

Recommended Resources Bond

BILL NUMBER: SB 153 AMENDED
BILL TEXT

AMENDED IN ASSEMBLY SEPTEMBER 2, 2005
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AMENDED IN ASSEMBLY JUNE 27, 2005
AMENDED IN SENATE JUNE 2, 2005
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AMENDED IN SENATE MARCH 29, 2005

INTRODUCED BY Senators Chesbro and Murray
(Coauthors: Senators Alquist, Florez, Kehoe, Kuehl, Perata, Simitian, Vincent, and Torlakson)

(Coauthors: Assembly Members Berg, Bermudez, Evans, Karnette, Klehs, Koretz, Laird, Leno, Nation, Nava, Pavley, and Ruskin)

FEBRUARY 8, 2005

An act to add Chapter 1.698 (commencing with Section 5096.700) to Division 5 of the Public Resources Code, relating to financing a program for the acquisition, development, improvement, preservation, rehabilitation, and restoration of agricultural, coastal, cultural, forest, historical, park, recreational, and water resources in the state, by providing the funds necessary therefor through the issuance and sale of bonds of the State of California and by providing handling and disposition of those funds.

LEGISLATIVE COUNSEL'S DIGEST

SB 153, as amended, Chesbro California Clean Water, Safe Neighborhood Parks, and Coastal Protection Act of 2006.

Under existing law, programs have been established pursuant to bond acts for, among other things, the development and enhancement of state and local parks and recreational facilities.

This bill would enact the California Clean Water, Safe Neighborhood Parks, and Coastal Protection Act of 2006, which, if adopted, would authorize for the purpose of financing a program for the acquisition, development, improvement, preservation, rehabilitation, and restoration of agricultural, coastal, cultural, forest, historical, park, recreational, and water resources in the state, as specified, the issuance, pursuant to the State General Obligation Bond Law, of bonds in the amount of **\$4,445,000,000**.

Vote: 2/3. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Chapter 1.698 (commencing with Section 5096.700) is added to Division 5 of the Public Resources Code, to read:

CHAPTER 1.698. THE CALIFORNIA CLEAN WATER, SAFE NEIGHBORHOOD PARKS, AND COASTAL PROTECTION ACT OF 2006

Article 1. General Provisions

5096.700. This chapter shall be known, and may be cited, as the California Clean Water, Safe Neighborhood Parks, and Coastal Protection Act of 2006.

5096.701. (a) The Legislature finds and declares all of the following:

(1) Maintaining a high quality of life for California's growing population requires a continuing investment in parks, recreation facilities, and in the protection of the state's natural and historical resources.

(2) Clean water, clean beaches, and healthy natural ecosystems that can support both human communities and the state's native fish and wildlife are all part of the legacy of California. Each generation has an obligation to be good stewards of these resources in order to pass them on to their children.

(3) Public financial resources are inadequate to meet all of the funding needs of local public park and recreation providers.

(4) There is an urgent need for safe, open, and accessible local park and recreational facilities, and for increased recreational opportunities that provide positive alternatives to social problems.

5096.705. As used in this chapter, the following terms have the following meanings:

(a) "Acquisition of real property" means obtaining the fee title or a lesser interest in real property, including, specifically, a conservation easement or development rights. "Acquisition" with respect to historical and cultural resources means securing ownership by purchase, option to purchase, gift, exchange, dedication, or any combination, including rights to use, display, reproduce, or replicate, as appropriate.

(b) "Committee" means the California Clean Water, Safe Neighborhood Parks, and Coastal Protection Act of 2006 Finance Committee created pursuant to Section 5096.767.

(c) "Department" means the Department of Parks and Recreation.

(d) "Development" includes, but is not limited to, improvement, rehabilitation, restoration, enhancement, preservation, protection, and interpretation.

(e) "Director" means the Director of Parks and Recreation.

(f) "District" means a regional park district, regional park and open-space district, or regional open-space district formed pursuant to Article 3 (commencing with Section 5500) of Chapter 3, a recreation and park district formed pursuant to Chapter 4 (commencing with Section 5780), or an authority formed pursuant to Division 26 (commencing with Section 35100). With respect to a community or unincorporated

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region that is not included within a district, and in which no city or county provides parks or recreational areas or facilities, "district" also means any other district that is authorized by statute to operate and manage parks or recreational areas or facilities, employs a full-time park and recreation director, offers year-round park and recreation services on lands and facilities owned by the district, and allocates a substantial portion of its annual operating budget to parks or recreation areas or facilities.

(g) "Fund" means the California Clean Water, Safe Neighborhood Parks, and Coastal Protection Fund of 2006 created pursuant to Section 5096.710.

(h) "Historical and cultural resources" includes, but is not limited to, any object, building, structure, site, area, place, record, book, artwork, manuscript, recording, film, negative, or digital representation that is significant to California's history, culture, archaeology, or paleontology, including rights to use display, reproduce, or replicate, as appropriate.

(i) "Interpretation" includes, but is not limited to, a visitor serving amenity that communicates the significance and value of natural, historical, and cultural resources in a way that increases the understanding and enjoyment of these resources and that utilizes the expertise of a naturalist or other specialist skilled at educational interpretation.

(j) "Local conservation corps" means a program operated by a public agency or nonprofit organization that meets the requirements of Section 14406.

(k) "Nonprofit organization" means a nonprofit corporation qualified to do business in California, and qualified under Section 501(c) (3) of the Internal Revenue Code.

(l) "Preservation" means identification, evaluation, recordation, documentation, interpretation, protection, rehabilitation, stabilization, development, and reconstruction, or any combination of those activities.

(m) "Restoration" means the improvement of a physical structure or facility, ***including deferred maintenance***, and, in the case of natural system and landscape features includes, but is not limited to, a project for the control of erosion, the control and elimination of exotic species, including prescribed burning, fuel hazard reduction, fencing out threats to existing or restored natural resources, road elimination, and other plant and wildlife habitat improvement to increase the natural system value of the property. A restoration project shall include the planning, monitoring and reporting necessary to ensure successful implementation of the project objectives.

(n) "Secretary" means the Secretary of the Resources Agency.

5096.706. Land or an interest in land acquired with funds allocated pursuant to this chapter shall be acquired from a willing seller.

Article 2. The California Clean Water, Safe Neighborhood Parks, and Coastal Protection Act of 2006

5096.710. The proceeds of bonds issued and sold pursuant to this chapter shall be deposited in the California Clean Water, Safe Neighborhood Parks, and Coastal Protection Fund of 2006, which is hereby created. Except as specifically provided in this chapter, the money in the fund shall be available for appropriation by the Legislature, in the manner set forth in this chapter, for acquisition, development, restoration and preservation projects, in accordance with the following schedule:

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(a) The sum of ***one billion nine hundred seventy million dollars (\$1,970,000,000)*** for neighborhood, community, and regional parks and recreational areas.

(b) The sum of ***one billion eight hundred million dollars (\$1,800,000,000)*** for state parks and wildlife protection.

(c) The sum of ***six hundred seventy five million dollars (\$675,000,000)*** for water quality and coastal protection.

Article 3. Neighborhood, Community and Regional Parks and Recreation Areas

5096.720. The sum of ***one billion nine hundred seventy million dollars (\$1,970,000,000)*** allocated pursuant to subdivision (a) of Section 5096.710 shall be available for appropriation by the Legislature in accordance with the following schedule:

(a) The sum of five hundred million dollars (\$500,000,000) to the department for local assistance grants, in accordance with Section 5096.750, and on the basis of population, for the acquisition, restoration and development of neighborhood, community, and regional parks and recreation lands and facilities.

(b) The sum of five hundred million dollars (\$500,000,000) to the department for grants for urban and special needs park and recreation programs and facilities in accordance with the following schedule:

(1) For the Murray-Hayden Urban

Parks and Youth Service

Program (Chapter 1.692.6

(commencing with Section

5096.348))..... \$150,000,000

(2) For the Urban Park Act of 2001

(Chapter 3 (commencing with

Section 5640))\$150,000,000

(3) For the California Youth

Soccer and Recreation

Development Program created

pursuant to Section 5004.5..... \$100,000,000

(4) For the State Urban Parks and

Healthy Communities Act

(Chapter 1.55 (commencing with

Section 5095))..... \$100,000,000

(c) The sum of fifty million dollars (\$50,000,000) to the department for grants, for the development, improvement, rehabilitation, restoration, enhancement, and interpretation of nonmotorized trails including, but not limited to, the San Francisco Bay Trail, the San Francisco Bay Water Trail and the California Coastal Trail for the purpose of increasing public access to, and enjoyment of, public areas for increased recreational opportunities.

(d) The sum of three hundred million dollars (\$300,000,000) to state conservancies that provide regional parks and recreational areas, in accordance with the particular provisions of the statute creating each conservancy, for acquisition, development, restoration and interpretation, and for grants for these purposes, according to the following schedule:

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(1) To the Baldwin Hills Conservancy.....\$40,000,000

(2) To the San Gabriel and Lower
Los Angeles Rivers and Mountains
Conservancy.....\$40,000,000

(3) To the San Francisco Bay Area
Conservancy Program.....\$40,000,000

(4) To the Santa Monica Mountains
Conservancy.....\$40,000,000

(5) To the Sierra Nevada
Conservancy.....\$40,000,000

(6) To the California Tahoe
Conservancy.....\$40,000,000

(7) To the Coachella Valley Mountains
Conservancy..... \$20,000,000

(8) To the San Joaquin River
Conservancy..... \$30,000,000

(9) To the San Diego River
Conservancy.....\$10,000,000

(e) The sum of two hundred million dollars (\$200,000,000) to the California Tahoe Conservancy for environmental protection programs and projects.

(f) The sum of thirty million dollars (\$30,000,000) to the California Conservation Corps for the acquisition, development, restoration, and rehabilitation of land and water resources, and for grants and state administrative costs, in accordance with the following schedule:

(1) The sum of fifteen million dollars (\$15,000,000) shall be available for resource conservation projects.

(2) The sum of fifteen million dollars (\$15,000,000) shall be available for grants to local conservation corps for acquisition, restoration, and development of facilities to support local corps programs, and for local resource conservation activities. to improve public safety and improve and restore natural resources including regional and community fuel load reduction projects on public lands, and stream and river restoration projects.

(g) The sum of one hundred million dollars (\$100,000,000) shall be available for appropriation to the California Cultural and Historical Endowment created pursuant to Chapter 13 (commencing with Section 20050) of Part 11 of the Education Code for competitive grants for the acquisition and preservation of buildings, structures, sites, places, and artifacts that preserve and demonstrate culturally significant aspects of California's history and for grants for these purposes.

(h) The sum of fifty million dollars (\$50,000,000) to the department for grants to natural history museums, aquariums, and botanical gardens that combine the study of natural science with preservation, demonstration, and education programs that serve diverse populations. Grants may be used for buildings, structures, and exhibit galleries that present the collections to inspire and educate the public.

(i) The sum of one hundred fifty million dollars (\$150,000,000) to the department for grants for the acquisition, development, and restoration of regional parks that serve

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multiple neighborhoods or communities, and that provide access to recreational opportunities that are lacking or limited within the region served or that provide a unique resources protection opportunity within the region.

(j) The sum of fifty million dollars (\$50,000,000) shall be available to the State Coastal Conservancy for grants for acquisition, development, and restoration to expand the Santa Ana River Parkway. Of the funds provided by this subdivision, twenty million dollars (\$20,000,000) shall be available for park projects adjacent to the mouth of the Santa Ana River. The remainder of the funds provided shall be equally divided between projects in Orange, San Bernardino, and Riverside Counties.

(k) The sum of ten million dollars (\$10,000,000) for the purposes of urban forestry grants .

(l) The sum of thirty million dollars (\$30,000,000) to the department for grants to cities and counties in areas that are not eligible for grants pursuant to subdivision (b) of Section 5096.720 and that have a severe shortage of parks and recreational facilities.

Article 4. State Parks and Wildlife Protection

5096.730. The **one billion eight hundred million dollars (\$1,800,000,000)** allocated pursuant to subdivision (b) of Section 5096.710 shall be available in accordance with the following schedule:

(a) The sum of **nine hundred million dollars (\$900,000,000)** shall be available for appropriation by the Legislature to the department for acquisition, development, interpretation, restoration, and rehabilitation of the state park system and its natural, historical, and visitor serving resources. The department shall include the following goals in setting spending priorities for the funds appropriated pursuant to this section:

(1) The restoration, rehabilitation, and improvement of existing state park system lands and facilities.

(2) The expansion of the state park system to reflect the growing population and shifting population centers and needs of the state.

(3) The protection of representative natural resources based on the criteria and priorities identified in Section 5096.754.

(4) Not less than thirty million dollars (\$30,000,000) shall be expended for the expansion, development, and restoration of state park lands administered by local agencies.

(b) Notwithstanding Section 13340 of the Government Code, the sum of three hundred million dollars (\$300,000,000) is hereby continuously appropriated to the Wildlife Conservation Board for the acquisition, development, rehabilitation, restoration, and protection of habitat that promotes the recovery of threatened and endangered species, that provides corridors linking separate habitat areas to prevent habitat fragmentation, and that protects significant natural landscapes and ecosystems such as old growth redwoods and oak woodlands, riparian and wetland areas, and other significant habitat areas, for grants for these purposes, and for related state administrative costs, pursuant to the Wildlife Conservation Law of 1947 (Chapter 4 (commencing with Section 1300) of Division 2 of the Fish and Game Code). Not less than thirty million dollars (\$30,000,000) shall be used for projects to protect and restore wetlands and watershed habitat that support the Pacific Flyway. Funds scheduled in this subdivision may be used

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to prepare management plans for properties acquired by the Wildlife Conservation Board and for the development of scientific data, habitat mapping, and other research information necessary to determine the priorities for restoration and acquisition consistent with Section 5096.754 .

(c) The sum of one hundred million dollars (\$100,000,000) shall be available for grants for the preservation of agricultural lands, grazing lands, and oak woodlands pursuant to the following schedule:

- (1) Agricultural lands preservation
pursuant to the Farmland Conservancy
Program (Article 1 (commencing with
Section 10200) of Division
10.2).....\$25,000,000
- (2) Grazing land preservation
pursuant to the California Rangeland,
Grazing Land and Grassland Protection
Act of 2002 (commencing with Section
10330 of Division 10.4).....\$50,000,000
- (3) Oak Woodland Preservation
pursuant to the Article 3.5 (commencing
with section 1360) of Chapter 4 of
Division 2 of the Fish and Game
Code.....\$25,000,000

(d) The sum of two hundred fifty million dollars (\$250,000,000) shall be available to the Wildlife Conservation Board and the State Coastal Conservancy for a coordinated program between those two agencies for forest conservation . The program shall promote the ecological integrity and economic stability of California's diverse native forests for all their public benefits through forest conservation, preservation, and restoration of productive managed forest lands, forest reserve areas, redwood forests, and other forest types, including the conservation of water resources and natural habitats for native fish, wildlife, and plants found on these lands.

(e) The sum of one hundred fifty million dollars (\$150,000,000) shall be available to the Wildlife Conservation Board for grants to implement or to assist in the establishment of Natural Community Conservation Plans (Chapter 10 of Division 3 of the Fish and Game Code (commencing with Section 2800)).

(f) The sum of one hundred million dollars (\$100,000,000) shall be available for appropriation to the Salton Sea Restoration Fund created pursuant to section 2932 of chapter 13 of Division 3 of the Fish and Game Code to carry out the Salton Sea Restoration Act created pursuant to Chapter 13 of Division 3 of the Fish and Game Code.

Article 5. Clean Water and Coastal Protection

5096.740. The ***sum of six hundred seventy five million dollars (\$675,000,000)*** allocated pursuant to subdivision (c) of Section 5096.710 shall be available in accordance with the following schedule:

- (a) The sum of two hundred fifty million dollars (\$250,000,000) to the State Coastal

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Conservancy for the acquisition, development, rehabilitation, restoration, and protection of land and water resources; and for grants and state administrative costs in accordance with Division 21 (commencing with Section 31000). Not less than fifteen million dollars (\$15,000,000) of the funds authorized pursuant to this subdivision shall be made in grants for local projects for the protection and enhancement of natural, cultural, and recreational resources within coastal watersheds of the international border region.

(b) The sum of ***two hundred million dollars (\$200,000,000)*** shall be available for the purposes of clean beaches, water quality, and integrated regional water management projects according to the following schedule:

(1) To the State Water Resources
Control Board for the Clean Beaches
Program (Chapter 3 (commencing with
Section 30915) of Division 20.4)\$100,000,000

(2) To the State Water Resources
Control Board to reduce mercury
contamination in state waters.
Projects shall be designed to limit
the availability of methylmercury to
aquatic life in the mercury impaired
waterways determined pursuant to the
federal Clean Water Act (33 U.S.C.
Section 1313(d))\$100,000,000

(c) The sum of fifty million dollars (\$50,000,000) shall be available to the secretary for acquisition, development, restoration, and for planning purposes in accordance with the California River Parkways Act of 2004 (Chapter 3.8 (commencing with Section 5750)).

(d) The sum of one hundred million dollars (\$100,000,000) shall be allocated to the Ocean Protection Trust Fund (Chapter 4 (commencing with Section 35650) of Division 26.5) and available for appropriation to the State Coastal Conservancy for the purposes of projects consistent with Section 35650. Priority projects shall include the development of scientific data needed to adaptively manage the state's marine resources and reserves, including the development of marine habitat maps, and the development and implementation of projects to foster sustainable fisheries using loans and grants.

(e) The sum of twenty-five million dollars (\$25,000,000) shall be available to the Department of Water Resources for urban stream restoration projects pursuant to Section 7048 of the Water Code.

(f) The sum of forty million dollars (\$40,000,000) shall be available to the State Water Resources Control Board to fund containment, cleanup, and remediation projects to prevent public exposure to contamination in the New River and for related capital improvements.

(g) The sum of ten million dollars (\$10,000,000) shall be available to the State Coastal Conservancy for grants and technical assistance to cities, counties, and cities and counties in developing coastal plans.

Article 6. Miscellaneous Provisions

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5096.750. (a) Sixty percent of the total funds available for grants pursuant to subdivision (a) of Section 5096.720 shall be allocated to cities and to districts other than a regional park district, regional park and open-space district, or regional open-space district. Each city's and district's allocation shall be in the same ratio as the city's or district's population is to the combined total of the state's population that is included in incorporated areas and unincorporated areas within the district, except that each city or district shall be entitled to a minimum allocation of two hundred fifty thousand dollars (\$250,000). In any instance in which the boundary of a city overlaps the boundary of such a district, the population in the area of overlapping jurisdiction shall be attributed to each jurisdiction in proportion to the extent to which each operates and manages parks and recreational areas and facilities for that population. In any instance in which the boundary of a city overlaps the boundary of such a district, and in the area of overlap the city does not operate and manage parks and recreational areas and facilities, all grant funds shall be allocated to the district.

(b) Each city and each district subject to subdivision (a) whose boundaries overlap shall develop a specific plan for allocating the grant funds in accordance with the formula specified in subdivision (a). If, by **January 1, 2010**, the plan has not been agreed to by the city and district and submitted to the department, the director shall determine the allocation of the grant funds among the affected jurisdictions.

(c) Forty percent of the total funds available for grants pursuant to subdivision (a) of Section 5096.720 shall be allocated to counties and regional park districts, regional park and open-space districts, or regional open-space districts formed pursuant to Article 3 (commencing with Section 5500) of Chapter 3.

(d) Each county's allocation under subdivision (c) shall be in the same ratio as the county's population, except that each county shall be entitled to a minimum allocation of five hundred thousand dollars (\$500,000).

(e) In a county that embraces all or part of the territory of a regional park district, regional park and open-space district, or regional open-space district, whose board of directors is not the county board of supervisors, the amount allocated to the county shall be apportioned between that district and the county in proportion to the population of the county that is included within the territory of the district and the population of the county that is outside the territory of the district.

(f) In a county that currently embraces all or a part of the territory of a regional open-space district and an authority formed pursuant to Division 26 (commencing with Section 35100), the allocation shall be distributed between the county and the following entities:

(1) The funds shall be apportioned between the district and the county in proportion to the population of the county that is included within the territory of the district, and the proportion of the population of the county that is outside the district. The amounts resulting from this calculation shall be known as the district's share, and the county's first balance. The district's share shall be allocated to the district. The county's first balance shall be further apportioned, as provided in paragraph (2).

(2) The county's first balance, as determined in accordance with paragraph (1), shall be further apportioned between the authority and the county in proportion to the population of the county that is included within the territory of the authority, and the proportion of the population of the county that is outside the authority. The amounts resulting from this calculation shall be known as the authority's share and the county's

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second balance.

(3) The authority's share shall be divided equally between the county and the authority. The county shall receive all of the county's second balance.

(g) In a county that embraces all or part of the territory of a regional park district, regional park and open-space district, or regional open-space district, whose board of directors is not the county board of supervisors, the amount allocated to the county shall be apportioned between that district and the county in proportion to the population of the county that is included within the territory of the district and the population of the county that is outside the territory of the district.

(h) For the purpose of making the calculations required by this section, population shall be determined by the department, in cooperation with the Department of Finance, on the basis of the most recent verifiable census data and other verifiable population data that the department may require to be furnished by the applicant city, county, or district.

5096.751. (a) The director shall prepare and adopt criteria and procedures for evaluating applications for grants allocated pursuant to subdivisions (a) of Section 5096.720. Individual applications for funds shall be submitted to the department for approval as to their conformity with the requirements of this chapter. The application shall be accompanied by certification that the project for which the grant is requested is consistent with the park and recreation element of the applicable city or county general plan or the district park and recreation plan, as the case may be, and will satisfy a high priority need.

(b) To utilize available grant funds as effectively as possible, overlapping or adjoining jurisdictions and applicants with similar objectives are encouraged to combine projects and submit a joint application. An applicant may allocate all or a portion of its per capita share for a regional or state project.

(c) The director shall annually forward a statement of the total amount to be appropriated in each fiscal year for projects approved for grants pursuant to this article to the Director of Finance for inclusion in the annual Budget Bill. A list of eligible jurisdictions and the amount of grant funds to be allocated to each shall also be made available by the department.

(d) Funds appropriated pursuant to subdivision (a) of Section 5096.720 shall be encumbered by the recipient within three years from the date the appropriation is effective. Regardless of the date of encumbrance of the granted funds, the recipient is expected to complete all funded projects within eight years of the effective date of the appropriation.

5096.753. Any grant funds appropriated pursuant to subdivision (a) of Section 5096.720 that have not been expended by the grant recipient prior to July 1, 2014, shall revert to the fund and be available for appropriation by the Legislature for one or more of the local assistance programs specified in Section 5096.720 that the Legislature determines to be the highest priority statewide.

5096.754. In evaluating potential acquisitions for the purpose of natural resource protection, the department, the Wildlife Conservation Board, and the State Coastal Conservancy shall give priority to projects that demonstrate one or more of the following characteristics:

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(a) Properties that link to, or contribute to linking, existing protected areas with other large blocks of protected habitat. Linkages must serve to connect existing protected areas, facilitate wildlife movement or botanical transfer, and result in sustainable combined acreage.

(b) Properties that contribute to long-term protection of and improvement to the water and biological quality of the streams, aquifers, and terrestrial resources of priority watersheds of the major biological regions of the state as identified by the Resources Agency.

(c) Habitat in the biological regions of the state that have the least amount of protected lands.

(d) Properties that support relatively large areas of underprotected major habitat types.

(e) Properties that link two or more major biological regions of the state.

(f) Properties for which there is a nonstate matching contribution toward the acquisition, restoration or stewardship, and management costs. Matching contributions can be either monetary or in the form of services, including volunteer services.

5096.755. Up to 10 percent of funds allocated for each program funded by this article may be used to finance planning and monitoring necessary for the successful design, selection, and implementation of the projects authorized under that program.

5096.756. The department shall encourage the development of multiple benefit, joint use projects on existing public lands and the acquisition of surplus school lands in making grants pursuant to subdivision (b) of Section 5096.720.

5096.757. Funds scheduled in this chapter that are not designated for competitive bid programs may also be used for the purposes of reimbursing the General Fund, pursuant to the Natural Heritage Preservation Tax Credit Act of 2000 (Division 28 (commencing with Section 37000)).

5096.758. Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code does not apply to the development and adoption of program guidelines and selection criteria adopted pursuant to this chapter.

5096.759. Funds provided pursuant to this chapter, and any appropriation or transfer of those funds, shall not be deemed to be a transfer of funds for the purposes of Chapter 9 (commencing with Section 2780) of Division 3 of the Fish and Game Code.

5096.762. In implementing subdivision (d) of Section 5096.720, it is the intent of the Legislature that the funds provided shall be used to fully implement each provision of the statute governing each conservancy to the fullest extent provided by this chapter.

5096.763. In making grants pursuant to subdivision **(i)** of Section 5096.720, the department shall give first priority to linking an existing state park with other major protected areas located within a major wildlife corridor connecting four heavily

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urbanized counties.

5096.764. The secretary shall provide for an independent audit of expenditures pursuant to this chapter to ensure that all moneys are expended in accordance with the requirements of this chapter. The secretary shall publish a list of all program and project expenditures pursuant to this chapter not less than annually, in written form, and shall post an electronic form of the list on the Resources Agency's Internet Web site.

Article 7. Fiscal Provisions

5096.765. Bonds in the total amount of ***four billion four hundred forty five million dollars (\$4,445,000,000)***, not including the amount of any refunding bonds issued in accordance with Section 5096.777, or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of the principal of, and interest on, the bonds as the principal and interest becomes due and payable.

5096.766. The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter by this reference as though set forth in full in this chapter.

5096.767. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this chapter, the California Clean Water, Safe Neighborhood Parks and Coastal Protection Act of 2006 Finance Committee is hereby created. For purposes of this chapter, the California Clean Water, Safe Neighborhood Parks, and Coastal Protection Act of 2006 Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law. The committee consists of the Controller, the Director of Finance, and the Treasurer, or their designated representatives. The Treasurer shall serve as chairperson of the committee. A majority of the committee may act for the committee.

(b) For purposes of the State General Obligation Bond Law, the Secretary of the Resources Agency is designated the "board."

5096.768. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized pursuant to this chapter to carry out Section 5096.710 and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

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5096.770. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

5096.771. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this chapter, an amount that will equal the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The sum necessary to carry out Section 5096.772, appropriated without regard to fiscal years.

5096.772. For purposes of carrying out this chapter, the Director of Finance may authorize the withdrawal from the General Fund of an amount not to exceed the amount of the unsold bonds that have been authorized by the committee to be sold for the purpose of carrying out this chapter. Any amount withdrawn shall be deposited in the fund. Any money made available under this section shall be returned to the General Fund from proceeds received from the sale of bonds for the purpose of carrying out this chapter.

5096.773. Pursuant to Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code, the cost of bond issuance shall be paid out of the bond proceeds. These costs shall be shared proportionally by each program funded through this bond act.

5096.774. Actual costs incurred in connection with administering programs authorized under the categories specified in Section 5096.710 shall be paid from the funds authorized by this act.

5096.775. The secretary may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, including other authorized forms of interim financing that include, but are not limited to, commercial paper, in accordance with Section 16312 of the Government Code, for purposes of carrying out this chapter. The amount of the request shall not exceed the amount of the unsold bonds that the committee, by resolution, has authorized to be sold for the purpose of carrying out this chapter. The secretary shall execute any documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the board in accordance with this chapter.

5096.776. All money deposited in the fund that is derived from premium and accrued interest on bonds sold shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

5096.777. The bonds may be refunded in accordance with Article 6 (commencing

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with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state of the issuance of the bonds described in this chapter includes the approval of the issuance of any bonds to refund any bonds originally issued under this chapter or any previously issued refunding bonds.

5096.778. Notwithstanding any provision of this chapter or the State General Obligation Bond Law, if the Treasurer sells bonds pursuant to this chapter that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes, subject to designated conditions, the Treasurer may maintain separate accounts for the investment of bond proceeds and the investment earnings on those proceeds. The Treasurer may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or to take any other action with respect to the investment and use of those bond proceeds required or desirable under federal law to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

5096.779. The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution; the disbursement of these proceeds is not subject to the limitations imposed by that article.

5096.781. Except for funds continuously appropriated by this chapter, all appropriations of funds pursuant to Section 5096.710 for purposes of the program shall be included in the annual Budget Bill for the 2006-07 fiscal year, and each succeeding fiscal year, for consideration by the Legislature, and shall bear the label "California Clean Water, Safe Neighborhood Parks, and Coastal Protection Program Fund of 2006." The annual Budget Bill section shall contain separate items for each project, each class of project, or each element of the program for which an appropriation is made.

5096.783. The secretary shall provide for an annual audit of expenditures from this chapter.

SEC. 2. Section 1 of this act shall take effect upon adoption by the voters of the California Clean Water, Safe Neighborhood Parks, and Coastal Protection Act of 2006, as set forth in Section 1 of this act.

SEC. 3. (a) Notwithstanding the requirements of any other provision of law, the Secretary of State shall submit Section 1 of this act to the voters at the 2006 statewide primary election.

(b) The Secretary of State shall ensure the placement of Section 1 in accordance with provisions of the Government Code and the Elections Code governing the submission of statewide measures to the voters.

(c) The Secretary of State shall include, in the ballot pamphlets mailed pursuant to Section 9094 of the Elections Code, the information specified in Section 9084 of the Elections Code regarding the bond act set forth in Section 1 of this act.