

Date of Hearing: May 7, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1311 (Hart) – As Amended March 28, 2025

Policy Committee: Natural Resources

Vote: 14 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill appropriates \$400 million from the Proposition 4 climate bond for the Wildlife Conservation Board (WCB) to award grants to eligible entities to acquire conservation easements.

Specifically, this bill, among other things:

- 1) Appropriates \$400 million from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (Proposition 4) to WCB, and requires WCB to award the funds as grants to eligible entities, as defined, to acquire conservation easements on qualified property that is privately owned and supports the production of food and fiber and ecosystem services, including wildfire fuel reduction, groundwater recharge, wildlife habitat, and open vistas.
- 2) Provides that a grant awarded to an eligible entity may comprise both of the following amounts: (a) up to 100% of the appraised value of a conservation easement, as determined by a qualified appraisal that has been reviewed and approved by the Department of General Services (DGS), and (b) up to \$75,000 for expenses related to processing a conservation easement.
- 3) Requires WCB, by June 30, 2027, to disburse 75% of the funds to grantees through grant agreements, and requires WCB, by June 30, 2028, to disburse the remaining 25% of the funds to grantees through grant agreements.
- 4) Specifies allocation amounts to eligible entities in counties in various regions – specifically the northern, north coast, mountain, San Joaquin Valley, bay area, central coast, desert, and southern regions of the state.
- 5) Authorizes WCB, if it determines by June 30, 2027, that it is unable to allocate funds in accordance with the manner specified in the bill due to a lack of demand, to reallocate those funds to another region where there is a higher demand.
- 6) Requires a grantee, by June 30, 2029, to expend the grant funds to acquire a conservation easement and record the conservation easement.
- 7) Authorizes WCB to partner with, and receive funds from, land trusts that are certified by the Natural Resources Conservation Service of the United States Department of Agriculture, as specified, for purposes of implementing this bill.

FISCAL EFFECT:

- 1) This bill earmarks \$400 of the \$870 million allocation to WCB in Proposition 4 for WCB's rangeland, grazing land, and grassland protection program.
- 2) Administrative and staffing costs of an unknown but significant amount, likely in the hundreds of thousands to low millions of dollars, for WCB and DGS to implement this bill. Conservation easement projects are some of the most challenging transactions that WCB executes. Methodologies for conservation easement appraisals are complex, and reviews and approvals for these transactions require specialized expertise and considerable staff time by WCB and DGS. At minimum, this bill will likely result in a significant redistribution of WCB's workload and funding priorities.

Proposition 4 provides that 7% of the funds allocated for a grant program may be used to pay for the administrative costs of that program.

COMMENTS:

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

AB 1311 will help California reach our 30x30 goals by funding voluntary conservation easements through the Wildlife Conservation Board's Rangeland, Grazing Land and Grassland Protection Program. The bill will provide financial incentives to landowners to protect rangelands, while simultaneously helping the state meet our conservation goals through a cost-effective approach.

- 2) **Background.** Proposition 4 authorized \$10 billion in general obligation bonds for a variety of climate resilience, water, and natural resource management projects and programs. The bond allocated \$870 million to WCB for grant programs to protect and enhance fish and wildlife resources and habitat and achieve the state's biodiversity, public access, and conservation goals. Eligible programs, according to the bond language, include land acquisition; habitat enhancement and restoration; rangeland, grazing land, and grassland protection; inland wetland conservation; ecosystem restoration on agricultural lands; climate adaptation and resiliency; monarch butterfly and pollinator rescue; desert conservation; and oak woodland conservation.

According to WCB, the purpose of its rangeland, grazing land, and grassland protection program is to protect these lands through the use of conservation easements and prevent their conversion to nonagricultural uses, protect the long-term sustainability of livestock grazing, and ensure continued wildlife, water quality, watershed, and open space benefits to the state from livestock grazing.

This bill earmarks \$400 of the \$870 million allocation to WCB for the rangeland, grazing land, and grassland protection program. The Governor's proposed Proposition 4 spending plan allocates the \$870 million for the following broad purposes: \$668 million for fish and wildlife resources and habitats, \$100 million for wildlife crossing and corridors, \$80 million for the San Andreas Corridor Program, and \$22 million for the Southern Ballona Creek Watershed. In a report it released in February 2025, the Legislative Analyst's Office writes:

WCB has not yet determined how it will distribute the funds across the eligible programs. The board plans to make these allocations based on its 2025-2030 strategic plan, which it expects to finalize in summer 2025. It intends to use the strategic plan to help guide bond spending over the next five years. While such an approach has some merit in that it should help make allocations more coordinated and strategic, the board's plan may not exactly reflect the priorities the Legislature had in mind when designing the bond. The Legislature may want to provide statutory guidance now on how the board should prioritize funding across the eligible programs.

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