
THIRD READING

Bill No: AB 1520
Author: Committee on Water, Parks, and Wildlife
Amended: 9/5/25 in Senate
Vote: 21

SENATE NATURAL RES. & WATER COMMITTEE: 7-0, 7/8/25
AYES: Limón, Seyarto, Allen, Grove, Hurtado, Laird, Stern

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/29/25
AYES: Caballero, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 79-0, 6/3/25 - See last page for vote

SUBJECT: Public resources: conservation

SOURCE: Author

DIGEST: This bill is the Assembly Water, Parks, and Wildlife Committee omnibus bill; it makes various changes to statutes relating to water, parks, and wildlife.

Senate Floor Amendments of 9/5/25 authorize surety bonds, instead of performance bonds, as a proposed form of security for conservation banks, mitigation banks, and conservation and mitigation banks.

ANALYSIS:

Existing law:

- 1) Authorizes California Department of Fish and Wildlife (CDFW) to approve a mitigation bank if the person seeking to establish a mitigation bank submits a complete prospectus to CDFW that includes specified information, including estimates of financial assurance that may be in the form of cash or a letter of credit (Fish and Game Code (FGC) §1798.5).

- 2) Requires Department of Parks and Recreation (State Parks) to notify the public when seeking bids for concession agreements to occupy State Park lands for a period greater than two years (Public Resources Code (PRC) §5080.7).
- 3) Permits the State Water Resources Control Board (State Water Board) to issue water right registrations that permit an applicant to appropriate water for small domestic, small irrigation, or livestock stockpond uses if the applicant submits a complete registration, pays required fees, and meets other specified requirements (Water Code (WAT) §1228.1).

This bill:

- 1) Permits the use of surety bonds as a form of financial security for mitigation bank agreements.
- 2) Provides consistency in situations where State Parks needs to provide public notice for concession agreements.
- 3) Extends certain contract requirements that apply to conservation projects to apply to Duck Stamp Projects.
- 4) Changes the definition of “water year,” for purposes of requirements imposed on Water Conservation Districts, so that it is consistent with other definitions of “water year.”
- 5) Updates the renewal process for water rights registration to provide registration without filing if annual fees have been submitted on time.
- 6) Makes nonsubstantive, technical changes such as repealing obsolete provisions, correcting cross-references, and updating department, agency, and location names.

Background

Mitigation bank financial assurances. Mitigation is mandated under the California Environmental Quality Guidelines whenever a project may result in a significant impact to the environment. One approach has been the creation of mitigation banks to compensate for terrestrial impacts. These banks are generally large, connected areas of preserved, restored, enhanced, or constructed habitats (for example, wetlands) that are set aside for the express purpose of providing mitigation for project impacts to wetlands, threatened and endangered species, and

other sensitive resources. Mitigation banks are required to provide some level of financial assurance that the property will be managed in perpetuity in the event a bank sponsor defaults. Existing law allows for the use of either cash or a letter of credit as a form of security for mitigation bank agreements. The federal 2008 Compensatory Mitigation Rule allows for financial assurances in the form of performance bonds, escrow accounts, casualty insurance, and letters of credit—this bill allows the CDFW to also consider surety bonds as an option for mitigation bank financial assurance.

Concession agreements. The Department of Parks and Recreation (State Parks) has a variety of partners, including private and public-sector entities, who provide quality services, programs, and facilities that enhance the convenience, enjoyment, education, and recreational experiences of state park visitors. The requirements for State Parks to provide public notice regarding a proposed concession contract is inconsistent; some require notice when the contract is for more than three years and others require notice when the contract is for more than two years —this bill clarifies that contracts for a period of more than three years have a public notice requirement.

Duck Stamp. In the past, hunters were required to purchase and affix a Duck Stamp to their hunting licenses. Today, hunters are no longer required to carry the stamps because California’s modern licensing system prints proof of additional fees paid directly onto the license. However, the Duck Stamp tradition continues in an annual contest where artists submit their work to be selected for the next years duck stamp, which may be purchased by stamp collectors. All funds generated by the sale of stamps are deposited in the State Duck Stamp Account, which is administered by CDFW for projects approved by the Fish and Game Commission for the purpose of protecting, preserving, restoring, enhancing, and developing waterfowl habitat. Much of this conservation work is done through contracts with nonprofit conservation groups. This bill would apply certain contracting requirements that apply to other fish and wildlife habitat preservation, restoration, and enhancement projects to also apply to “duck stamp” projects.

Water rights registration. Water right registrations have been offered by the State Water Resources Control Board (State Water Board) since January 1, 1989, and provide an expedited pathway to acquisition of an appropriative water right for certain small projects: small domestic use, small irrigation use, and livestock stockponds. These registrations last for a term of up to five years and can be renewed for additional five-year terms if the registrant meets conditions placed upon the registration, reports their use, and pays fees—this bill updates code to reflect this process.

Water year. Water Conservation Districts are required to report their groundwater use and supplies using a definition of water year (July 1 to June 30) that conflicts with the standard water year definition (October 1 to September 30) that is used elsewhere in the water code (e.g., Water Code §§ 6001, 71683, and 1005.4). Having to analyze water usage over two different ranges can cause complications with other pertinent requirements that require gathering and reporting data on the standard water year definition—this bill aligns the definition of water year.

See the Senate Natural Resources and Water Committee analysis for additional background information.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee,

- “The California Department of Fish and Wildlife (CDFW) estimates ongoing costs of \$326,000 in 2026-27 and \$317,000 annually thereafter (General Fund or special fund) for one position due to increasing the number and complexity of projects reviewed. CDFW notes that bonds as a form of security require significantly more effort and staff time for compliance and enforcement than the enforcement of cash or a letter of credit. In addition, CDFW anticipates ongoing forgone revenue of about \$3,900 annually due to the bill’s changes to Water Right Registration Fees for small use irrigation registrations, which would become exempt from fees under AB 1520.
- “The California Natural Resources Agency (CNRA), Department of Parks and Recreation (State Parks), the State Water Resources Control Board (State Water Board), and the Department of Justice anticipate any costs would be minor and absorbable, and that in some cases the bill could result in cost savings.”

SUPPORT: (Verified 9/4/25)

Black Brant Group
Cal-Ore Wetlands and Waterfowl Council
California Ecological Restoration Business Association
California Waterfowl Association
Delta Waterfowl
Ducks Unlimited
Grassland Water District
Suisun Resource Conservation District
Tulare Basin Wetlands Association
United Water Conservation District

OPPOSITION: (Verified 9/4/25)

California Department of Finance

ARGUMENTS IN SUPPORT: According to the author, “AB 1520 is the Assembly Water, Parks, and Wildlife Committee’s omnibus bill, which makes a number of helpful statutory updates. AB 1520 largely consists of technical revisions that clarify existing code and correct outdated language, while some provisions create efficiencies for the departments and stakeholders in the Water, Parks, and Wildlife Committee’s jurisdiction. All elements of AB 1520 have been vetted by a diverse group of stakeholders to confirm their non-controversial nature.”

ARGUMENTS IN OPPOSITION: According to the California Department of Finance, “Finance is opposed to this bill because it creates General Fund costs not included in the 2025 Budget.”

ASSEMBLY FLOOR: 79-0, 6/3/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Fariás, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

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