AMENDED IN ASSEMBLY JUNE 24, 2021

AMENDED IN SENATE MARCH 23, 2021

SENATE BILL

No. 1

Introduced by Senator Atkins (Principal coauthor: Senator Stern) (Principal coauthor: Assembly Member Petrie-Norris) (Coauthors: Senators Hertzberg, Hueso, Laird, Limón, and Portantino)

December 7, 2020

An act to amend Sections 30001.5, 30501, and 71116 of, to add Section 30421 to, to add Article 8 (commencing with Section 30270) to Chapter 3 of Division 20 of, and to add Division 20.6.5 (commencing with Section 30970) to, the Public Resources Code, relating to coastal resources.

LEGISLATIVE COUNSEL'S DIGEST

SB 1, as amended, Atkins. Coastal resources: sea level rise.

(1) Existing law, the California Coastal Act of 1976, establishes the California Coastal Commission and provides for planning and regulation of development in the coastal zone, as defined. The act requires the commission, within 90 days after January 1, 1977, to adopt, after public hearing, procedures for the preparation, submission, approval, appeal, certification, and amendment of a local coastal program, including a common methodology for the preparation of, and the determination of the scope of, the local coastal programs, as provided.

This bill would also include, as part of the procedures the commission is required to adopt, recommendations and guidelines for the identification, assessment, minimization, and mitigation of sea level rise within each local coastal program, as provided. The bill would

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delete the timeframe specified above by which the commission is required to adopt these procedures. The bill would require the commission to take into account the effects of sea level rise in coastal resource planning and management policies and activities, as provided. In addition, the bill would require state and regional agencies to identify, assess, and, to the extent feasible and consistent with their statutory authorities, minimize avoid, minimize, and mitigate the impacts of sea level rise. To the extent that a regional agency is a local public agency, this bill would impose a state-mandated local program.

The act makes legislative findings and declarations relating to the basic goals of the state for the coastal zone.

This bill would add, as part of those goals, the goal of anticipating, assessing, planning for, and, to the extent feasible, *minimizing avoiding, minimizing,* and mitigating the adverse environmental and economic effects of sea level rise within the coastal zone.

(2) Existing law requires the Natural Resources Agency, in collaboration with the Ocean Protection Council, to create and post on an internet website a Planning for Sea Level Rise Database describing steps being taken throughout the state to prepare for, and adapt to, sea level rise.

This bill would create within the council the California Sea Level Rise State and Regional Support Collaborative. The bill would require the collaborative, among other things, to provide state and regional information to the public and support to local, regional, and other state agencies for the identification, assessment, planning, and, where feasible, the mitigation of the adverse environmental, social, and economic effects of sea level rise, as provided. The bill would require, upon appropriation in the annual Budget Act, the collaborative to expend no more than \$100,000,000 annually from appropriate bond funds and other sources for the purpose of making grants to local and regional governments to update local and regional land use plans to take into account sea level rise and for directly related investments to implement those plans, as provided. The bill would require the Secretary for Environmental Protection and the Secretary of the Natural Resources Agency, as part of the adoption of the annual Budget Act, to annually appear before the budget committees of both houses of the Legislature regarding the implementation of the above provisions.

(3) Existing law establishes the Environmental Justice Small Grant Program under the jurisdiction of the California Environmental Protection Agency, with the purpose to provide grants to eligible

community groups that are located in areas adversely affected by environmental pollution and hazards and that are involved in work to address environmental justice issues. Existing law authorizes the Secretary for Environmental Protection to expend up to \$1,500,000 per year for purposes of this grant program.

This bill would instead authorize the secretary to expend up to \$2,000,000 per year for purposes of the grant program and would require up to \$500,000 of that money to be expended by the secretary for grants to organizations working to address and mitigate the effects of sea level rise in disadvantaged communities, as defined, impacted by sea level rise.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 30001.5 of the Public Resources Code 2 is amended to read:

3 30001.5. The Legislature further finds and declares that the4 basic goals of the state for the coastal zone are to:

5 (a) Protect, maintain, and, where feasible, enhance and restore

6 the overall quality of the coastal zone environment and its natural7 and artificial resources.

- 8 (b) Ensure orderly, balanced utilization and conservation of 9 coastal zone resources taking into account the social and economic 10 needs of the people of the state.
- 11 (c) Maximize public access to and along the coast and maximize
- public recreational opportunities in the coastal zone consistentwith sound resources conservation principles and constitutionally
- 14 protected rights of private property owners.
- 15 (d) Ensure priority for coastal-dependent and coastal-related 16 development over other development on the coast.

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(e) Encourage state and local initiatives and cooperation in 1 2 preparing procedures to implement coordinated planning and 3 development for mutually beneficial uses, including educational 4 uses, in the coastal zone. 5 (f) Anticipate, assess, plan for, and, to the extent feasible, minimize avoid, minimize, and mitigate the adverse environmental 6 7 and economic effects of sea level rise within the coastal zone. 8 SEC. 2. Article 8 (commencing with Section 30270) is added 9 to Chapter 3 of Division 20 of the Public Resources Code, to read: 10 11 Article 8. Sea Level Rise 12 13 30270. The commission shall take into account the effects of 14 sea level rise in coastal resources planning and management 15 policies and activities in order to identify, assess, and, to the extent feasible, avoid and mitigate the adverse effects of sea level rise. 16 17 SEC. 3. Section 30421 is added to the Public Resources Code, 18 to read: 19 30421. State and regional agencies shall identify, assess, and, to the extent feasible and consistent with their statutory authorities. 20 21 minimize avoid, minimize, and mitigate the impacts of sea level 22 rise. 23 SEC. 4. Section 30501 of the Public Resources Code is 24 amended to read: 25 30501. The commission shall adopt, after public hearing, 26 procedures for the preparation, submission, approval, appeal, certification, and amendment of a local coastal program, including, 27 28 but not limited to, all of the following: 29 (a) A common methodology for the preparation of, and the 30 determination of the scope of, the local coastal programs, taking into account the fact that local governments have differing needs 31 32 and characteristics. 33 (b) Recommended uses that are of more than local importance 34 that should be considered in the preparation of local coastal programs. Those uses may be listed generally or the commission 35 may, from time to time, recommend specific uses for consideration 36 37 by a local government. (c) Recommendations and guidelines, which shall be periodically 38 updated by the commission to incorporate new information as it 39

40 becomes available, for the identification, assessment, minimization,

and mitigation of sea level rise within each local coastal program,
 taking into account local and regional conditions and the differing
 capacities and funding available to local governments.
 SEC. 5. Division 20.6.5 (commencing with Section 30970) is
 added to the Public Resources Code, to read:

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DIVISION 20.6.5. CALIFORNIA SEA LEVEL RISE MITIGATION AND ADAPTATION ACT OF 2021

30970. This division shall be known, and may be cited, as the
California Sea Level Rise Mitigation and Adaptation Act of 2021.
30971. The Legislature finds and declares all of the following:
(a) California has 1,264 miles of coastline, and, if small bays
and inlets are included, it has up to 3,000 miles of coastline located
on the western seaboard of the United States, all of which is prone

16 to the severe and pervasive effects of sea level rise.

17 (b) According to the "State of California Sea-Level Rise 18 Guidance Document" issued by the Natural Resources Agency 19 and the Ocean Protection Council, the impacts of sea level rise on 20 the state will be significant and pervasive, and could occur as soon 21 as within the next decade.

(c) (1) As with most impacts from climate change, the impacts
of sea level rise are both environmental and economic, including
losses to publicly owned infrastructure, such as airports, rail lines,
streets and highways, pipelines, waste water treatment plants,
schools, hospitals, and other facilities.

27 (2) For example, the catastrophic inundation, flooding, and 28 property damage from a small rise in sea level, combined with a 29 1-in-10 likelihood of a Pacific storm, could amount to tens of 30 billions of dollars in uninsured losses of structures and properties. 31 (3) A 2015 assessment by the Risky Business Project, led by 32 former United States Secretary of the Treasury Henry Paulson and 33 other business leaders, found that between eight billion dollars 34 (\$8,000,000,000) and ten billion dollars (\$10,000,000,000) of 35 existing property in the state is likely to be underwater by the year

36 2050 if current trends continue.

37 (4) According to the 2015 National Oceanic and Atmospheric

38 Administration report, The National Significance of California's

39 Coastal Economy, "California's 19 coastal counties generated 40 \$662 billion in wages and \$1.7 trillion in GDP in 2012" and

1 "California's ocean-related activities represent a substantial portion

2 of the U.S. ocean economy as a whole-13 percent of the

3 establishments, 14 percent of the employment and wages, and 12

4 percent of the GDP in 2012," all of which would be adversely 5 affected by sea level rise.

6 (5) Recent reports in periodicals, such as the Los Angeles Times,
7 state succinctly that "Destruction from sea level rise in California
8 could exceed worst wildfires and earthquakes."

9 (d) For the economy, the natural environment, and the people 10 of California, it is urgent that the state enact new statutes to plan 11 for, anticipate, and respond to sea level rise.

(e) The purpose of this division is to establish new planning,
assessment, funding, and mitigation tools for California to address
and respond to sea level rise.

15 30972. (a) (1) There is hereby created within the Ocean
16 Protection Council the California Sea Level Rise State and
17 Regional Support Collaborative.

(2) In its role as the collaborative, the Ocean Protection Council 18 19 shall coordinate with the other state planning and coastal management agencies, including, but not limited to, the Office of 20 21 Planning and Research, the Strategic Growth Council, the State 22 Lands Commission, the California Coastal Commission, the State 23 Coastal Conservancy, and the San Francisco Bay Conservation and Development Commission, to administer the grants and on 24 25 the kind of information and support it provides local, regional, 26 and other state agencies consistent with their statutory authority. 27 (b) The collaborative shall provide state and regional information 28 to the public and support to local, regional, and other state agencies 29 for the identification, assessment, planning, and, where feasible, 30 the mitigation of the adverse environmental, social, and economic 31 effects of sea level rise within the coastal zone and the area under 32 the jurisdiction of the San Francisco Bay Conservation and Development Commission, pursuant to Section 66610 of the 33 34 Government Code. The support the collaborative provides to local 35 and regional agencies shall include, but not be limited to, technical 36 assistance on updating local and regional land use plans to take 37 into account sea level rise.

38 30973. (a) Upon appropriation by the Legislature in the annual

39 Budget Act, the collaborative shall expend not more than one

40 hundred million dollars (\$100,000,000) annually from appropriate

1 bond funds and other sources for the purposes of making grants

2 to local *and regional* governments to update local and regional3 land use plans to take into account sea level rise, and for directly

4 related investments to implement those plans. Priority shall be

5 given to those local *and regional* governments that have agreed

6 most effectively and urgently to plan for and implement actions

7 to address sea level rise.

8 (b) As part of the adoption of the annual Budget Act, the 9 Secretary of Environmental Protection and the Secretary of the 10 Natural Resources Agency shall annually appear before the budget 11 committees of both houses of the Legislature regarding the 12 implementation of this division.

13 SEC. 6. Section 71116 of the Public Resources Code is 14 amended to read:

71116. (a) The Environmental Justice Small Grant Program
is hereby established under the jurisdiction of the California
Environmental Protection Agency. The California Environmental
Protection Agency shall adopt regulations for the implementation
of this section. These regulations shall include, but need not be
limited to, all of the following:

(1) Specific criteria and procedures for the implementation ofthe program.

(2) A requirement that each grant recipient submit a written
report to the agency documenting its expenditures of the grant
funds and the results of the funded project.

(3) Provisions promoting the equitable distribution of grant
funds in a variety of areas throughout the state, with the goal of
making grants available to organizations that will attempt to
address environmental justice issues.

30 (b) The purpose of the program is to provide grants to eligible
31 community groups, including, but not limited to, community-based,
32 grassroots nonprofit organizations, that are located in areas
33 adversely affected by environmental pollution and hazards and

34 that are involved in work to address environmental justice issues.

35 (c) (1) Both of the following are eligible to receive moneys36 from the fund:

37 (A) A nonprofit entity.

38 (B) A federally recognized tribal government.

1 (2) For purposes of this section, "nonprofit entity" means any 2 corporation, trust, association, cooperative, or other organization

3 that meets all of the following criteria:

4 (A) Is operated primarily for scientific, educational, service,

5 charitable, or other similar purposes in the public interest.

6 (B) Is not organized primarily for profit.

7 (C) Uses its net proceeds to maintain, improve, or expand, or 8 any combination thereof, its operations.

9 (D) Is a tax-exempt organization under Section 501(c)(3) of the

10 federal Internal Revenue Code, or is able to provide evidence to 11 the agency that the state recognizes the organization as a nonprofit

12 entity.

(3) For purposes of this section, "nonprofit entity" specifically
excludes an organization that is a tax-exempt organization under
Section 501(c)(4) of the federal Internal Revenue Code.

16 (d) Individuals may not receive grant moneys from the fund.

17 (e) Grant recipients shall use the grant award to fund only the

18 project described in the recipient's application. Recipients shall

not use the grant funding to shift moneys from existing or proposedprojects to activities for which grant funding is prohibited under

21 subdivision (g).

(f) Grants shall be awarded on a competitive basis for projects
that are based in communities with the most significant exposure
to pollution. Grants shall be limited to any of the following
purposes and no other:

26 (1) Resolve environmental problems through distribution of 27 information.

(2) Identify improvements in communication and coordination
 among agencies and stakeholders in order to address the most
 significant exposure to pollution.

31 (3) Expand the understanding of a community about the32 environmental issues that affect their community.

33 (4) Develop guidance on the relative significance of various34 environmental risks.

(5) Promote community involvement in the decisionmakingprocess that affects the environment of the community.

37 (6) Present environmental data for the purposes of enhancing

38 community understanding of environmental information systems

39 and environmental information.

1 (g) (1) The agency shall not award grants for, and grant funding 2 shall not be used for, any of the following:

3 (A) Other state grant programs.

4 (B) Lobbying or advocacy activities relating to any federal, 5 state, regional, or local legislative, quasi-legislative, adjudicatory, 6 or quasi-judicial proceeding involving development or adoption 7 of statutes, guidelines, rules, regulations, plans or any other 8 governmental proposal, or involving decisions concerning siting, 9 permitting, licensing, or any other governmental action.

10 (C) Litigation, administrative challenges, enforcement action, 11 or any type of adjudicatory proceeding.

12 (D) Funding of a lawsuit against any governmental entity.

13 (E) Funding of a lawsuit against a business or a project owned 14 by a business.

15 (F) Matching state or federal funding.

(G) Performance of any technical assessment for purposes ofopposing or contradicting a technical assessment prepared by apublic agency.

19 (2) An organization's use of funds from a grant awarded under 20 this section to educate a community regarding an environmental 21 justice issue or a governmental process does not preclude that 22 organization from subsequent lobbying or advocacy concerning 23 that same issue or governmental process, as long as the lobbying 24 or advocacy is not funded by a grant awarded under this section.

(h) The agency shall review, evaluate, and select grant recipients,
and screen grant applications to ensure that they meet the
requirements of this section.

(i) The maximum amount of a grant provided pursuant to thissection may not exceed fifty thousand dollars (\$50,000).

30 (j) For purposes of this section, "environmental justice" has the
31 same meaning as defined in Section 65040.12 of the Government
32 Code.

33 (k) (1) The Secretary for Environmental Protection may expend

up to two million dollars (\$2,000,000) per year for the purposesof this section.

36 (2) (A) Of the amount described in paragraph (1), up to five
37 hundred thousand dollars (\$500,000) shall be expended by the
38 Secretary for Environmental Protection for grants to organizations

39 working to address and mitigate the effects of sea level rise in

40 disadvantaged communities impacted by sea level rise.

1 (B) For purposes of this section, "disadvantaged community"

2 shall have the same meaning as defined in Section 71118.

3 (*l*) Board, departments, and offices within the California 4 Environmental Protection Agency may allocate funds from various

5 special funds, settlements, and penalties to implement this program.

6 SEC. 7. If the Commission on State Mandates determines that

7 this act contains costs mandated by the state, reimbursement to

8 local agencies and school districts for those costs shall be made

9 pursuant to Part 7 (commencing with Section 17500) of Division

10 4 of Title 2 of the Government Code.

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