

Date of Hearing: April 27, 2022

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Chris Holden, Chair

AB 2160 (Bennett) – As Amended March 29, 2022

Policy Committee: Natural Resources

Vote: 7 - 3

Urgency: No

State Mandated Local Program: No

Reimbursable: No

**SUMMARY:**

This bill amends the California Coastal Act to authorize a city or county, at the request of an applicant for a coastal development permit, to waive or reduce the permit fee for specified projects.

Specifically, this bill:

- 1) Authorizes a city or county, at the request of an applicant for a coastal development permit, to waive or reduce the permit fee for a public access or habitat restoration project.
- 2) Authorizes an applicant to submit its coastal development permit application directly to the California Coastal Commission (Commission) if a city or county rejects a fee waiver or fee reduction request.

**FISCAL EFFECT:**

Minor and absorbable costs to the Commission.

**COMMENTS:**

**1) Purpose.** According to the author:

Nonprofits perform a wide assortment of habitat restoration and public access work in communities across California. However, high Coastal Development Permitting fees can present a financial barrier to performing meaningful work in a community. This bill eases financial hurdles to allow for restoration and public access projects to be completed by non-profits working for the public's interests as determined by the Coastal Commission.

**2) Background.**

**a) Cutting the Green Tape.** In November 2020, the California Landscape Stewardship Network issued a stakeholder-coordinated report titled *Cutting Green Tape: Regulatory Efficiencies for a Resilient Environment* with recommendations to help increase the pace and scale of environmental restoration and stewardship. The report concluded that complex, overlapping and expensive permitting processes can often result in fewer and smaller projects. The report recommends that the “Coastal Commission explore and utilize

efficiencies within their authorities to advance small- and large-scale restoration that are consistent with and/or complementary to existing and planned efficiencies authorized by [other state agencies]”. According to the Commission, which supports the bill, the purpose of AB 2160 is to encourage local governments to favorably consider requests to waive or reduce fees and facilitate public access and restoration projects in the coastal zone by making them more affordable.

**b) California Coastal Commission.** The Commission is an independent, quasi-judicial state agency that was established by a voter initiative in 1972 (Proposition 20) and later made permanent by the Legislature through adoption of the California Coastal Act of 1976. The Commission is charged with protecting and enhancing California’s coast and ocean for present and future generations. In partnership with coastal cities and counties, the Commission plans and regulates the use of land and water in the coastal zone through the issuance of Coastal Development Permits (CDPs) and the certification of local coastal programs (LCPs). Once a local government has adopted a certified LCP, it assumes CDP permitting authority for all certified areas.

**c) Coastal Development Permit Fees.** Local governments with certified LCPs are responsible for adopting their own permit fee schedules. In some jurisdictions, these fees can be significantly higher than the Commission’s. Local governments are currently authorized to elect not to charge fees for CDPs but many do not differentiate between private projects and those that are entirely for public benefit. The Commission contends that increasing public access and enhancing habitat restoration are two fundamental goals of the Coastal Act. Applicants for projects to achieve these goals are typically non-profit groups or public agencies. Because these projects provide public benefits that are in line with state priorities, the Commission contends it is reasonable for the state to incentivize them by encouraging cost savings where feasible. While some local governments do consider fee waiver requests, it is not consistent across all jurisdictions. This bill would provide explicit legislative direction to local governments to consider fee waivers from entities that are undertaking public benefit projects. Should a local government decline a request, the bill would authorize an applicant to apply directly to the Commission. The Commission anticipates its costs to be minor and absorbable, since it does not currently charge fees to public agencies and is already required to give extra consideration to fee waiver requests from nonprofit groups for public access and habitat restoration projects.

**Analysis Prepared by:** Nikita Koraddi / APPR. / (916) 319-2081