

Date of Hearing: March 22, 2023

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Chris Holden, Chair

AB 584 (Hart) – As Amended March 6, 2023

Policy Committee: Natural Resources

Vote: 11 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

**SUMMARY:**

This bill increases the value of a structure, from \$25,000 to \$125,000, eligible for an exemption from the permit requirements under the California Coastal Act under specified conditions and adjusts the value of the cap annually for inflation, pursuant to the Consumer Price Index.

**FISCAL EFFECT:**

The California Coastal Commission (Commission) does not anticipate any costs to the Commission as a result of this bill. The Commission notes this bill will expand the pool of public works projects eligible for emergency coastal development permit waivers, which could result in future cost savings for the Commission of an undetermined amount.

**COMMENTS:**

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

At a time when climate change and natural disasters are affecting California's infrastructure and shores, emergency permits and waivers are a critical resource to public agencies and regulatory bodies. AB 584 is a simple but essential legislation to give the Coastal Commission more flexibility in issuing emergency waivers to restore fallen structures after natural disasters. The measure would allow California's departments and agencies to clean-up our roads, trails, and oceans swiftly and ensure the safety of Californians.

2) **Background.** Generally, any "development" activity in the coastal zone requires a coastal development permit from the Commission or local government with a certified Local Coastal Program. Public Resources Code Section 30611 states that when immediate action by a person or public agency performing a public service is required to protect life and public property from imminent danger, or to restore, repair, or maintain public works, utilities, or services destroyed, damaged, or interrupted by natural disaster, serious accident, or in other cases of emergency, the requirements of obtaining a permit may be waived upon notification of the Commission of the type and location of the work within three days of the disaster or discovery of the danger, whichever occurs first. Permanent erection of structures valued at more than \$25,000 is prohibited. If immediate action is not allowed under PRC Section 30611, applicants must secure an emergency permit from the Commission before any work can commence. Emergency permits require a follow-up coastal development permit for the

work to ensure that any work done under emergency conditions will be either removed or modified to be consistent with the Coastal Act in the long-term.

While having a monetary cap on the emergency permit waiver is important because it ensures the Commission is not waiving major projects that truly should be processed through an emergency permit, the low dollar amount in statute – accounting for inflation – effectively limits the Commission’s ability to provide emergency permit waivers. As a recent example, as detailed in the Assembly Natural Resources Committee analysis of this bill, the California Department of Transportation (Caltrans) needed to replace some rockfall netting that had been damaged along Highway 1 in Big Sur. This type of work is an example of a project that could benefit from an emergency permit waiver because Caltrans was simply replacing something that was already there. However, though the project was relatively small, Caltrans staff informed the Commission that neither the rockfall netting nor anything else Caltrans constructs is worth less than \$25,000, thereby making an emergency waiver generally unavailable to them. The affected 44.6-mile stretch of Highway 1 was closed until Caltrans could clear the debris, which ended up costing Caltrans a \$1.3 million emergency contract.

Last month, the executive director of the Commission reported, during the recent atmospheric rivers and collateral storm damage, the Commission approved 10 emergency permits and one emergency waiver for public agencies. While the need for emergency permit waivers is not frequent, at times, there can be a deluge of emergency projects along the coast when use of the emergency permit waivers could be beneficial. In these instances, it could be helpful for the Commission to be able to quickly waive the emergency projects that deserve waivers so that it can focus on all the other emergency projects that need emergency permits.

Writing in support of the bill, the League of California Cities states:

Coastal cities are experiencing sky-rocketing costs of materials (such as concrete), low supply of qualified contractors, and evermore complex projects following emergencies. AB 584 will allow more structural repairs to be completed as swiftly as possible in favor of public health and safety.

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