implementation of priority projects in the coastal zone.

Staff Recommendation: Absent member questions or input from the public at this hearing, staff recommends this item be approved as budgeted when the Subcommittee takes action.

3125 California Tahoe Conservancy

Issue 12: Access Tahoe

The Governor’s budget requests \$100,000 in ongoing local assistance funding to expand lake access and reduces support funding of \$228,000 ongoing from the Lake Tahoe Conservancy Account.

Staff Recommendation: Absent member questions or input from the public at this hearing, staff recommends this item be approved as budgeted when the Subcommittee takes action.

Issue 13: Conceptual Feasibility Planning

The Governor’s budget requests \$300,000 from the Safe Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 (Proposition 84) for conceptual feasibility planning for future watershed, habitat, and recreation improvements.

Staff Recommendation: Absent member questions or input from the public at this hearing, staff recommends this item be approved as budgeted when the Subcommittee takes action.

Issue 14: Minor Capital Outlay

The Governor’s budget requests \$890,000 (\$890,000 from Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop 50)) for various minor capital outlay projects. These projects involve stabilizing and improving previously acquired property, ensuring public safety, and completing upgrades on developed facilities.

Staff Recommendation: Absent member questions or input from the public at this hearing, staff recommends this item be approved as budgeted when the Subcommittee takes action.

Issue 15: Trout and Cold Creek Watershed Restoration Project

The Governor’s budget requests \$500,000 Federal Trust Fund to study restoration opportunities and complete environmental review for the Trout and Cold Creeks Watershed Restoration Project.

Staff Recommendation: Absent member questions or input from the public at this hearing, staff recommends this item be approved as budgeted when the Subcommittee takes action.

Issue 16: Upper Truckee Marsh Restoration Project

The California Tahoe Conservancy (Conservancy) requests \$250,000 Federal Trust Fund authority to develop working drawings for the multiple-benefit Upper Truckee River Sunset Stables Reach 6 Restoration Project.

Staff Recommendation: Absent member questions or input from the public at this hearing, staff recommends this item be approved as budgeted when the Subcommittee takes action.

Issue 17: Van Sickle Bi-State Park Safety and Equitable Access Improvements

The Governor’s budget requests \$100,000 in Proposition 50 for the Van Sickle Bi-State Park Safety and Equitable Access Improvements Project, including establishing a paved trail connecting the day-use areas, creating a new state line monument and plaza, paving the California day-use area parking lot, and paving the entrance trail to accommodate Americans with Disabilities Act (ADA) accessibility, storm water run-off, and snow removal.

Staff Recommendation: Absent member questions or input from the public at this hearing, staff recommends this item be approved as budgeted when the Subcommittee takes action.

3825 San Gabriel and Lower Los Angeles Rivers and Mountain Conservancy

Issue 18: Wildfire Resilience Coordinator

The Governor's budget requests adding a permanent position to support the San Gabriel and Lower Los Angeles Rivers and Mountain Conservancy's Wildfire Resilience Program. This position will be supported through various existing funding sources, including the interagency agreement with the Department of Conservation for Regional Forest and Fire Capacity Program, as well as administrative allowances associate with recent wildfire prevention and resiliency investments.

Staff Recommendation: Absent member questions or input from the public at this hearing, staff recommends this item be approved as budgeted when the Subcommittee takes action.

This agenda and other publications are available on the Assembly Budget Committee's website at: [Sub 4 Hearing Agendas | California State Assembly](#). You may contact the Committee at (916) 319-2099. This agenda was prepared by Christine Miyashiro.