
THIRD READING

Bill No: SB 1108
Author: Caballero (D), et al.
Amended: 4/7/26
Vote: 21

SENATE NATURAL RES. & WATER COMMITTEE: 7-0, 3/24/26
AYES: Becker, Seyarto, Allen, Cabaldon, Grove, Laird, Stern

SENATE APPROPRIATIONS COMMITTEE: 7-0, 5/14/26
AYES: Cervantes, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

SUBJECT: Grassland Ecological Area Conservancy

SOURCE: Author

DIGEST: This bill would establish the Grassland Ecological Area Conservancy within the California Natural Resources Agency, codify the geographic scope of the Grassland Ecological Area and Focus Area, establish the administrative structure and functions of the Grassland Ecological Area Conservancy, and create the Grassland Ecological Area Conservancy Fund.

ANALYSIS:

Existing Law:

- 1) Establishes ten regional Conservancies in the California Natural Resources Agency (CNRA) and associated corresponding accounts to fund the Conservancies. Examples include:
 - a) Establishes the California Tahoe Conservancy and the Tahoe Conservancy Fund (Government Code (GOV) §§66906, 66905.10).
 - b) Establishes the Santa Monica Mountains Conservancy and the Santa Monica Mountains Conservancy Fund (Public Resources Code (PRC) §§33200, 33103).

- c) Establishes the State Coastal Conservancy and the State Coastal Conservancy Fund (PRC §§31100, 31011).

This bill:

- 1) Designates portions of Merced County as the “Grassland Ecological Area” and the “Grassland Focus Area.”
- 2) Establishes the Grassland Ecological Area Conservancy (Conservancy) as a state agency within CNRA.
- 3) Establishes the governing board of the Conservancy consisting of nine voting and two non-voting members, including:
 - a) The Secretary of the Natural Resources Agency, or their designee.
 - b) The Director of Fish and Wildlife, or their designee.
 - c) One public member, who is not an elected official, appointed by the Speaker of the Assembly.
 - d) One public member, who is not an elected official, appointed by the Senate Committee on Rules.
 - e) Five members to represent local and regional interests within or affecting the Grassland Ecological Area and the Grassland Focus Area, as follows:
 - i) The General Manager of the Grassland Water District, or their designee.
 - ii) A supervisor of the Board of Supervisors of the County of Merced, appointed by that board, or their designee, and that is a resident of the County of Merced.
 - iii) One member appointed by the Governor who is a landowner in the Grassland Ecological Area and owns the land exclusively for the purpose of habitat protection.
 - iv) One member appointed by the Governor who is a landowner in the Grassland Ecological Area and owns or operates an agricultural operation.
 - v) One member appointed by the Governor who is an employee of a nongovernmental organization that is an active member of the Central Valley Joint Venture.
 - f) Two non voting liaison advisors.
- 4) Establishes additional administrative authorities and restrictions on the Conservancy.

- 5) Establishes the powers of the Conservancy.
- 6) Establishes authorities and restrictions related to the Grassland Ecological Area Conservancy Fund, which is created by this bill.
- 7) Requires, beginning January 1, 2028 and annually thereafter, the Conservancy to send a report to the Legislature and Secretary of CNRA regarding the activities of the Conservancy.
- 8) Makes legislative findings and declarations related to the purpose of this bill.

Background

Internationally recognized geography. The Grassland Ecological Area in the Central Valley in the San Joaquin River Basin is the largest remaining contiguous block of freshwater wetlands in California. According to the Ramsar Convention on Wetlands:

It consists of semipermanent and permanent marshes, riparian corridors, vernal pool complexes, wet meadows, native uplands and grasslands, featuring Alkali Sacaton grassland *Sporobolus airoides* and the endemic Delta button celery, *Eryngium racemosum*. The site is renowned for its wintering waterbirds which reach several hundred thousands every winter. These include Sandhill Cranes (*Grus canadensis*), 19 duck species (Northern pintail *Anas acuta*; Green-winged teal *Anas crecca*; Northern shoveler *Anas clypeata*; Canvasbacks *Aythya valisineria* and others), 6 species of geese, tens of thousands of shorebirds (most abundantly Western Sandpiper *Calidris mauri*, Dunlin *Calidris alpina* and Long-billed dowitcher *Limnodromus scolopaceus*). The site is home to four endangered shrimps as well [as] the threatened Giant garter snake *Thamnophis gigas*.

While the hydrology of the valley has been altered due to flood control and irrigation projects, historic flood patterns are mimicked through pulses of high water during winter and spring through a system of canals and control structures.

Government, government everywhere. The area of the San Joaquin Valley to be included in this proposed conservancy is managed by:

- 5 Groundwater Sustainability Agencies (GSAs)
- 8 water and irrigation districts
- 2 Resource Conservation Districts (RCDs)
- 4 state wildlife areas
- 1 state park and
- 6 units of the national wildlife refuge system.

A state conservancy would allow for a coordinated land and water protection framework. For example, the author's office estimates that at least 60,000 acres of irrigated farmland within the proposed conservancy must be taken out of production to achieve groundwater sustainability within the next ten years. CNRA and the California Department of Transportation have also identified areas in the proposed Conservancy as the key remaining corridor to restore wildlife connectivity between the Sierra Nevada foothills and the Coast Range. A state conservancy can help accomplish an ecologically and economically sustainable transition for these landscapes.

Maps in progress. The Grasslands Water District is in the final stages of developing specific maps delineating the 366,000 acre area to be managed under the proposed Conservancy. Once those maps are filed with the Secretary of State, the author plans to amend this bill to reflect the date of filing and establish the boundaries of the Conservancy in statute.

Prior/Related Legislation

AB 392 (Atkins, Chapter 622, Statutes of 2015) created the San Diego River Conservancy.

AB 2452 (Costa, Chapter 1012, Statutes of 1992) created the San Joaquin River Conservancy.

SB 2862 (Presley, Chapter 977, Statutes of 1990) created the Coachella Valley Mountains Conservancy.

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

According to the Senate Appropriations Committee analysis, CNRA estimates ongoing costs of \$2 million annually (Grassland Ecological Area Conservancy Fund) for the establishment and operation of the new conservancy. Assuming this conservancy would mirror other small state conservancies and would also acquire and manage land in perpetuity, CNRA anticipates needing 8 positions to provide

board, programmatic, and administrative support. These costs could increase as the conservancy completes land acquisition projects; CNRA estimates that after 10 years these additional costs could be around \$2 - \$3 million annually. The \$2 million estimate includes operational funding of \$500,000 per year to contract for administrative services, such as accounting, human resources, IT, and legal, and to pay for other costs such as communications, outreach, and board meeting logistical costs.

Unknown but potentially significant ongoing cost pressures (bond funds or other funds) to provide additional funding for projects, land acquisitions, maintenance, and other activities that occur as a result of establishing a new conservancy.

SUPPORT: (Verified 5/14/26)

Grassland Water District (sponsor)
Audubon California
Backcountry Hunters & Anglers
California Waterfowl Association
Defenders of Wildlife
Delta Waterfowl
Ducks Unlimited
East Merced Resource Conservation District
Environmental Defense Fund
Point Blue Conservation Science
River Partners
The Nature Conservancy

OPPOSITION: (Verified 5/14/26)

None received

ARGUMENTS IN SUPPORT:

According to the author, “The Grasslands Ecological Area (GEA), located in Merced County within the Central Valley, is the single largest wetland, grassland and working land complex west of the Mississippi. It provides critical habitat for migratory bird species and essential local opportunities for education and recreation. Yet as climate, water, pollution, and development risks increase, there is a need to ensure coordinated efforts among public agencies, [non-governmental organizations], landowners and working lands to preserve this vital habitat. SB 1108 will ensure this by establishing the Grassland Ecological Area Conservancy, which will operate incentive based and voluntary programs to preserve the

wetlands. The Conservancy will equip landowners and communities with the tools and resources necessary to navigate an uncertain future, ensuring preservation of California's largest wetland complex for generations to come.”

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