

**ASSEMBLY BILL**

**No. 1520**

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**Introduced by Committee on Water, Parks, and Wildlife**

March 13, 2025

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An act to amend Sections 1505, 1798.5, and 3704.5 of the Fish and Game Code, to amend Section 5093.542 of the Public Resources Code, and to amend Section 75507 of, and to repeal Sections 12949.6 and 13418 of, the Water Code, relating to public resources.

LEGISLATIVE COUNSEL'S DIGEST

AB 1520, as introduced, Committee on Water, Parks, and Wildlife. Public resources: conservation.

(1) Existing law prohibits a conservation bank, mitigation bank, or conservation and mitigation bank from being operative, vested, or final unless the Department of Fish and Wildlife has approved the bank in writing and, if applicable, a conservation easement has been recorded on the site. Existing law requires a person interested in establishing any bank with the department to submit a bank prospectus to the department, as specified, and if the department determines the bank prospectus is acceptable, allows the person to submit a bank agreement package that, among other things, is required to contain estimates of financial assurances and proposed forms of security, as specified.

This bill would authorize performance bonds to be proposed forms of security for the above purposes.

(2) Existing law requires all funds derived from the sale of state duck hunting validations and state duck stamps, and related items, to be deposited into the State Duck Stamp Account in the Fish and Game Preservation Fund, as provided. Existing law requires the funds in the account to be used for projects or endowments approved by the Fish

and Game Commission for the purpose of protecting, preserving, restoring, enhancing, and developing migratory waterfowl breeding and wintering habitat, evaluating habitat projects, and conducting waterfowl resource assessments and other waterfowl-related research. Existing law authorizes the department to enter into contracts or grant funds for fish and wildlife habitat preservation, restoration, and enhancement with public and private entities whenever the department finds that the contract will assist in meeting the department's duty to preserve, protect, and restore fish and wildlife.

This bill would require that the department be subject to the above-described provisions in making grants or entering into agreements pursuant to the State Duck Stamp Account.

(3) Existing law, the Water Conservation District Law of 1931, authorizes a water conservation district to be organized and established by a county board of supervisors, with specified powers and purposes. The law permits a water conservation district to levy groundwater charges and requires a district to annually make an engineering investigation and report on groundwater conditions of the district that includes, among other things, an estimate of the annual overdraft for the current water year and for the ensuing water year. Existing law defines "water year" for purposes of these provisions to mean July 1 of one calendar year to June 30 of the following calendar year.

This bill would redefine "water year" to mean the period beginning October 1 of one calendar year and ending September 30 of the following calendar year for purposes of the above-described provisions.

(4) This bill would make changes to update obsolete place names and would make other nonsubstantive changes, including by repealing obsolete laws.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 1505 of the Fish and Game Code is  
2     amended to read:  
3     1505. (a) The department may manage, control, and protect  
4     the portions of the following spawning areas that occupy  
5     state-owned lands, to the extent necessary to protect fishlife in  
6     these areas:

- 1 (1) The Sacramento River between Keswick and Squaw *Loybas*  
2 Hill Bridge, near Vina.
- 3 (2) The Feather River between Oroville and the mouth of Honcut  
4 Creek.
- 5 (3) The Yuba River between Englebright Dam and a point  
6 approximately four miles east of Marysville.
- 7 (4) The American River between Nimbus Dam and a point one  
8 mile downstream from Arden Way.
- 9 (5) The Mokelumne River between Pardee Dam and Lockeford.
- 10 (6) The Stanislaus River between Goodwin Dam and Riverbank.
- 11 (7) The Tuolumne River between La Grange Dam and the Geer  
12 Road (J14) Bridge.
- 13 (8) The Merced River between Crocker Huffman Dam and  
14 Cressey.
- 15 (9) The Trinity River between Lewiston Dam and the confluence  
16 of the North Fork Trinity, near Helena.
- 17 (10) The Eel River, from Fort Seward to Lake Pillsbury.
- 18 (11) The South Fork Eel River.
- 19 (12) The Middle Fork Smith River, from its mouth to Knopti  
20 Creek.
- 21 (13) The South Fork Smith River, from its mouth to Harrington  
22 Creek.
- 23 (14) The Salmon River, from its mouth to Rush Creek on the  
24 South Fork Salmon River, to Carter Meadow on the east fork of  
25 the South Fork Salmon River, and to Finley Camp on the North  
26 Fork Salmon River.
- 27 (15) Battle Creek, from its mouth to Coleman Powerhouse.
- 28 (16) The Cosumnes River, from Meiss Road Bridge to Latrobe  
29 Road Bridge.
- 30 (17) The Van Duzen River, from Yager Creek to the falls 1 ½  
31 miles above Bloody Run Creek.
- 32 (18) The Mad River, from Blue Lake Bridge to Bug Creek.
- 33 (19) The Middle Fork Eel River.
- 34 (20) The Mattole River.
- 35 (21) The Noyo River.
- 36 (22) The Big River, Mendocino County.
- 37 (23) The Gualala River.
- 38 (24) The Garcia River, Mendocino County.
- 39 (b) In the event of a conflict between an action of the department  
40 pursuant to this section and the action of another department or

1 agency of the state or another public agency, the action of the  
2 Department of Fish and Wildlife taken pursuant to this section  
3 shall prevail, except in the event of conflict with the following  
4 actions:

5 (1) An action of the state or regional water quality control boards  
6 in establishing waste discharge requirements.

7 (2) An action required for commerce and navigation.

8 (3) An action by a public agency that is reasonably necessary  
9 for bridge crossings, water conservation or utilization, or flood  
10 protection projects, including the construction, maintenance, and  
11 operation thereof. This paragraph shall not apply to the depositing  
12 of materials, other than necessary structural materials, in, or the  
13 removing of materials from the streambeds in the areas designated  
14 in this section, other than as necessary for the installation of  
15 structures.

16 (c) The director shall disapprove a stream alteration of a prime  
17 salmon or steelhead spawning area on land of which ownership  
18 has not been legally determined, when in the director's opinion  
19 the alteration would prove deleterious to fishlife.

20 SEC. 2. Section 1798.5 of the Fish and Game Code is amended  
21 to read:

22 1798.5. (a) (1) If the department determines that a bank  
23 prospectus is acceptable pursuant to Section 1798, the person  
24 seeking to establish the bank may submit a bank agreement package  
25 to the department. Pursuant to subdivision (c) of Section 1799.1,  
26 the department may adopt and amend guidelines and criteria for  
27 the bank agreement package, including, but not limited to,  
28 recommended standard forms for bank enabling instruments or  
29 long-term management plan and conservation easements.

30 (2) The bank agreement package shall be consistent with the  
31 prospectus and contain at least all of the following information:

32 (A) The draft bank enabling instrument and all exhibits.

33 (B) Drafts of the interim management plan, long-term  
34 management plan, bank closure plan, and, if applicable, a  
35 development or construction plan for the bank.

36 (C) A draft conservation easement, or if potential state  
37 ownership is contemplated by the department, a draft grant deed.

38 (D) A map and written description of the proposed bank service  
39 area.

1 (E) A proposed credit ledger and credit release schedule for the  
2 bank.

3 (F) A property analysis record or other comparable economic  
4 analysis of the funding necessary to support bank maintenance  
5 activities, such as monitoring and reporting, in perpetuity.

6 (G) Estimates of financial assurances and proposed forms of  
7 security. Proposed forms of security may be ~~either cash or~~ *cash*,  
8 a letter of ~~credit~~ *credit*, or a *performance bond*.

9 (H) A phase I environmental site assessment of the site of the  
10 proposed bank dated not more than six months prior to the date  
11 the bank agreement package is submitted to the department. This  
12 assessment shall be performed in accordance with the American  
13 Society of Testing and Materials Standard E1527-05 “Standard  
14 Practice for Environmental Site Assessments: Phase I  
15 Environmental Site Assessment Process” or any successive ASTM  
16 standard active at the time of the assessment.

17 (b) The department shall collect a fee of twenty-five thousand  
18 dollars (\$25,000) per bank agreement package to fund the cost of  
19 the department’s review services. The fee shall be collected at the  
20 time the bank agreement package is submitted to the department.

21 (c) Within 30 calendar days following the department’s receipt  
22 of a bank agreement package and fee pursuant to subdivision (a),  
23 the department shall determine whether or not the package is  
24 complete and give written notice of the determination to the person  
25 who submitted the package.

26 (1) If the department determines that the bank agreement  
27 package is not complete, it may be made complete and resubmitted.

28 (2) If the department determines that the bank agreement  
29 package is complete, within 90 calendar days of that determination,  
30 the department shall determine whether or not it is acceptable and  
31 notify the person who submitted the package of the determination.  
32 If the department determines that the bank agreement package is  
33 not acceptable, the department shall state the reasons.

34 (d) The department may request clarifying information during  
35 the bank agreement review process.

36 (e) If the department needs supplemental information during its  
37 review of the bank agreement package in order to fully evaluate  
38 the proposed bank, the regional manager or departmental  
39 equivalent, or a higher level department employee, shall provide  
40 the person seeking to establish the bank a written request for the

1 needed information. Upon the department's receipt of the requested  
2 information, a new 90-day period shall begin during which the  
3 department shall determine acceptability pursuant to paragraph  
4 (2) of subdivision (c). If the department does not receive the  
5 requested information within 60 calendar days of the department's  
6 request, the bank agreement package will be deemed unacceptable.

7 (f) If the person seeking to establish the bank proposes changes  
8 to the bank agreement package that have not been solicited by the  
9 department during its 90-day review period, including, but not  
10 limited to, parties, number or type of credits, bank size, number  
11 or type of species, credit release schedule, service area, design  
12 change, or other changes as identified by the department as  
13 necessitating additional review time, the department, acting through  
14 the regional manager or department equivalent, or a higher level  
15 department employee, shall assess a one-time fee of ten thousand  
16 dollars (\$10,000) to cover the reasonable cost of the department's  
17 services in reviewing the changes. A new 90-day review period  
18 shall begin upon the department's receipt of the proposed changes  
19 and the associated review fee, during which it will determine  
20 acceptability pursuant to paragraph (2) of subdivision (c).

21 (g) If the department determines that 90 days is insufficient time  
22 to complete its review of the bank agreement package for reasons  
23 including, but not limited to, the size, location, or complexity of  
24 the bank, that the package includes a development or construction  
25 plan, complexity of the bank agreement package, or substantial  
26 variations from recommended standard forms, the department may  
27 extend the 90-day period for reviewing the bank agreement package  
28 by an additional 60 calendar days.

29 (h) If the department determines that a bank agreement package  
30 is not acceptable, the package may be resubmitted in accordance  
31 with subdivision (a) if further consideration is desired. Any  
32 resubmittal shall be accompanied by payment of a new bank  
33 agreement package review fee.

34 SEC. 3. Section 3704.5 of the Fish and Game Code is amended  
35 to read:

36 3704.5. Waterfowl projects authorized pursuant to Sections  
37 3702 and 3460 *shall be governed by Section 1501.5 and* are not  
38 subject to Part 2 (commencing with Section 10100) of Division 2  
39 of the Public Contract Code or Article 6 (commencing with Section  
40 999) of Chapter 6 of Division 4 of the Military and Veterans Code.

1 With the approval of the entity in control of property affected by  
2 a project, the department may make grants to, or enter into  
3 contracts with, nonprofit organizations for the accomplishment of  
4 those projects, or the department may reimburse the controlling  
5 entity for its costs of accomplishing the project.

6 SEC. 4. Section 5093.542 of the Public Resources Code is  
7 amended to read:

8 5093.542. The Legislature finds and declares that the McCloud  
9 River possesses extraordinary resources in that it supports one of  
10 the finest wild trout fisheries in the state. Portions of the river have  
11 been appropriately designated by the Fish and Game Commission,  
12 pursuant to Chapter 7.2 (commencing with Section 1725) of  
13 Division 2 of the Fish and Game Code, as wild trout waters, with  
14 restrictions on the taking, or method of taking, of fish. The  
15 Legislature has determined, based upon a review of comprehensive  
16 technical data evaluating resources and potential beneficial uses,  
17 that potential beneficial uses must be balanced, in order to achieve  
18 protection of the unique fishery resources of the McCloud River,  
19 as follows:

20 (a) The continued management of river resources in their  
21 existing natural condition represents the best way to protect the  
22 unique fishery of the McCloud River. The Legislature further finds  
23 and declares that maintaining the McCloud River in its free-flowing  
24 condition to protect its fishery is the highest and most beneficial  
25 use of the waters of the McCloud River within the segments  
26 designated in subdivision (b), and is a reasonable use of water  
27 within the meaning of Section 2 of Article X of the California  
28 Constitution.

29 (b) ~~No~~ A dam, reservoir, diversion, or other water impoundment  
30 facility shall *not* be constructed on the McCloud River from  
31 Algoma to the confluence with Huckleberry Creek, and 0.25 mile  
32 downstream from the McCloud Dam to the McCloud River Bridge;  
33 ~~nor shall any Bridge and such a facility shall not be constructed~~  
34 ~~on Squaw Valley Y&T Atwam Creek from the confluence with Cabin~~  
35 ~~Creek to the confluence with the McCloud River.~~

36 (c) Except for participation by the Department of Water  
37 Resources in studies involving the technical and economic  
38 feasibility of enlargement of Shasta Dam, ~~no~~ a department or  
39 agency of the state shall *not* assist or cooperate with, whether by  
40 loan, grant, license, or otherwise, any agency of the federal, state,

1 or local government in the planning or construction of any dam,  
2 reservoir, diversion, or other water impoundment facility that could  
3 have an adverse effect on the free-flowing condition of the  
4 McCloud River, or on its wild trout fishery.

5 (d) ~~All~~ *A state agency* exercising powers under any  
6 other ~~provision~~ of law with respect to the protection and restoration  
7 of fishery resources shall continue to exercise those powers in a  
8 manner to protect and enhance the fishery of those segments  
9 designated in subdivision (b). In carrying out this subdivision, ~~any~~  
10 ~~the~~ exercise of powers shall be consistent with Section 5093.58.

11 (e) ~~Nothing in this~~ *This section shall does not* prejudice, alter,  
12 affect in any way, or interfere with the construction, maintenance,  
13 repair, or operation by the Pacific Gas and Electric Company of  
14 the existing McCloud-Pit development (FERC 2106) under its  
15 license, or prevent Pacific Gas and Electric from constructing a  
16 hydroelectric generating facility by retrofitting the existing  
17 McCloud Dam if the operation of the facility does not alter the  
18 existing flow regime below the dam.

19 SEC. 5. Section 12949.6 of the Water Code is repealed.

20 ~~12949.6. (a) Not later than July 1, 2004, the department shall~~  
21 ~~report to the Legislature on potential opportunities for the use of~~  
22 ~~seawater and brackish water desalination in California. The report~~  
23 ~~shall evaluate impediments to the use of desalination technology~~  
24 ~~and shall examine what role, if any, the state should play in~~  
25 ~~furthering the use of desalination in California.~~

26 ~~(b) The department shall convene a task force, to be known as~~  
27 ~~the Water Desalination Task Force, to advise the department in~~  
28 ~~implementation of subdivision (a), including making~~  
29 ~~recommendations to the Legislature regarding the following:~~

30 ~~(1) The need for research, development, and demonstration~~  
31 ~~projects for more cost effective and technologically efficient~~  
32 ~~desalination processes.~~

33 ~~(2) The environmental impacts of brine disposal, energy use~~  
34 ~~related to desalination, and large-scale ocean water desalination.~~

35 ~~(3) An evaluation of the current regulatory framework of state~~  
36 ~~and local rules, regulations, ordinances, and permits to identify~~  
37 ~~the obstacles and methods to creating an efficient siting and~~  
38 ~~permitting system.~~

39 ~~(4) Determining a relationship between existing electricity~~  
40 ~~generation facilities and potential desalination facilities, including~~



1 ~~an examination of issues related to the amounts of electricity~~  
2 ~~required to maintain a desalination facility.~~

3 ~~(5) Ensuring desalinated water meets state water quality~~  
4 ~~standards.~~

5 ~~(6) Impediments or constraints, other than water rights, to~~  
6 ~~increasing the use of desalinated water both in coastal and inland~~  
7 ~~regions.~~

8 ~~(7) The economic impact and potential impacts of the~~  
9 ~~desalination industry on state revenues.~~

10 ~~(8) The role that the state should play in furthering the use of~~  
11 ~~desalination technology in California.~~

12 ~~(9) An evaluation of a potential relationship between~~  
13 ~~desalination technology and alternative energy sources, including~~  
14 ~~photovoltaic energy and desalination.~~

15 ~~(e) (1) The task force shall be convened by the department and~~  
16 ~~be comprised of one representative from each of the following~~  
17 ~~agencies:~~

18 ~~(A) The department.~~

19 ~~(B) The California Coastal Commission.~~

20 ~~(C) The State Energy Resources Conservation and Development~~  
21 ~~Commission.~~

22 ~~(D) The California Environmental Protection Agency.~~

23 ~~(E) The State Department of Health Services.~~

24 ~~(F) The Resources Agency.~~

25 ~~(G) The State Water Resources Control Board.~~

26 ~~(H) The CALFED Bay-Delta Program.~~

27 ~~(I) The Department of Food and Agriculture.~~

28 ~~(J) The University of California.~~

29 ~~(K) The United States Department of Interior, if that agency~~  
30 ~~wishes to participate.~~

31 ~~(2) The task force shall also include, as determined by the~~  
32 ~~department, one representative from a recognized environmental~~  
33 ~~advocacy group, one representative from a consumer advocacy~~  
34 ~~group, one representative of local agency health officers, one~~  
35 ~~representative of a municipal water supply agency, one~~  
36 ~~representative of urban water wholesalers, one representative from~~  
37 ~~a regional water control board, one representative from a~~  
38 ~~groundwater management entity, one representative of water~~  
39 ~~districts, one representative from a nonprofit association of public~~  
40 ~~and private members created to further the use of desalinated water,~~

1 one representative of land development, and one representative of  
2 industrial interests.

3 ~~(d) The sum of one hundred thousand dollars (\$100,000) is~~  
4 ~~hereby appropriated from the Boseo-Keene Renewable Resources~~  
5 ~~Investment Fund to the department for the purpose of establishing~~  
6 ~~the task force and preparing the report required in subdivision (a).~~

7 SEC. 6. Section 13418 of the Water Code is repealed.

8 ~~13418. Notwithstanding any provision of this chapter or any~~  
9 ~~other provision of law, including, but not limited to, the provisions~~  
10 ~~of Chapter 47 and 137 of the Statutes of 1966, First Extraordinary~~  
11 ~~Session, Chapter 1679 of the Statutes of 1967, Chapter 1356 of~~  
12 ~~the Statutes of 1969, and Chapter 920 of the Statutes of 1970, or~~  
13 ~~the provisions of any existing loan contract entered into pursuant~~  
14 ~~to this chapter or any other such provision of law, there shall be a~~  
15 ~~two-year moratorium following the effective date of this section~~  
16 ~~on that portion of the principal and interest payments otherwise~~  
17 ~~required in repayment of funds heretofore loaned to the North~~  
18 ~~Tahoe Public Utility District, the Tahoe City Public Utility District,~~  
19 ~~the South Tahoe Public Utility District, the Truckee Sanitary~~  
20 ~~District, the Squaw Valley County Water District, and the Alpine~~  
21 ~~Springs County Water District pursuant to this chapter or any act~~  
22 ~~of the Legislature authorizing a state loan for the purpose of~~  
23 ~~permitting any such agency to construct necessary sewage and~~  
24 ~~storm drainage facilities to prevent and control water pollution in~~  
25 ~~the area served by such agency, equal in percentage, as determined~~  
26 ~~by the Department of Finance, to the percentage of property tax~~  
27 ~~revenues lost to the agency by reason of the adoption of Article~~  
28 ~~XIII A of the California Constitution, unless moneys are otherwise~~  
29 ~~available for such repayment from state allocations or the sale of~~  
30 ~~bonds authorized on or before July 1, 1978, but unissued. The~~  
31 ~~provisions of this section do not apply to any sums which are~~  
32 ~~required to be repaid immediately or in accordance with an~~  
33 ~~accelerated time schedule pursuant to a duly entered stipulated~~  
34 ~~judgment between the State of California and the Tahoe City Public~~  
35 ~~Utility District. Interest on loans shall accrue during the moratorium~~  
36 ~~period and be repaid by the recipients of the loans, in addition to~~  
37 ~~the normal principal and interest payments.~~

38 SEC. 7. Section 75507 of the Water Code is amended to read:

- 1     75507. (a) “Water year” means ~~July 1st~~ *the period beginning*  
2 *October 1* of one calendar year ~~to June 30th~~ *and ending September*  
3 *30* of the following calendar year.
- 4     (b) “Current water year” means the water year in which the  
5 investigation and report on the ground water conditions of the  
6 district is made, the hearing thereon held, and the determination  
7 is made by the board as to whether a zone or zones should be  
8 established and a ground water charge levied therein.
- 9     (c) “Preceding water year” means the water year immediately  
10 preceding the current water year.
- 11     (d) “Ensuing water year” means the water year immediately  
12 following the current water year.