

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1548 (Pellerin) – As Amended April 15, 2026

Policy Committee:	Natural Resources	Vote:	10 - 4
	Local Government		8 - 2

Urgency: No State Mandated Local Program: Yes Reimbursable: Yes

SUMMARY:

This bill establishes the Monterey Bay Area Stewardship Authority (Authority), a regional entity with jurisdiction extending throughout the counties of Monterey, San Benito, and Santa Cruz.

Specifically, this bill, among other things:

- 1) Establishes the Authority as a regional entity with jurisdiction extending throughout the Monterey Bay region to raise and allocate public and private funds for purposes of restoring, enhancing, protecting, engaging in long-term stewardship, and improving access for the enjoyment of natural and working lands in the Monterey Bay region and along the region’s shoreline.
- 2) Requires the Authority to be governed by a board that consists of nine voting members, as specified, and establishes various requirements related to the board and board meetings, including that members may receive up to \$100 per day for each meeting attendance.
- 3) Requires, within six months of the date of the board’s first meeting, the board to convene a Monterey Bay Area Stewardship Advisory Committee to assist and advise the board in carrying out its functions and specifies various requirements for the advisory committee, including that the board must adopt procedures to provide for per diem expenses for advisory committee members who lack adequate resources to cover their participation in meetings.
- 4) Provides that the Authority has, and may exercise, all powers, expressed or implied, necessary to carry out this bill, including the power to (among many other things) levy a benefit assessment, a special tax, or a property-related fee, as specified; apply for and receive grants from federal and state agencies; solicit and accept gifts, fees, grants, and allocations from public and private entities; issue certain revenue bonds; incur general obligation bonded indebtedness for specified purposes; receive and manage a dedicated revenue source; deposit or invest moneys of the Authority in banks or financial institutions; hire staff; use interim or temporary staff that a state agency, or a local government within the Monterey Bay region, agrees to provide; award grants to public and private entities for eligible projects performed within the Authority’s jurisdiction; and provide advance payments to certain grant recipients.
- 5) Specifies that the Authority shall not acquire or own real property but does not preclude the Authority from awarding grants that could be used by the grantee to acquire or own real property.

- 6) Establishes procedures for the Authority to place revenue-generating measures or voter initiatives on the ballot; authorizes the Authority to award grants to local governments, tribal entities, nonprofit organizations, and private entities for eligible projects on public and private lands within the Monterey Bay region; and specifies numerous requirements for the Authority when awarding grants, for eligible projects, and for grantees.
- 7) Requires the Authority to be funded through specified sources and states that funds for the initial establishment and support of activities under this bill, including initial administrative costs, may be advanced individually or collectively from specified local jurisdictions, grants or awards from state or federal agencies, philanthropic funding, or any other lawful source, and may be repaid by the initial proceeds from revenue generated pursuant to this bill.
- 8) Requires any direct state funding for this bill to be subject to a future appropriation by the Legislature.

FISCAL EFFECT:

By requiring the establishment of the Authority, specifying its duties and various requirements related to its formation and governance, and giving the Authority taxing powers and bonding authorities, this bill imposes a state-mandated local program. These local costs – particularly any startup costs – are potentially reimbursable by the state, subject to a determination by the Commission on State Mandates. The magnitude of these costs is unknown but could be potentially significant (General Fund).

While the bill subjects any direct state funding for purposes of this bill to a future appropriation by the Legislature and authorizes the Authority to generate its own revenue, the bill nonetheless creates potential ongoing cost and funding pressures on the state of an unknown amount, likely in excess of \$150,000, to support the Authority (General Fund, special funds, bond funds).

The Legislative Analyst's Office recently warned of General Fund structural deficits of around \$35 billion per year in the 2027-28 fiscal year and ongoing.

COMMENTS:

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

There is a unique interconnectedness between Santa Cruz, Monterey and San Benito Counties. We share lands, waterways, mountains and valleys. This region represents one of California's most ecologically and culturally significant landscapes. Increasing climate pressures including wildfire risk, coastal erosion, drought, flooding, and watershed degradation are impacting the viability of many of our iconic beaches, wildlife, redwood forests, coastlines, open spaces and rivers. The health of the region's landscapes, farms, forests, wetlands, and coastlines are closely tied to the region's economic and community well-being.

Despite these shared challenges, local governments and community organizations often lack the resources and capacity to compete for and manage the growing number of state and federal climate resilience

funding opportunities. AB 1548 establishes the Monterey Bay Area Stewardship Authority to help the region work together to attract new resources, strengthen coordination, and support long-term stewardship of the lands and waters that sustain local communities and the Central Coast economy.

- 2) **Background.** The state has 11 dedicated regional conservancies across the state, but according to the Assembly Natural Resources Committee, none have jurisdiction covering the Monterey Bay region. The Association of Monterey Bay Area Governments (AMBAG) provides strategic leadership and services to analyze, plan, and implement regional policies for the benefit of the counties and cities of Monterey, San Benito and Santa Cruz, balancing local control with regional collaboration. AMBAG serves as both a federally designated Metropolitan Planning Organization and a Council of Governments. The goals of the Authority, as defined in this bill, align with the efforts of AMBAG but have a far wider scope.

Supporters of this bill contend the Authority will “function as a strategic granting and stewardship-focused entity, helping the region compete for and manage state, federal, and philanthropic resources that local agencies are often not resourced to pursue alone.” The coalition asserts the Authority is intended to, among other things, support farms, grazing lands, forests, wetlands, rivers, parks, and open spaces through expanded access to stewardship and implementation funding; strengthen partnerships and outcomes among local government, tribes and Indigenous communities, nonprofits, and working lands stewards; and improve long-term coordination across the region to access dedicated funds for meeting state and federal mandates.

Among others in opposition, the California Building Industry Association (CBIA) argues this bill “creates a new unelected regional governmental authority with sweeping power to impose taxes, fees, and assessments – including on the construction of new housing – without sufficient accountability to the communities it would affect.” CBIA argues the region encompassing San Benito, Santa Cruz, and Monterey counties is already among the least affordable in the state, and at a time when California faces a well-documented housing shortage, “the state should be removing barriers to housing production – not creating new ones. AB 1548 moves in the wrong direction by empowering a new regional entity to layer additional costs onto housing.”

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