

**(Without Reference to File)****CONCURRENCE IN SENATE AMENDMENTS**

AB 148 (Committee on Budget)

As Amended July 11, 2021

Majority vote. Budget Bill Appropriation Takes Effect Immediately

**SUMMARY**

This bill is the omnibus Resources budget trailer bill. It contains provisions necessary to implement the 2021 Budget Act.

**Senate Amendments**

Amendments delete the previous contents of this bill and replace it with:

- 1) *Realignment of the Unified Hazardous Waste and Hazardous Materials Regulatory Management Program.* Requires the State Fire Marshall to seek the advice of the Secretary for Environmental Protection, rather than the Office of Emergency Services (Cal OES), in establishing minimum requirements for the storage, handling, and use of hazardous materials. This bill revises and recasts the unified program provisions to transfer certain responsibilities from Cal OES to the California Environmental Protection Agency (CalEPA). This bill transfers state administration of the federal accidental release prevention program from Cal OES to CalEPA.
- 2) *Golden State Energy.* Prohibits a corporation from reserving the name Golden State Energy unless it is consistent with Public Utilities Code Section 1400.
- 3) *State Owned Program Income Revenue.* Authorizes specified moneys to be deposited in either the Wildlife Restoration Fund or the Fish and Game Preservation Fund.
- 4) *Extend and Expand Beverage Container Recycling Program.* Extends the sunset date of the recycling pilot program from January 1, 2023 to January 1, 2027. This bill increases the number of pilot projects from five to ten and the maximum number of operating years from three to five.
- 5) *Reduce Frequency of Jurisdiction Inspection Requirement.* Authorizes, instead of requires, the Department of Resources Recycling and Recovery to visit each jurisdiction once each year, but would require the department to do so no less than once every four years, to monitor the jurisdiction's implementation and maintenance of its waste diversion programs.
- 6) *Climate Smart Agriculture Account.* Establishes the Climate Smart Agriculture Account in the Department of Food and Agriculture Fund, which will be a depository for federal, state, and private sources. This bill requires CDFA to submit to the Legislature an overview of the account's income and expenditures for any fiscal year in which moneys are received into or expended from the account.
- 7) *CalConserve Fund.* Transfers \$3 million Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) for the purpose of providing loans for water conservation and water use efficiency projects and programs to achieve urban water use targets.

- 8) *Oil Spill Prevention and Administration Fund.* Expands the collection of the Oil Spill Prevention and Administration Fee to renewable fuels similar to petroleum on January 1, 2022. Increases the fee cap from \$0.065 cents per barrel to \$0.085 cents per barrel on October 1, 2021. Beginning, July 1 2023 adjusts the fee annually consistent with the California Consumer Price Index.
- 9) *Parks Pilot Programs.* Requires the Department of Parks and Recreation, until July 1, 2024, to waive the \$5 fee to obtain the “Golden Bear Pass,” which is a discount program available to persons, who meet specified criteria. Also, on and before September 1, 2021, this bill authorizes Parks, to establish a “California State Park Adventure Pass” to be available, upon application to the department, to any child in the 4th grade, or 4th grade equivalent, who is a California resident. On and after September 1, 2021, this bill waive the day use entrance fee to an eligible unit of the state park system for any child who holds such a pass. This bill repeals the “California State Park Adventure Pass” program on July 1, 2024.
- 10) *Electric Program Investment Charge (EPIC) Program.* Authorizes the Energy Commission to non-competitively add follow-on funding for successful EPIC projects with legislative reporting requirements.
- 11) *Establishing the Office of Energy Infrastructure Safety.* Transfers existing authority, including investigative powers and appeals through the Superior Court, from the California Public Utilities Commission to the Office of Energy Infrastructure Safety under the Natural Resources Agency. The Office was created pursuant to AB 1054 (Holden, Statutes of 2019).
- 12) *Drought Contract Relief.* Provides temporary flexibility, until January 1, 2024, in providing interim relief during a drought scenario with funds appropriated in the budget. This bill allows a drought scenario to be declared by the Governor or the State Water Resources Control Board (SWRCB). The SWRCB can only declare a drought scenario after notifying the Joint Legislative Budget Committee, Director of Emergency Services, and the implementing agencies. To the extent feasible, SWRCB shall conduct a public hearing on the proposed drought scenario and proposed actions. The eligible interim relief covers: hauled water, temporary community water tanks, bottled water, water vending machines, emergency water interties, new wells or rehabilitation of existing wells, construction of connections to adjacent water systems, recycled water projects, or other projects that provide immediate drought response, and fish and wildlife protection. This temporary flexibility includes exemptions from the Administrative Procedure Act, public contacting code requirements, and declares these projects eligible for an existing California Environmental Quality Act (CEQA) exemption for emergency projects. Implementing agencies that may utilize this flexibility include: the Office of Emergency Services, Natural Resources Agency, Department of Food and Agriculture, Environmental Protection Agency, the Health and Human Services Agency, and any offices or departments under those agencies.
- 13) *Water Debt Arrearages.* Provides programmatic guidance to the State Water Resources Control Board (SWRCB) on how to implement the \$1 billion of relief to reduce customer water bills as a result of the COVID 19 pandemic. This funding covers water debt from residential and commercial customers accrued between March 4, 2020 and June 15, 2021, if that customer is 60 days or more behind on their payments. The bill requires SWRCB, within 90 days, to survey water systems for outstanding debt and adopt program guidelines. The bill requires SWRCB to accept applications from water systems within 14 days of the guidelines

being adopted and begin disbursing funds by November 1, 2021, and complete disbursement by January 31, 2022. In the event there are not enough funds appropriated to cover the eligible water debt, SWRCB shall disburse the funds on a proportional basis. If there are excess funds, the remaining funds shall cover wastewater debt with disbursement beginning no later than February 1, 2022. Water systems must remit any unused funds after six months. Water systems shall prioritize residential customers and those with the highest debt. SWRCB shall first disburse funds to small water systems, defined as under 3,300 service connections or a yearlong population of fewer than 10,000 people. Water systems receiving funds may not shutoff service for nonpayment before September 30, 2021, or later if a customer is current on a payment plan. Water systems must offer customers the option of signing up for a payment plan. Water systems must credit customer accounts and notify customers within 60 days. SWRCB must contact water systems who have not applied after 60 days. SWRCB shall coordinate with the Department of Community Services and Development regarding publicly owned utilities that provide water and electric services.

14) *California Air Resources Board Administrative Procedure Act Exemption.* This bill provides two exemptions from the Administrative Procedure Act (APA) for the programs funded through the Air Resources Board in this year's budget. The exemptions cover the Alternatives to Agricultural Burning in the San Joaquin Valley program and Zero-Emission Vehicle incentive programs funded through the General Fund. This provides consistency with programs funded with Greenhouse Gas Emission Reduction Fund, which already has an APA exemption.

15) *Continuous Appropriation of Natural Gas Subaccount, Public Interest Research, Development, and Demonstration Fund.* Continuously appropriates funds from the natural gas subaccount from the Public Interest Research, Development and Demonstration Fund. This program known as PIER, is administered by the Energy Commission and funds research and development in the natural gas sector using ratepayer funds from investor owned utility customers. This bill also requires the Energy Commission to annually report to the Legislature on the outcomes, impacts, and benefits of the program.

## COMMENTS

These statutory changes are necessary to implement the Budget Act of 2021. Additionally, this bill fixes the structural deficit in the Oil Spill Prevention and Administration Fund.

### According to the Author

None.

### Arguments in Support

None on File.

### Arguments in Opposition

None on File.

## FISCAL COMMENTS

The funding related to the changes in this bill is contained in the Budget Act of 2021

This bill also transfers \$3 million Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) for the purpose of providing loans for water conservation and water use efficiency projects and programs to achieve urban water use targets.

**VOTES:****ASSEMBLY FLOOR: 56-18-5**

**YES:** Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Berman, Bloom, Boerner Horvath, Bonta, Burke, Calderon, Carrillo, Cervantes, Chau, Chiu, Cooley, Cooper, Daly, Friedman, Gabriel, Cristina Garcia, Eduardo Garcia, Gipson, Lorena Gonzalez, Gray, Grayson, Holden, Irwin, Jones-Sawyer, Kalra, Lee, Levine, Low, Maienschein, McCarty, Medina, Mullin, Muratsuchi, Nazarian, O'Donnell, Petrie-Norris, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Stone, Ting, Villapudua, Ward, Wicks, Wood, Rendon

**NO:** Bigelow, Chen, Choi, Cunningham, Megan Dahle, Davies, Flora, Fong, Gallagher, Kiley, Lackey, Mathis, Nguyen, Patterson, Seyarto, Smith, Voepel, Waldron

**ABS, ABST OR NV:** Frazier, Kamlager, Mayes, Quirk, Valladares

**UPDATED**

VERSION: July 11, 2021

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