

AGENDA ASSEMBLY BUDGET SUBCOMMITTEE NO. 3 ON RESOURCES

ASSEMBLYMEMBER VIRGINIA STROM-MARTIN, CHAIR

**WEDNESDAY, MARCH 10, 1999
STATE CAPITOL, ROOM 127
8:00 A.M.**

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3580 SEISMIC SAFETY COMMISSION

The Seismic Safety Commission works with federal, state and local agencies and the private sector to reduce risk to life and property. Activities include: maintaining and advocating implementation of the state's Earthquake Hazard Reduction Program, reviewing the adequacy of the earthquake programs and policies of state agencies, and implementing the Unreinforced Masonry Building Law.

Summary of Program Requirements

	1997-98	1998-99	1999-00
Seismic Safety	1.092	1.114	.936

COMMENTS:

Approve as budgeted.

3830 SAN JOAQUIN RIVER CONSERVANCY

The San Joaquin River Conservancy was established in 1992 for the purpose of acquiring and managing public lands within the San Joaquin River Parkway. The Parkway consists of the San Joaquin River and approximately 5,900 acres on both sides of the river between the Friant Dam and Highway 99 crossing.

Summary of Program Requirements

	1997-98	1998-99	1999-00
San Joaquin River Conservancy	.186	.195	.212

COMMENTS:

No issues.

3850 COACHELLA VALLEY MOUNTAINS CONSERVANCY

The Coachella Valley Mountains Conservancy was established in 1990 to acquire and hold, in perpetual open space, mountainous lands surrounding the Coachella Valley and to provide for the public enjoyment of those lands.

Summary of Program Requirements

	1997-98	1998-99	1999-00
Coachella Valley Mountains Conservancy	.163	.262	.229

COMMENTS:

No issues.

3820 SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION

The San Francisco Bay Conservation and Development Commission (BCDC) is a regional planning agency responsible for protecting the bay and its shoreline. The Commission performs the following functions:

- Maintains the Bay Plan to serve as a guide for the conservation of the San Francisco Bay and development of its shoreline;
- Issues or denies permits for filling or dredging in the Bay;
- Approves any change in the use of salt ponds, property within 100 feet of the Bay, or other managed wetlands adjacent to the Bay;
- Implementation of the Suisan Marsh Preservation Act of 1977; and
- Is the designated agency for the Bay segment of the coastal zone for purposes of the federal Coastal Zone Management Act.

Summary of Program Requirements

	1997-98	1998-99	1999-00
Bay Conservation and Development	2.664	2.711	3.640

ISSUE 1: BUDGET AUGMENTATIONS

The Governor's budget proposes several modest augmentations:

- \$400,000 General Fund for office relocation and resent increases costs.
- \$174,000 General Fund and two positions to review and update the San Francisco Bay Plan.
- \$84,000 General Fund and one position for additional administrative support.
- \$174,000 in special funds and two positions to implement the Long Term Management Strategy Program for dredging and disposal in the San Francisco Bay.
- \$77,000 in special funds and one position to augment the enforcement program.

These augmentations are needed so that BCDC can effectively carry out its legal requirements.

3560 STATE LANDS COMMISSION

The State Lands Commission consists of three members -- the Lieutenant Governor, the State Controller, and the Director of Finance. The Commission administers policies established by the Legislature and the Commission for the management and protection of all statutory lands that the State has received from the federal government upon its entry into the Union. These lands include the beds of all naturally navigable waterways such as major rivers, streams and lakes, tide and submerged lands in the Pacific Ocean which extend from the mean high tide line seaward to the three-mile limit, swamp and overflow lands, state school lands, and granted lands. There are more than four million acres of state-owned lands. The Commission authorizes the use of public lands subject to reasonable rules and regulations and the determination of fair and adequate compensation.

Summary of Program Requirements

	1997-98	1998-99	1999-00
Mineral Resources Management	6.047	6.153	6.160
Land Management	8.312	7.463	6.738
Marine Facilities Management	4.381	4.646	5.202
Total	18.740	18.262	18.100

ISSUE 1: MINOR BUDGET AUGMENTATION

The Governor's budget proposes to increase the Commission's budget by adding:

- \$69,000 General Fund for three-year limited term position to resolve title issues related to tide and submerged lands.
- \$136,000 General Fund for two-year limited term positions for outreach and education to local agencies for proper land management.
- \$30,000 General Fund for a study on the possible removal of the La Jenelle Fishing Jetty.
- \$595,000 OSPAF for nine positions to improve the inspection of marine facilities under the Marine Facilities Management Program.
- \$56,000 OSPAF for one position to implement the Human and Organizational Factor Based Safety Program in the Marine Facilities Management Program.

COMMENTS:

These augmentations are needed so that the Lands Commission can effectively carry out its legal requirements.

ISSUE 2: RESOURCES TRUST FUND STATUS AND FUND AVAILABILITY

The Resources Trust Fund was created by statute in 1997. Funds are to be allocated to preserve and protect the natural and recreational resources of the state. The RTF is funded from tidelands revenues remaining after specific amounts are deposited into the General Fund and the California Housing Trust Fund.

The Trust Fund is split into two separate accounts: the Salmon and Steelhead Trout Restoration Account and the Natural Resources Infrastructure Fund. Statute requires that the first \$8 million from the RTF be deposited into the Salmon and Steelhead Trout Restoration Account to be allocated by the Department of Fish and Game for the recovery of salmon and steelhead trout. Of that \$8 million, at least 85.7 percent must be allocated as project grants through the Department's fisheries management grant program. The grants will be awarded for activities that improve fish habitat in coastal water utilized by salmon and anadromous trout and emphasis is given to the development of coordinated watershed improvement activities. The remaining funds may be used by the Department for project administration costs.

In the last session, the Legislature created two additional accounts within RIF. They are the Marine Life and Marine Reserve Management Account which is to receive the next \$2.2 million for expenditure by the Department of Fish and Game for marine life management; and the State Parks Deferred Maintenance Account which is to receive the next \$10 million for expenditure by the Department of Parks and Recreation for deferred maintenance expenses.

Any remaining RTF funds are to be deposited into the Natural Resources Infrastructure Fund for preserving and protecting natural and recreational resources. Statute identifies four priorities for those funds: expenditure for non-point source pollution control programs, Natural; Communities Conservation Plan acquisitions, Habitat Conservation Fund funding requirements, and environmental review and monitoring by the Department of Fish and Game. Funds not appropriated to those priorities may be spent on natural and recreational resources.

The continuing drop in oil process has resulted in a significant drop in tidelands oil revenues. It is estimated that the Salmon and Steelhead Trout Restoration Account will receive only \$6.5 million in the current year, and the Natural Resources Infrastructure Fund will receive no Tidelands Oil Revenues. It is also estimated that in the budget year that although the Salmon and Steelhead Trout Restoration Account will receive its full \$8 million allocation, and \$1.9 million is likely to be available for the Marine Life Management Account, there will be no funds for parks deferred maintenance or other programs.

COMMENTS:

The Lands Commission will provide a current discussion of the status and longer-term projections for tidelands oil revenues.

3810 SANTA MONICA MOUNTAINS CONSERVANCY

The Santa Monica Mountains Conservancy acquires, restores and consolidates lands in the Santa Monica Mountains Zone for park, recreation or conservation purposes. The Conservancy has the authority to:

- Acquire real property and improve, lease, rent, sell, transfer or exchange these lands for park purposes.
- Award grants or interest free loans to state and local agencies for purchase or restoration of park, recreation, conservation or buffer-zone purposes to ensure that the character and intensity of development on these lands is generally compatible with and does not adversely impact the Santa Monica Mountain National Recreation Area.
- Implement programs to improve access from the inner city areas surrounding the zone, thereby providing recreational opportunities for all groups wishing to enjoy the Santa Monica Mountains.
- Execute projects consistent with Division 23 of the Public Resources Code within the Rim of the Valley Trail Corridor to provide a recreational trail corridor.
- Work with local government's to implement the Safe parks Act of 1992 and the Los Angeles County Park, Beach and Recreational Facilities Act of 1996.

Summary of Program Requirements

	1997-98	1998-99	1999-00
Santa Monica Mountains Conservancy	.477	.591	.598

ISSUE 1: FINANCIAL STABILIZATION

For a number of years the Legislature has required the Conservancy to report on its activities and financial procedures. The Conservancy has done a creative job of cobbling together sufficient funds from various governmental entities and the private sector to continue to operate and acquire rapidly vanishing open space within its service area. This year the Conservancy has launched development of a plan for long-term self-sufficiency. They anticipate this will include some appropriate level of on-going operational funds from the state that will be determined as part of the Governor's analysis of resources needs and revenue streams.

COMMENTS:

To maintain the level of service provided by the Conservancy and to avoid staff reductions the Legislature might consider a one-time augmentation of the Conservancy's operating budget.

3600 DEPARTMENT OF FISH AND GAME

The Department of Fish and Game maintains native fish, wildlife, plant species and natural communities for their intrinsic and ecological value and benefits to people. This includes habitat protection and maintenance in a sufficient amount and quality to ensure the survival of all species and natural communities. The Department is also responsible for the diversified use of fish and wildlife including recreational, commercial, scientific and educational uses.

Summary of Program Requirements*

	1997-98	1998-99	1999-00
Enforcement of Laws & Regulations	34.313	35.203	
Legal Services	.602	.631	
Wildlife Management & Natural Heritage Program	43.877	52.678	
Fisheries Management	72.806	84.818	
Environmental Services	18.407	18.144	
Oil Spills Prevention Program	26.315	19.511	
Total	196.320	210.985	
Bio Diversity Conservation Program			71.548
Hunting, Fishing & Public Use			40.484
Management of Department Lands & Facilities			32.168
Conservation, Education & Enforcement			39.765
Spill Prevention & Response			21.113
Total			205.078

*The department is using a new method to display its budget based on the internal reorganization.

ISSUE 1: RESTRUCTURING THE AGENCY

The department initiated reorganization in 1997. Few firm details about the reorganization were available and no specifics on the program restructuring that was to be done to more accurately reflect statutory requirements or the systems for tracking expenditures for departmental activities were provided.

According to the LAO the structural reorganization helps to define how the programs are delivered. This component of the reorganization plan has been completed and includes (1) the consolidation of nine divisions into four and 2) the expansion of five regions into seven. The four divisions are each responsible for the development of policies, planning, coordination, and evaluation of one programs such as Habitat Conservation, Wildlife & Inland Fisheries, Office of Oil Spill Prevention and Response, and Administration. The department expects that this aspect of the reorganization will

increase its availability to develop consistent policies and management practices for each program. The seven regions will administer programs in accordance with policy direction from the divisions. The department expects that policies will be carried out in a more coordinated and consistent manner.

The department believes this new structure should facilitate priority setting and accountability. Through the years, the department has had its responsibilities increased, especially in regard to its natural resources protection activities such as enforcement of the California Environmental Quality Act and the California Endangered Species Act. For many years the department was focused on hunting and fishing activities that were supported by fees. But it has evolved to be one of the state's main trustees of all natural resources. The new program alignment is displayed for the first time in this year's budget. However, because workplans have not been completed for each program, and therefore the goals not established, resource allocation as presented in the budget essentially represents the status quo. As this is a transition year, the department has been asked to present the Legislature at this hearing what it plans to accomplish in the budget year in each of the program areas.

COMMENTS:

Increased accountability is expected to come about through the development of work plans, the requirement of activity time and expenditure reporting; and tracking how resources are used and managing programs using the work plans and the time and expenditure data.

The LAO has requested the department to report at the hearing on what it plans to accomplish in the budget year for each of the programs given its reorganization.

ISSUE 2: POACHING WARDENS

Last year the Legislature augmented the Governor's budget to include funding for a reconstituted strikeforce of wardens to focus on poaching activities.

COMMENTS:

The department should be asked to report on the status of this effort and any progress made during the year.

3640 WILDLIFE CONSERVATION BOARD

The Wildlife Conservation Board was established within the Department of Fish and Game to administer a capital outlay program for wildlife conservation and related public access pursuant to the Wildlife Conservation Act of 1947. The Board conducts or causes to be conducted, investigations and studies to determine the areas within the State considered most essential for wildlife production and preservation, and which will provide compatible recreational opportunities. The Board develops fishing piers and fishing access sites at the lakes, on the ocean, and along the State's waterways and aqueducts. The Wildlife Protection Act of 1990 (Proposition 117) was implemented in order to provide a long-term funding mechanism to provide for the preservation and enhancement of California's diverse wildlife heritage, and the habitats on which it depends.

Summary of Program Requirements

	1997-98	1998-99	1999-00
Wildlife Conservation Board	9.929	4.028	3.074

ISSUE 1: FUNDING VS NEEDS

The Wildlife Conservation Board was created in 1947 to administer a program to acquire and develop areas in California for wildlife conservation and related public recreation activities. The Board has authorized funding in cooperation with local agencies and state conservancies for the development of nearly three hundred wildlife oriented public access sites statewide. While the Board provides the funding for these projects, local governmental agencies operate and maintain the majority of the projects at no cost to the state. The Board is charged with conducting the necessary investigations and studies to determine the areas most essential and suitable for wildlife protection and preservation and which will provide recreational advantages.

COMMENTS:

This makes the Board a unique place to coordinate state acquisition and development funding to provide wildlife habitat protection, increased open space, and public access to the state's natural resources. The Board does not operate facilities; its expertise is in analyzing needs and prioritizing resources. Members of the Senate and the Assembly serve as an Advisory Committee to the Board and participate in the Board's deliberations.