AMENDED IN ASSEMBLY MARCH 21, 2022

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

ASSEMBLY BILL

No. 2387

Introduced by Assembly Members Eduardo Garcia and Mullin

February 17, 2022

An act to add Division 48 (commencing with Section 80500) to the Public Resources Code, relating to safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs, by providing the funds necessary therefor through an election of the issuance and sale of bonds of the State of California and for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2387, as amended, Eduardo Garcia. Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.

The California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, approved by the voters as Proposition 68 at the June 5, 2018, statewide primary—direct election, authorizes the issuance of bonds in the amount of \$4,100,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program. Article XVI of the California Constitution requires measures authorizing general obligation bonds to specify the single object or work to be funded by the bonds and further requires a bond act to be approved by a ½ vote of each house of the Legislature and a majority of the voters.

AB 2387 — 2 —

9

10

11 12

13

14

15 16

17

18 19

20

21

22

This bill would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$7,430,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs.

This bill would provide for the submission of these provisions to the voters at the June 7, November 8, 2022, statewide primary general election.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

- 1 SECTION 1. The people of California find and declare all of 2 the following:
- 3 (a) The climate crisis presents a significant threat to the health, 4 safety, and prosperity of the people of California. The changing 5 climate increases the risk of extreme weather events, biodiversity 6 loss, catastrophic wildfire, drought, rising temperatures and heat, 7 and sea level rise, resulting in harm to California's agricultural 8 industry, water supply, unique ecosystems, and economy.
 - (b) According to the state's Fourth Climate Change Assessment, "[e]merging findings for California show that costs associated with direct climate impacts by 2050 are dominated by human mortality, damages to coastal properties, and the potential for droughts and mega-floods," and could lead to economic costs to the economy that exceed \$100 billion by midcentury.
 - (c) Low-income communities and communities of color are already experiencing disproportionate effects of climate change and will continue to bear the brunt of climate impacts going forward unless the state prioritizes investments in these communities. Investment in these communities can build resiliency, develop and harness local talent for quality jobs, and promote community-based leadership to withstand the shocks and stresses of future anticipated and unforeseen events, resulting in improved

3 AB 2387

environmental conditions, better health outcomes, social cohesion, and increased economic opportunity.

- (d) Improving climate resilience will require investments in planning and both capital and noncapital costs.
- (e) Restoration and stewardship of California's ecosystems and natural infrastructure will increase the state's resilience to the changing climate and can prevent or reduce many of the forecasted impacts of climate change. Investment in improving California's ecosystems and natural infrastructure substantially benefits food and water systems, community health, and livelihoods.
- (f) Climate risks and impacts vary by region so state investments to improve climate resilience must reflect the varying type and severity of climate impacts across the state.
- (g) Planning, investment, and action to address current and future climate change impacts must be guided by the best available science, including local and traditional knowledge.
- (h) The investment of public funds pursuant to Division 48 (commencing with Section 80500) of the Public Resources Code will result in public benefits that will address the most critical statewide needs and priorities for public funding.
- (i) It is the intent of the Legislature that agencies administering funds from Division 48 (commencing with Section 80500) of the Public Resources Code should not fund programs or projects that exacerbate, perpetuate, or sustain environmental injustice through air pollution, water contamination, or other forms of environmental degradation in already disproportionately affected communities or that will shift climate and environmental burdens to disadvantaged or otherwise disproportionately burdened communities.
- (j) It is the intent of the Legislature that agencies administering funds from this act ensure investments create high-wage, high-quality jobs that comply with all laws, rules, and regulations, including labor, training, safety, contracting, and environmental requirements and standards.
- SEC. 2. Division 48 (commencing with Section 80500) is added to the Public Resources Code, to read:

DIVISION 48. SAFE DRINKING WATER, WILDFIRE PREVENTION, DROUGHT PREPARATION, FLOOD

AB 2387 —4—

PROTECTION, EXTREME HEAT MITIGATION, AND WORKFORCE DEVELOPMENT BOND ACT OF 2022

CHAPTER 1. GENERAL PROVISIONS

80500. This division shall be known, and may be cited, as the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.

- 80501. (a) In expending funds pursuant to this division, an administering state agency shall give priority to projects that leverage private, federal, and local funding or produce the greatest public benefit.
- (b) To the extent practicable, a project funded pursuant to this division shall include signage informing the public that the project received funding from the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.
- (c) Projects funded pursuant to this division shall include the planning, monitoring, and reporting necessary to ensure successful implementation of this division's objectives.
- (d) When disbursing funds available pursuant to this division, an administering state agency shall give preference to projects that do any of the following:
- (1) Reduce near-term risks of climate change impacts while promoting long-term resilience.
- (2) Promote equity, foster community resilience, and protect the most vulnerable by prioritizing projects that meaningfully benefit disadvantaged communities, severely disadvantaged communities, and vulnerable populations.
- (3) Avoid solutions that would likely worsen climate impacts or transfer risks unreasonably from one area, location, or social group, to another.
- (4) Advance solutions to prevent displacement of low-income residents and businesses that could occur as an unintended consequence of a project that causes an increase in the cost of owning or renting property.
- (5) Incorporate partnerships with community stakeholders, including community-based organizations, to ensure that projects have support from disproportionately affected communities, where

5 AB 2387

applicable, develop and harness local talent for quality jobs, and promote community-based leadership.

- (e) To the extent practicable, a project that receives moneys pursuant to this division shall provide workforce education and training, contractor, and job opportunities for vulnerable populations.
- 80503. For purposes of this division, the following definitions apply:
 - (a) "Air board" means the State Air Resources Board.
- (b) "Climate resilience" means the ability of an entity or system, including an individual, a community, an ecosystem, or a natural system, and its component parts, to absorb, accommodate, or recover from the effects of a climate event in a timely and efficient manner, including through ensuring the preservation, restoration, or improvement of its essential basic structures and functions. In the case of natural and working lands, climate resilience includes the preservation, restoration, or enhancement of the ability to sequester carbon.
- (c) "Committee" means the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Finance Committee created pursuant to Section 80602.
- (d) "Critical community infrastructure" means infrastructure that is necessary to providing vital community and individual functions, including, but not limited to, drinking and waste water wastewater infrastructure, emergency shelters, communication and warning systems, evacuation routes, emergency power and public medical facilities, schools, town halls, hospitals, health clinics, community centers, community nonprofit facilities providing essential services, libraries, homeless shelters, senior and youth centers, childcare facilities, food banks, grocery stores, and parks and recreation sites.
- (e) "Disadvantaged community" means a community with a median household income that is less than 80 percent of the statewide average.
- (f) "Economically distressed area" means a municipality with a population of 20,000 persons or less, a rural county, or a reasonably isolated and divisible segment of a larger municipality where the segment of the population is 20,000 persons or less, with an annual median household income that is less than 85

AB 2387 -6-

percent of the statewide median household income and with one
or more of the following conditions as determined by an agency
administering funding under this division:

(1) Financial hardship.

- (2) Unemployment rate at least 2 percent higher than the statewide average.
 - (3) Low population density.
- (g) "Fund" means the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Fund created pursuant to Section 80518.
- (h) "Groundwater sustainability agency" has the same meaning as defined in Section 10721 of the Water Code.
- (i) "Interpretation" includes, but is not limited to, a visitor-serving amenity that enhances the ability to understand and appreciate the significance and value of natural, historical, and cultural resources and that may use educational materials in multiple languages, digital information in multiple languages, and the expertise of a naturalist or other skilled specialist.
- (j) "Local agency" means a city, county, city and county, special district, joint powers authority, resource conservation district, or other political subdivision of the state.
- (k) "Natural infrastructure" means a network of ecological areas, man-made systems, or practices that use or mimic natural processes to benefit people or wildlife. "Natural infrastructure" reduces vulnerability to the impacts of climate change and includes, but is not limited to, permeable pavements, bioswales, wetlands, floodplains, forests, urban forests, beaches, dunes, tidal marshes, reefs, seagrass, parks, rain gardens, and engineered systems, such as levees, that are combined with restored natural systems, to provide a wide array of benefits to people or wildlife.
- (*l*) "Nonprofit organization" means a nonprofit corporation qualified to do business in California and qualified under Section 501(c)(3) of the Internal Revenue Code.
- (m) "Preservation" means rehabilitation, stabilization, restoration, conservation, development, and reconstruction, or any combination of those activities.
- (n) "Protection" means those actions necessary to prevent harm or damage to persons, property, or natural, cultural, and historic resources, actions to improve access to public open-space areas,

7 AB 2387

or actions to allow the continued use and enjoyment of property or natural, cultural, and historic resources. Protection includes site monitoring, acquisition, development, restoration, preservation, and interpretation.

- (o) (1) "Restoration" means the improvement of physical structures or facilities and, in the case of natural systems and landscape features, includes, but is not limited to, any of the following:
 - (A) The control of erosion.

- (B) Stormwater capture, treatment, reuse, and storage, or to otherwise reduce stormwater pollution.
- (C) The control and elimination of invasive species and harmful algal blooms.
 - (D) The planting of native species.
 - (E) The removal of waste and debris.
 - (F) Prescribed burning and other fuel hazard reduction measures.
 - (G) Fencing out threats to existing or restored natural resources.
- (H) Improving instream, riparian, floodplain, or wetland habitat conditions.
- (I) Other plant and wildlife habitat improvement to increase the natural system value of the property, or coastal or ocean resources.
- (J) Activities described in subdivision (b) of Section 79737 of the Water Code.
- (2) "Restoration" also includes activities, such as the planning, permitting, monitoring, and reporting that are necessary to ensure successful implementation of the restoration objectives.
- (p) "Severely disadvantaged community" means a community with a median household income that is less than 60 percent of the statewide average.
- (q) "Small- and medium-sized farms" means farms and ranches of 500 acres or less.
- (r) "Socially disadvantaged farmers and ranchers" has the same meaning as defined in Section 512 of the Food and Agricultural Code.
- (s) "Structure hardening" means the installation, replacement, or retrofitting of building materials, systems, or assemblies used in the exterior design and construction of existing nonconforming structures with features that are in compliance with Chapter 7A (commencing with Section 701A.1) of Part 2 of Title 24 of the California Code of Regulations, or any appropriate successor

AB 2387 — 8 —

1 regulatory code with the primary purpose of reducing risk to 2 structures from wildfire or conforming to the low-cost retrofit list, 3 and updates to that list, developed pursuant to paragraph (1) of 4 subdivision (c) of Section 51189 of the Government Code.

- (t) "Tribe" means a federally recognized Native American tribe or a California Native American tribe that appears on the California Tribal Consultation List maintained by the Native American Heritage Commission.
 - (u) "Under-resourced community" means either of the following:
- (1) A community identified as a disadvantaged community pursuant to Section 39711 of the Health and Safety Code.
- (2) A low-income community as defined in Section 39713 of the Health and Safety Code.
- (v) "Vulnerable population" means a subgroup of a population within a region or community that faces a disproportionately heightened risk or increased sensitivity to impacts of climate change and that lacks adequate resources to cope with, adapt to, or recover from such impacts.
- (w) "Water board" means the State Water Resources Control Board.
- (x) "Wildfire buffer" means greenspaces or open spaces that are managed to reduce the spread of wildfires, and are located between structures and wildlands in a community to reduce structure vulnerability to wildfire risks. Wildfire buffers shall be designed to provide additional benefits that may include shelter from natural disasters, recreation, habitat, stormwater capture, and active transportation.
- 80504. An amount that equals not more than 5 percent of the funds allocated for a program funded pursuant to this division may be used to pay the administrative costs of that program.
- 80505. (a) The Department of Finance shall provide for an independent audit of expenditures pursuant to this division. The Secretary of the Natural Resources Agency shall publish a list of all program and project expenditures pursuant to this division not less than annually, in written form, and shall post an electronic form of the list on the agency's internet website in a downloadable spreadsheet format. The spreadsheet shall include information about the location and footprint of each funded project, the project's objectives, the status of the project, anticipated outcomes, the public benefits to be derived from the project, any matching

-9- AB 2387

moneys provided for the project by the grant recipient or other partners, and the applicable chapter of this division pursuant to which the grant recipient received moneys.

- (b) If an audit, required by law, of any entity that receives funding authorized by this division is conducted pursuant to state law and reveals any impropriety, the California State Auditor or the Controller may conduct or arrange for a full audit of any or all of the activities funded pursuant to this division.
- (c) The state agency issuing any grant with funding authorized by this division shall require adequate reporting of the expenditures of the funding from the grant.
- (d) The costs associated with the publications, audits, statewide bond tracking, cash management, and related oversight activities provided for in this section shall be funded from the proceeds of bonds authorized by this division. These costs shall be shared proportionally by each program through this division. Actual costs incurred to administer nongrant programs authorized by this division shall be paid from the proceeds of bonds authorized by this division.

80506. If any moneys allocated pursuant to this division are not encumbered or expended by the recipient entity within the time period specified by the administering state agency, the unexpended moneys shall revert to the administering state agency for allocation consistent with the applicable chapter.

80507. Funds provided pursuant to this division, and any appropriation or transfer of those funds, shall not be deemed to be a transfer of funds for the purposes of Chapter 9 (commencing with Section 2780) of Division 3 of the Fish and Game Code.

80508. At least 35 percent of the funds available pursuant to this division shall be allocated for projects that provide meaningful and direct benefits to at least one of the following: vulnerable populations, under-resourced communities, or disadvantaged communities. At least 10 percent of the moneys available pursuant to each chapter of this division shall be allocated for projects that provide meaningful and direct benefits to severely disadvantaged communities.

80509. For grants awarded for projects under this division, the administering state agency may provide advanced payments in the amount of 25 percent of the grant award to the recipient, including state-related entities, to initiate the project in a timely manner. The

AB 2387 — 10 —

administering state agency shall adopt additional requirements for the recipient of the grant regarding the use of the advanced payments to ensure that the moneys are used properly.

- 80510. (a) Up to 10 percent of the funds available pursuant to each chapter of this division may be allocated for technical assistance and capacity building by the administering state agency. The administering state agency shall operate a multidisciplinary technical assistance program for these purposes.
- (b) Funds used for providing technical assistance and capacity building for disadvantaged communities, severely disadvantaged communities, under-resourced communities, or vulnerable populations may exceed 10 percent if the administering state agency determines that there is a need for the additional funding.
- 80511. Projects funded under this division shall demonstrate ongoing monitoring and scientific review. Up to 5 percent of project funds may be used for this purpose.
- 80512. Funds provided by this division shall not be expended to fulfill any environmental mitigation requirements or compliance obligations imposed by law or to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities. Those costs shall be the responsibility of the entities that benefit from the design, construction, operation, mitigation, or maintenance of those facilities.
- 80513. Before disbursing grants through any new grant programs established pursuant to this division, each state agency that receives funding to administer a grant program under this division shall do all of the following:
- (a) Develop and adopt project solicitation and evaluation guidelines. The guidelines shall include monitoring and reporting requirements and may include a limitation on the dollar amount of grants to be awarded. If the state agency has previously developed and adopted project solicitation and evaluation guidelines that comply with the requirements of this subdivision, the state agency may use those guidelines.
- (b) Conduct at least one public meeting to consider public comments before finalizing the guidelines. The state agency shall publish the draft solicitation and evaluation guidelines on its internet website at least 30 days before the public meetings.

-11- AB 2387

(c) Any public meetings held pursuant to this section shall allow for virtual attendance and public participation through any internet platform used to host the meeting.

- (d) Guidelines shall be made available online and shall be consistent with all applicable statutes.
- 80514. An apprenticeship or preapprenticeship program funded pursuant to this division shall be approved by the Division of Apprenticeship Standards.
- 80515. To the extent feasible, a project whose application includes the use of services of the California Conservation Corps or certified community conservation corps, as defined in Section 14507.5, shall be given preference for receipt of a grant under this division.
- 80516. An eligible applicant under this division is a public agency, local agency, nonprofit organization, park and open-space district and authority, resource conservation district, joint powers authority, tribe, public water agency, groundwater sustainability agency, or regional collaborative for climate adaptation.
- 80517. The Legislature may enact legislation necessary to implement programs funded by this division.
- 80518. (a) The proceeds of bonds issued and sold pursuant to this division, exclusive of refunding bonds issued and sold pursuant to Section 80612, shall be deposited in the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Fund, which is hereby created in the State Treasury. Moneys in the fund shall be available, upon appropriation by the Legislature, for purposes of this division.
- (b) Proceeds of bonds issued and sold pursuant to this division shall be allocated according to the following schedule:
- (1) One billion one hundred million dollars (\$1,100,000,000) for wildfire prevention and climate risk reduction, in accordance with Chapter 2 (commencing with Section 80520).
- (2) One billion one hundred sixty million dollars (\$1,160,000,000) for the protection of coastal lands, bays, and oceans from climate risks, in accordance with Chapter 3 (commencing with Section 80530).
- (3) Two billion seventy-five million dollars (\$2,075,000,000) for the protection of California's water supplies from multiyear droughts, reducing flood risk from extreme events, and providing

AB 2387 — 12 —

 safe drinking water, in accordance with Chapter 4 (commencing with Section 80540).

- (4) Nine hundred forty million dollars (\$940,000,000) for the protection of California's wildlife, biodiversity, and fisheries from climate risks, in accordance with Chapter 5 (commencing with Section 80560).
- (5) Three hundred twenty million dollars (\$320,000,000) for protecting farms, ranches, and working lands from the impacts of climate change in accordance with Chapter 6 (commencing with Section 80570).
- (6) Seven hundred twenty-five million dollars (\$725,000,000) for addressing extreme heat in accordance with Chapter 7 (commencing with Section 80580).
- (7) One billion one hundred ten million dollars (\$1,110,000,000) for regional climate resilience projects that address multiple risks, in accordance with Chapter 8 (commencing with Section 80590).

Chapter 2. Wildfire Prevention, Climate Risk Reduction, and Protection Against Power Shutoffs

80520. The sum of one billion one hundred million dollars (\$1,100,000,000) shall be available, upon appropriation by the Legislature, for the prevention and reduction in the risk of wildfires to lives, properties, and natural resources.

80521. (a) Of the funds made available by Section 80520, three hundred million dollars (\$300,000,000) shall be available to the Office of Emergency Services, upon appropriation by the Legislature, for a prehazard mitigation grant program. The Office of Emergency Services shall coordinate with the Department of Forestry and Fire Protection in administering these moneys. The grant program shall assist local and state agencies to leverage additional funds, including matching grants from federal agencies. Funds may be used to provide loans, rebates, direct assistance, and matching funds for projects that prevent wildfires, increase resilience, reduce the risk of wildfires to communities, or increase community hardening. Eligible projects include, but are not limited to, the following:

(1) Grants to local agencies, state agencies, joint powers authorities, and tribes for projects that reduce wildfire risks to

-13- AB 2387

people and property consistent with an approved community wildfire protection plan.

- (2) Grants to local agencies, state agencies, joint powers authorities, tribes, resource conservation districts, fire safe councils, and nonprofit organizations for structure hardening of critical community infrastructure, evacuation centers, structure hardening projects that reduce the risk of wildfire for entire neighborhoods and communities, water delivery system improvements for fire suppression purposes for communities in high fire hazard severity zones or very high fire hazard severity zones, as designated by the Director of Forestry and Fire Protection pursuant to Article 9 (commencing with Section 4201) of Chapter 1 of Part 2 of Division 4 or by a local agency pursuant to Chapter 6.8 (commencing with Section 51175) of Part 1 of Division 1 of Title 5 of the Government Code, wildfire buffers, and incentives to remove structures that significantly increase hazard risk.
- (3) Grants, in coordination with the Public Utilities Commission, to local agencies, state agencies, special districts, joint powers authorities, tribes, and nonprofit organizations for zero-emission backup power, energy storage, and microgrids for critical community infrastructure in order to provide continuity of electrical service, and safeguard communities from disruption due to public safety power shutoffs, wildfire, or air pollution caused by wildfire, extreme heat, or other disaster.
- (b) The Office of Emergency Services and the Department of Forestry and Fire Protection shall prioritize prehazard mitigation grant funding applications from local agencies based on the "Fire Risk Reduction Community" list, upon development of that list, pursuant to Section 4290.1.
- (c) The Office of Emergency Services and the Department of Forestry and Fire Protection shall provide technical assistance to disadvantaged communities, severely disadvantaged communities, or vulnerable populations, including those with access and functional needs, socially disadvantaged farmers or ranchers, and economically distressed areas to ensure the grant program reduces the vulnerability of those most in need.
- 80522. Of the funds made available by Section 80520, five hundred million dollars (\$500,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency and to its departments, boards, and conservancies for projects and

AB 2387 — 14 —

1 2

grants to improve local fire prevention capacity, improve forest health and resilience, and reduce the risk of wildfire spreading into populated areas from wildlands. Where appropriate, projects may include activities on lands owned by the United States. The funding made available by this section shall be allocated as follows:

- (a) One hundred fifty million dollars (\$150,000,000) shall be available to the Department of Conservation's Regional Fire and Forest Capacity Program to increase regional capacity to prioritize, develop, and implement projects that improve forest health and fire resilience, implement community fire preparedness demonstration projects, facilitate greenhouse gas emissions reductions, and increase carbon sequestration in forests and other landscapes across regions and throughout the state. The funding shall be allocated based, to the extent feasible, on the findings of the review of the regional capacity required by Section 4123.7.
- (b) One hundred fifty million dollars (\$150,000,000) shall be available to the Department of Forestry and Fire Protection for long-term forest health projects, including reforestation; conservation easements; activities that promote long-term carbon storage and sequestration; and upper watershed, riparian, mountain meadow, and inland wetland restoration. Projects shall reflect the concurrence of the Department of Fish and Wildlife and the water board, respectively, when a project may affect their statutory jurisdiction and shall be consistent with Section 4799.05.
- (c) One hundred fifty million dollars (\$150,000,000) shall be available for watershed improvements projects in forests and other habitats, including, but not limited to, redwoods, conifers, oak woodlands, mountain meadows, chaparral, deserts, and coastal forests. Projects shall include the use of prescribed fire and improve water supply or water quality. Projects shall involve the restoration of natural ecosystem functions in high fire hazard areas and provide multiple benefits, including, but not limited to, habitat protection, science-based fuel reduction, watershed protection, carbon sequestration, protection of older fire-resistant trees, or improved forest health. The Natural Resources Agency shall require a contribution of matching funds or in-kind work, as determined appropriate, from beneficiaries of the watershed, which may include, but are not limited to, water districts, public utilities, local agencies, or private users. The Natural Resources Agency shall ensure long-term benefits for projects funded pursuant to this

-15- AB 2387

subdivision, including through an ongoing commitment to future maintenance and a commitment to long-term forest resilience that reduces fire risk and enhances carbon sequestration capacity.

- (d) Fifty million dollars (\$50,000,000) shall be available to the Sierra Nevada Conservancy for watershed improvement, forest health, biomass utilization, and forest restoration workforce development. At least 70 percent of the funds made available by this subdivision shall be available to the Sierra Nevada Watershed Improvement Program created by Section 33345.1.
- 80523. Of the funds made available by Section 80520, thirty million dollars (\$30,000,000) shall be available, upon appropriation by the Legislature, to the air board, in consultation with the Natural Resources Agency and the Department of Forestry and Fire Protection, to incentivize new projects in California that provide long-term capital infrastructure to convert forest and other vegetative waste removed for wildfire mitigation to uses that maximize reductions in—the greenhouse gas emissions, provide local air quality benefits, and increase local community resilience against climate change impacts.
- 80524. Of the funds made available by Section 80520, seventy million dollars (\$70,000,000) shall be available, upon appropriation by the Legislature, to the Department of Parks and Recreation and regional park entities, including districts, counties, and authorities, to plan for and implement projects to reduce the risks of fire and for the fire hardening of infrastructure for units of the state park system, and for grants to restore, enhance, and protect public lands and improve carbon sequestration or reduce black carbon emissions. A project funded pursuant to this section shall include at least three of the following public cobenefits:
 - (a) Fire risk reduction.

- (b) Improved wildlife corridors.
- (c) Improved ability for wildlife species to adapt to climate change.
 - (d) Reduced forest fragmentation.
- (e) Improved public access, including for individuals with disabilities, as defined by the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), and outdoor recreation.
- (f) Improved vegetation management associated with projects developed pursuant to Section 4123.5.
 - (g) Improved stormwater or groundwater benefits.

AB 2387 — 16—

7 8

10

11

12

13 14

15

16 17

18

19

20

21

22

23

24

25

26 27

28

29

30

31

80525. (a) Of the funds made available by Section 80520, one hundred fifty million dollars (\$150,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for grants on a block grant basis to eligible city, county, district, and regional park and open space open-space entities for projects that do any of the following:

- (1) Reduce the risk of fire, flood, or drought in order to safeguard public lands and communities.
- (2) Enhance water conservation or efficiencies for existing outdoor facilities.
- (3) Promote access, including, where feasible, for individuals with disabilities, as defined by the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), and facilitate social distancing, as needed, among park users.
- (b) Minimum awards for grants issued pursuant to this section are one hundred fifty thousand dollars (\$150,000) for cities and districts and three hundred thousand dollars (\$300,000) for counties and regional entities.
- 80526. (a) Of the funds made available by Section 80520, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the California Conservation Corps and certified community conservation corps, as defined in Section 14507.5, for demonstrated jobs projects including either of the following:
- (1) Projects to mitigate unemployment and assist the state with the implementation of critical natural resources, transportation, energy, and housing infrastructure.
- (2) Projects to prepare for, prevent, respond to, and rehabilitate following natural disasters, declared emergencies, or climate-related impacts to communities, including, but not limited to, the following projects:
- 32 (A) Community greenspace improvements or restoration.
- 33 (B) Restoration of watersheds and riparian zones.
- 34 (C) Regional and community-level fuel load reduction.
- 35 (D) Development and maintenance of urban tree canopies.
- 36 (E) Post-wildfire restoration.
- 37 (F) Resource conservation and restoration projects.
- 38 (G) Construction of emergency housing.

—17— AB 2387

(H) Construction of transition and affordable housing to protect vulnerable populations from the impacts of wildfire and other climate threats.

- (I) Identified community emergency response support, such as construction and support at temporary evacuation centers, hospitals, housing, and shelters needed during emergencies and disasters.
- (J) Facility or equipment acquisition, development, restoration, and rehabilitation.
- (b) At least 60 percent of the amount available pursuant to subdivision (a) shall be available to certified community conservation corps, as defined in Section 14507.5.
- (c) Up to 5 percent of the amount available pursuant to subdivision (a) shall be available for training, support, recruitment, and retention, and other wraparound services for corps members.

Chapter 3. Protecting Coastal Lands, Bays, and Oceans from Sea Level Rise and Other Climate Risks

80530. The sum of one billion one hundred sixty million dollars (\$1,160,000,000) shall be available, upon appropriation by the Legislature, for protection of coastal communities from sea level rise, restoration of coastal and ocean resources, mitigation of ocean acidification, and addressing the impacts of climate change along California's coast. Projects funded pursuant to this chapter shall provide for public access to the shoreline and to inland and coastal waterways consistent with public safety needs.

80531. (a) Of the funds made available by Section 80530, nine hundred sixty million dollars (\$960,000,000) shall be available, upon appropriation by the Legislature, to the State Coastal Conservancy for grants or expenditures to protect, restore, and increase the resilience of beaches, bays, coastal dunes, wetlands, coastal forests, watersheds, trails, and public access facilities, including, where feasible, for individuals with disabilities, as defined by the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), pursuant to Division 21 (commencing with Section 31000), including land acquisition, or conservation easements on land with open space, recreational, biological, cultural, scenic, or agricultural values, or lands adjacent to marine protected areas, whose preservation and continued

AB 2387 — 18 —

operation will contribute to the ecological quality of those marine protected areas.

- (b) Of the funds made available by subdivision (a), three hundred million dollars (\$300,000,000) shall be available for projects that are consistent with the San Francisco Bay Restoration Authority Act (Title 7.25 (commencing with Section 66700) of the Government Code), including, but not limited to, projects that address sea level rise, flood management, and wetland restoration.
- (c) Of the funds made available by subdivision (a), not less than one hundred million dollars (\$100,000,000) shall be available for the San Francisco Bay Area Conservancy Program.
- (d) Of the funds made available by subdivision (a), one hundred million dollars (\$100,000,000) shall be available for grants for projects that use natural infrastructure to promote climate resilience and protect critical infrastructure that is vulnerable to sea level rise and flooding.
- (e) Of the funds made available by subdivision (a), sixty-five million dollars (\$65,000,000) shall be available for projects to remove outdated or obsolete dams and to upgrade associated downstream infrastructure to increase climate resilience, enhance natural sediment transport, improve wildlife and fish passage, and modernize associated infrastructure, including related planning, monitoring, permitting, habitat restoration, and recreational improvements.
- 80532. Of the funds made available by Section 80530, thirty million dollars (\$30,000,000) shall be available, upon appropriation by the Legislature, to the California Coastal Commission for grants for local adaptation planning and updating local coastal programs and twenty million dollars (\$20,000,000) shall be available, upon appropriation by the Legislature, to the San Francisco Bay Conservation and Development Commission for coastal planning and projects within its jurisdiction. Eligible activities include, but are not limited to, the development of, or updates to, relevant portions of a local hazard mitigation plan or local general plan to address sea level rise and coastal hazards pursuant to paragraph (4) of subdivision (g) of Section 65302 of the Government Code.
- 80533. Of the fund made available by Section 80530, one hundred million dollars (\$100,000,000) shall be available for deposit into the California Ocean Protection Trust Fund for grants consistent with Section 35650. Priority shall be given to projects

—19— AB 2387

that assist coastal communities, including those reliant on commercial fisheries, with adaptation to climate change, including projects that address ocean acidification, increasing ocean temperatures, sea level rise, stewardship of the state's marine protected areas, or habitat restoration and protection.

80534. Of the funds made available by Section 80530, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Department of Parks and Recreation to plan for and implement projects to reduce the risks of sea level rise for units of the state park system.

80535. Projects funded pursuant to this chapter shall be consistent with climate and sea level rise policies and guidelines established by the California Coastal Commission, the Ocean Protection Council, the San Francisco Bay Conservation and Development Commission, and the State Coastal Conservancy, if applicable.

Chapter 4. Ensuring Safe Drinking Water, Drought Preparation, and Enhancing the State's Flood Protection

- 80540. The sum of two billion seventy-five million dollars (\$2,075,000,000) shall be available, upon appropriation by the Legislature, for the delivery of safe drinking water, drought preparation and response, and flood protection.
- 80541. Grant guidelines adopted pursuant to Section 80513 for funding under this chapter shall encourage, where feasible, the inclusion of the following project components:
 - (a) Efficient use and conservation of water supplies.
- (b) The capture of stormwater to reduce stormwater runoff, reduction of water pollution, or recharge of groundwater supplies, or a combination of those activities.
- (c) Provision of safe and reliable drinking water supplies to park and open-space visitors, and state fairgrounds that serve as emergency evacuation facilities.
- (d) Support to groundwater sustainability agencies for regional groundwater sustainability.
 - (e) Increased climate resilience for wildlife and fish species.
- 80542. Nothing in this chapter determines or alters water rights or water right priorities.

AB 2387 — 20 —

80543. (a) Of the funds made available by Section 80540, two hundred fifty million dollars (\$250,000,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources in collaboration with the water board, for grants and projects that advance groundwater sustainability consistent with the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code). Funds may be used for projects, including groundwater recharge or water banking projects, and management actions identified in a groundwater sustainability plan, an alternative plan submitted and approved pursuant to Section 10733.6 of the Water Code, or a judgment in an adjudication issued pursuant to Section 850 of the Code of Civil Procedure.

- (b) Funding preference shall be given to either of the following projects:
- (1) Projects that address water quality and quantity needs of disadvantaged communities, including well mitigation programs, short- and long-term drinking water quality and quantity projects, and projects that enhance drought and water shortage resiliency.
- (2) Projects that provide multiple benefits or encourage local and regional coordination with land use planning agencies.
- (c) At least 10 percent of the funds available pursuant to this section shall be allocated for grants that provide outreach and technical assistance that directly benefit disadvantaged communities, vulnerable communities, and under-resourced communities. An eligible applicant is a nonprofit organization, technical assistance provider, or tribe.
- 80543.5. Of the funds made available by Section 80540, two hundred million dollars (\$200,000,000) shall be available, upon appropriation by the Legislature, for expenditures on, and competitive grants and loans to, projects that are included in, and implemented in, an adopted integrated regional water management plan consistent with Part 2.2 (commencing with Section 10530) of Division 6 of the Water Code and that respond to climate change and contribute to regional water security.
- 80544. (a) Of the funds made available by Section 80540, four hundred million dollars (\$400,000,000) shall be available, upon appropriation by the Legislature, to the water board for competitive grants or loans for the purposes described in Chapter 5 (commencing with Section 79720) of Division 26.7 of the Water

—21 — AB 2387

Code to help provide clean, safe, and reliable drinking water to all Californians.

- (b) Of the funds made available by subdivision (a), thirty million dollars (\$30,000,000) shall be available, upon appropriation by the Legislature, to the water board for competitive grants or loans to develop and implement regional or countywide drought and water shortage contingency plans, resilience measures, and programs, including those adopted according to the recommendations and guidance proposed by the Department of Water Resources pursuant to Chapter 10 (commencing with Section 10609.40) of Part 2.55 of Division 6 of the Water Code.
- 80545. (a) Of the funds made available by Section 80540, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the water board for loans or, subject to subdivision (b), grants or forgivable loans to public agencies or public-private partnerships for projects that will prevent or substantially reduce the contamination of groundwater or surface water supplies that serve as a source of drinking water and improve access to wastewater infrastructure.
- (b) The water board may use grants or forgivable loans for projects that benefit vulnerable populations, under-resourced communities, disadvantaged communities, or severely disadvantaged communities.
- (c) The water board shall give preference in the allocation of these grant or loan funds to one or both of the following:
- (1) Projects that include the abandonment of onsite wastewater systems through connections with local sewer systems. Funding for these projects may include, but is not limited to, the cost of extensions needed to connect with the local sewer system, the cost of expanding the local sewer system to meet the additional need for treatment, and the cost of decommissioning existing onsite wastewater systems.
- (2) Complete projects rather than incrementally funding phases of a single project.
- (d) Grants or loans awarded under this section may be for any amount deemed appropriate by the water board, consistent with the purpose of providing safe and clean drinking water to all Californians.

AB 2387 — 22 —

(e) A public agency or a public-private partnership may receive more than one grant or loan for projects if the proposed projects meet the requirements of this section.

- 80545.5. (a) Of the funds made available by Section 80540, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the water board for competitive grants or loans for projects that prevent, reduce, or treat the contamination of groundwater that serves as a major source of drinking water for a community.
- (b) The water board shall prioritize project funding based on the following criteria:
- (1) The threat posed by groundwater contamination to the affected community's overall drinking water supplies, including the need for the use of alternative supplies if groundwater is not available due to contamination.
- (2) The potential for groundwater contamination to spread and reduce drinking water supply and water storage capacity for major population areas.
- (3) The potential of the project, if fully implemented, to enhance local water supply reliability.
- (4) The potential of the project to increase opportunities for groundwater recharge and optimization of groundwater supplies.
- (5) The project is implemented pursuant to a comprehensive basinwide groundwater quality management and remediation plan or is necessary to develop a comprehensive groundwater plan.
- (6) The affected groundwater provides a local supply that, if contaminated or left untreated, will require the importation of additional water from the Sacramento-San Joaquin Delta or the Colorado River.
- 80546. Of the funds made available by Section 80540, four hundred fifty million dollars (\$450,000,000) shall be available, upon appropriation, to the Natural Resources Agency and its departments, boards, and conservancies for the protection and restoration of rivers, lakes, and streams to improve climate resilience, water supplies, or water quality. To the extent feasible, preference shall be given to natural infrastructure projects. Eligible projects include, but are not limited to, any of the following:
- (a) Multiple-benefit river and urban stream parkway projects that protect and restore riparian habitats, improve climate resilience, enhance natural drainages, protect and restore watersheds, and

__ 23 __ AB 2387

provide urban access, including for statewide obligations involving multistate agreements.

- (b) Multiple-benefit watershed protection and climate resilience projects consistent with the Lake Tahoe Environmental Improvement Program.
- (c) (1) At least two hundred forty million dollars (\$240,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for capital outlay projects that provide air quality, public health, and habitat benefits to the Salton Sea and surrounding communities.
- (2) Of the amount available pursuant to paragraph (1), thirty million dollars (\$30,000,000) shall be available to the Salton Sea Authority for purposes consistent with this subdivision.
- (3) Of the amount available pursuant to paragraph (1), a minimum of two million dollars (\$2,000,000) shall be for projects developed and prioritized using a public process that includes participatory budgeting. Projects shall be consistent with paragraph (1) and with priorities identified by the affected communities.
- (d) At least thirty million dollars (\$30,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for the Tijuana River Border Pollution Control Project.
- (e) (1) Notwithstanding subdivision (c) of Section 5753, twenty-five million dollars (\$25,000,000) shall be available, upon appropriation by the Legislature, to the Santa Monica Mountains Conservancy for projects within the San Fernando Valley that protect or enhance the Los Angeles River watershed and its tributaries or headwaters.
- (2) Notwithstanding subdivision (c) of Section 5753, twenty-five million dollars (\$25,000,000) shall be available, upon appropriation by the Legislature, to the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy for projects that protect or enhance the Los Angeles River watershed and its tributaries.
- (3) Funds allocated pursuant to this subdivision shall be expended pursuant to Section 79508 of the Water Code.
- (f) Fifteen million dollars (\$15,000,000) shall be available, upon appropriation by the Legislature, for multiple-benefit watershed protection, restoration, and public access projects that improve climate resilience pursuant to the Lower American River

AB 2387 — 24 —

1 Conservancy Program (Chapter 10.5 (commencing with Section 5845) of Division 5).

- (g) Fifteen million dollars (\$15,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for projects in and around Clear Lake and its watershed that demonstrate a comprehensive local and regional approach to restoration, remediation, water quality research, and management of the lake and its surrounding resources.
- 80547. Of the funds made available by Section 80540, fifteen million dollars (\$15,000,000) shall be available, upon appropriation by the Legislature, to the California Environmental Protection Agency for purposes consistent with the New River Water Quality, Public Health, and River Parkway Development Program, as described in Section 71103.6.
- 80548. (a) Of the funds made available by Section 80540, two hundred million dollars (\$200,000,000) shall be available, upon appropriation by the Legislature, to the Department of Water Resources for flood management projects that are components of multiple-benefit flood management system improvements that reduce risks to public safety and provide improvements to fish and wildlife habitat. Eligible project types include, but are not limited to, levee setbacks, projects connecting rivers with flood plains, enhancement of flood plains and bypasses, offstream groundwater recharge, and land acquisitions, easements, and improvements necessary for these project types to achieve both flood management and environmental benefits. To the extent feasible, project selection shall be guided by approved local hazard mitigation plans and preference shall be given to natural infrastructure projects. Eligible projects may include any of the following:
- (1) Multiple-benefit flood management projects that reduce the impacts of climate change on inland or coastal infrastructure, communities, or ecosystems, and provide ecosystem, wildlife, or groundwater recharge benefits.
- (2) Natural infrastructure projects to reduce flood intensity and slow watershed runoff.
- (3) Projects that capture, clean, or otherwise productively use stormwater.
- (4) Projects that provide matching grants for, or otherwise leverage funding from, the Federal Emergency Management

__ 25 __ AB 2387

Agency, the United States Army Corps of Engineers, or other federal mitigation and resilience funding.

- (5) Projects that provide benefits to fish, waterfowl, wildlife, and anadromous and other native fish species along migratory corridors.
- (6) Projects that restore streams to a more natural state by removing drainage obstructions, culverts, and paved channels to enable more stormwater to be absorbed and gradually released by soil and plants.
- (b) Of the funds made available pursuant to subdivision (a), at least fifty million dollars (\$50,000,000) shall be allocated for multiple-benefit flood management projects in urban coastal watersheds.
- (c) (1) Of the funds made available pursuant to subdivision (a), fifty million dollars (\$50,000,000) shall be available for projects in the delta to improve existing levees to increase flood protection and climate resilience consistent with the Legislature's direction in Section 12981 of the Water Code. For purposes of this subdivision, "delta" has the same meaning as defined in subdivision (b) of Section 12980 of the Water Code.
- (2) (A) For purposes of this subdivision, "project levee" has the same meaning as defined in subdivision (g) of Section 5096.805.
- (B) The priority for projects that are not project levee projects undertaken pursuant to this subdivision shall be to preserve, protect, and improve the levees to meet the agricultural levee standards as provided in Department of Water Resources' Bulletin 192-82, and as may be adjusted by the Department of Water Resources to address increased flood risk due to sea level rise and climate change.
- (C) The priority for project levee projects undertaken pursuant to this subdivision shall be to meet the operations, maintenance, repair, rehabilitation, and replacement standards established by the United States Army Corp of Engineers.
- 80549. Of the funds made available by Section 80540, thirty-five million dollars (\$35,000,000) shall be available, upon appropriation by the Legislature, to the Central Valley Flood Protection Board for further development of the State Plan of Flood Control, including the San Joaquin River and Sacramento Valley

AB 2387 — 26 —

flood risk management plans. The Central Valley Flood Protection
 Board shall ensure equitable distribution of funds.

- 80550. (a) Of the funds made available by Section 80540, three hundred million dollars (\$300,000,000) shall be available, upon appropriation by the Legislature, to the water board for grants or loans for water recycling projects, including all of the following:
- (1) Treatment, storage, conveyance, and distribution facilities for potable and nonpotable recycling projects.
- (2) Dedicated distribution infrastructure to serve residential, commercial, agricultural, and industrial end-user retrofit projects to allow use of recycled water.
- (3) Multiple-benefit recycled water projects that improve water quality.
 - (b) At least a 50-percent local cost share shall be required for projects funded pursuant to this section. That cost share may be suspended or reduced for disadvantaged communities or severely disadvantaged communities.
 - (c) In allocating funding pursuant to this section, the water board shall prioritize all of the following:
 - (1) Cost effectiveness.
 - (2) Projects that serve a regional population.
- (3) Projects that include one or more partnerships between a municipality, a regional sanitation district, or a regional water distribution agency.
- (4) Projects that reduce the discharge of wastewater to the ocean and avoid or minimize adverse impacts to ocean resources.
- (5) Projects that reduce reliance on water imports from the San Francisco Bay-Delta and the Colorado River.
- (6) Projects that advance innovation in recycled water technology.
- (7) Projects that use energy efficiently, avoid using excessive amounts of energy in relation to the amount of water supplied, and result in fewer greenhouse gas emissions as compared to competing technologies.
- 35 80551. Of the funds made available by Section 80540, the sum of twenty-five million dollars (\$25,000,000) shall be available,
- 37 upon appropriation by the Legislature, to the Department of Water
- 38 Resources for the implementation of the Open and Transparent
- 39 Water Data Act (Part 4.9 (commencing with Section 12400) of
- 40 Division 6 of the Water Code) to ensure data-informed water

—27 — AB 2387

management decisions during climatic extremes and periods of scarcity. Funds may be used for grants to nonprofit organizations or public agencies to support ongoing cross-sector collaboration to advance open water data, identify critical water data gaps, develop pilot projects or case studies to support data-informed water management decisions, and develop best management practices for water data collection and standards.

Chapter 5. Protecting Fish, Wildlife, and Natural Areas from Climate Risks

80560. The sum of nine hundred forty million dollars (\$940,000,000) shall be available, upon appropriation by the Legislature, to protect and restore natural lands to better maintain biodiversity and ecosystem benefits as climate conditions change and enhance fish and wildlife corridors and habitat linkages to increase the ability of wildlife to adapt to changing climate conditions.

80561. To the extent feasible in implementing this chapter, a state agency receiving funding under this chapter shall seek to achieve wildlife conservation objectives through projects on public lands or voluntary projects on private lands. Projects on private lands shall be evaluated based on the durability of the benefits created by the investment.

80562. (a) Of the funds made available by Section 80560, five hundred million dollars (\$500,000,000) shall be available to the Wildlife Conservation Board for the protection of California's fish and wildlife resources in response to changing climate conditions, as well as for restoration and stewardship projects that restore or manage land or habitat to improve its resilience to climate impacts and natural disasters. Eligible projects include, but are not limited to, the following:

- (1) Salmon and other fishery preservation, enhancement, and habitat restoration projects.
- (2) Projects to protect and restore wetlands and other fish and wildlife habitat, including, but not limited to, habitat used by migratory birds.
- (3) Projects for the protection and restoration of fish and wildlife corridors and habitat linkages, the construction or repair of corridors, and the removal or modification of barriers. Projects

AB 2387 — 28 —

may include planning, monitoring, and data collection necessary to track movement of wildlife around and across transportation facilities and to establish the best locations to construct wildlife crossing features, including fish passage improvements.

- (4) Land acquisition projects, including, but not limited to, those that protect land from development or prevent the conversion of rangeland, grazing land, or grassland to nonagricultural uses.
- (5) Projects for the protection of threatened and endangered species, including projects within natural community conservation plans adopted pursuant to the Natural Community Conservation Planning Act (Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code) or habitat conservation plans. Projects may include land acquisition through either easement or fee title.
- (6) Projects that include acquisition and delivery of water from willing sellers, acquisition of land that includes water rights or contractual rights to water, and other projects that provide water or conveyance of water for fish and wildlife or improve aquatic or riparian habitat conditions. Funds expended for any acquisition of water or conveyance rights shall comply with Section 79709 of the Water Code. Projects may include, but are not limited to, projects to improve conditions on wildlife refuges and wetland habitat areas in the central valley or Klamath Basin. Funds may be used for projects to achieve full compliance with the terms of subsection (d) of Section 3406 of the Central Valley Project Improvement Act (Public Law 102-575).
- (7) Projects for the development and implementation of regional conservation investment strategies that include climate resilience elements and are not otherwise funded by the state pursuant to Section 800 of the Streets and Highways Code.
- (8) Restoration activities to control or eradicate invasive plants or insects that degrade wildlife corridors or habitat linkages, inhibit the recovery of threatened or endangered species, or reduce the climate resilience of a natural system and its species.
- (9) Protection and restoration of redwood forests in order to accelerate old growth characteristics, maximize carbon sequestration, improve water quality, and build climate resilience.
- (10) Protection and restoration of oak woodlands pursuant to Section 1363 of the Fish and Game Code and grasslands pursuant to Section 10330 of the Public Resources Code.

-29 - AB 2387

(11) Projects that protect, restore, and enhance desert habitat consistent with the California Desert Conservation Program.

- (b) The Wildlife Conservation Board shall prioritize projects that address the impacts of climate change; provide public access or recreational amenities; or reduce the threats of wildfire, drought, flood, and other catastrophic events.
- (c) Funding made available by subdivision (a) shall not be used to offset environmental mitigation or compliance obligations otherwise required, but may be used as part of a funding partnership to enhance, expand, or augment conservation efforts required by mitigation.
- 80563. Of the funds made available by Section 80560, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Wildlife Conservation Board for groundwater sustainability projects that provide wildlife habitat. Projects may support implementation of the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code). Eligible projects include, but are not limited to, the following:
- (a) Projects that create, protect, or restore permanent wildlife habitat.
- (b) Projects that create, protect, or restore seasonal wetland habitat that provides aquifer replenishment.
- (c) Projects that improve groundwater supply, including groundwater recharge, improved baseflows in rivers and streams, and groundwater supply improvement for fish and wildlife habitat.
- (d) Projects that convert land to less intensive water uses while maintaining natural and working lands.
- 80564. Of the funds made available by Section 80560, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Department of Fish and Wildlife to improve the climate resilience of fish and wildlife habitat. Eligible projects include, but are not limited to, the following:
- (a) Projects on lands managed by the Department of Fish and Wildlife to reduce the risks of fire, flood, inundation, sea level rise, and other risks associated with climate change and for the protection and restoration of infrastructure and natural resources.
- (b) Competitive grants for projects that enhance or restore inland or anadromous native fish species habitat. Projects include, but are not limited to, enhanced stream flows, improved fish passage,

AB 2387 -30-

3

4 5

14

15

16 17

18

21 22

23 24

25

26

2728

31 32

33

34

35

36

38

reconnection of riverine and floodplain habitat, and other actions
to help fish adapt to climate change.

- (c) Projects for the cleanup, remediation, and restoration of environmental damage in watersheds affected by illegal cannabis cultivation and related activities.
- 80565. (a) Of the funds made available pursuant to Section 80560, the sum of three hundred forty million dollars (\$340,000,000) shall be available, upon appropriation by the Legislature, for climate resilience and reducing the risks of climate change impacts upon communities, fish and wildlife, and natural resources allocated in accordance with the following schedule:
- 12 (1) Baldwin Hills Conservancy, ten million dollars 13 (\$10,000,000).
 - (2) State Coastal Conservancy, fifty million dollars (\$50,000,000), of which at least forty million dollars (\$40,000,000) shall be available for the Santa Ana River Conservancy Program.
 - (3) California Tahoe Conservancy, thirty million dollars (\$30,000,000).
- 19 (4) Coachella Valley Mountains Conservancy, twenty million 20 dollars (\$20,000,000).
 - (5) Sacramento-San Joaquin Delta Conservancy, thirty million dollars (\$30,000,000).
 - (6) San Diego River Conservancy, forty million dollars (\$40,000,000).
 - (7) San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, fifty million dollars (\$50,000,000).
 - (8) San Joaquin River Conservancy, ten million dollars (\$10,000,000).
- 29 (9) Santa Monica Mountains Conservancy, fifty million dollars 30 (\$50,000,000).
 - (10) Sierra Nevada Conservancy, fifty million dollars (\$50,000,000).
 - (b) When issuing grants pursuant to this section, a conservancy identified in subdivision (a) shall give preference to one or more of the following:
 - (1) Projects that use natural infrastructure.
- 37 (2) Projects done jointly by more than one conservancy.
 - (3) Projects that maximize greenhouse gas reductions.
- 39 (4) The provision of technical assistance to disadvantaged 40 communities, severely disadvantaged communities, vulnerable

-31- AB 2387

populations, including those with access and functional needs, or socially disadvantaged farmers or ranchers.

- 80566. (a) Before expending any of the funds allocated pursuant to Section 80565, the Baldwin Hills Conservancy, State Coastal Conservancy, California Tahoe Conservancy, Coachella Valley Mountains Conservancy, Sacramento-San Joaquin Delta Conservancy, San Diego River Conservancy, San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, San Joaquin River Conservancy, Santa Monica Mountains Conservancy, and Sierra Nevada Conservancy shall develop a climate resilience plan that shall be adopted by each conservancy's governing board. Each climate resilience plan shall do all of the following:
- (1) Describe how the impacts of climate change relate to the conservancy's mission and how they will affect the lands within its jurisdiction.
- (2) Describe the conservancy's past investment and work addressing the impacts of climate change, reducing greenhouse gas emissions, and improving climate resilience.
- (3) Outline a list of all projects or programs that the conservancy would propose to fund with an allocation pursuant to Section 80565.
- (4) Describe the potential benefits of each project or program in increasing climate resilience and reducing the risks of climate change impacts upon communities, fish and wildlife, and natural resources.
- (b) Each conservancy shall make the climate resilience plan available on its internet website and provide the climate resilience plan to the Natural Resources Agency.
- (c) The climate resilience plan shall be consistent with any related regional climate adaptation plans the conservancy is participating in.

Chapter 6. Protecting farms, ranches, and working lands from the impacts of climate change.

80570. The sum of three hundred twenty million dollars (\$320,000,000) shall be available, upon appropriation by the Legislature, for purposes of protecting California's agricultural

AB 2387 -32-

1 resources, communities, open spaces, and lands from climate 2 change impacts.

- 80571. Of the funds made available by Section 80570, one hundred sixty million dollars (\$160,000,000) shall be available, upon appropriation by the Legislature, to the Department of Food and Agriculture for improvements in climate resilience of agricultural lands and ecosystem health and allocated to eligible projects as follows:
- (a) (1) Fifty million dollars (\$50,000,000) shall be available for grants to promote practices on farms and ranches that improve soil health, accelerate atmospheric carbon removal or soil carbon sequestration, improve air or water quality, enhance groundwater recharge or surface water supplies, or improve fish or wildlife habitat.
- (2) At least 35 percent of the funds allocated pursuant to this subdivision shall be allocated to projects that provide direct and meaningful benefits to farmers and ranchers in disadvantaged communities or severely disadvantaged communities.
- (3) Preference shall be given to small- and medium-sized farms and socially disadvantaged farmers and ranchers.
- (b) (1) Forty million dollars (\$40,000,000) shall be available for grants to promote on-farm water use efficiency with a focus on multiple-benefit projects that improve groundwater management, resilience to climate change, water quality, surface water use efficiency, drought tolerance and flood protection, or water supply and water quality conditions for fish and wildlife.
- (2) At least 35 percent of the funds allocated pursuant to this subdivision shall be allocated to projects that provide direct and meaningful benefits to farmers and ranchers in disadvantaged communities or severely disadvantaged communities.
- (3) Preference shall be given to small- and medium-sized farms and socially disadvantaged farmers and ranchers.
- (c) (1) Forty million dollars (\$40,000,000) shall be available for projects that promote the reduction of methane emissions from dairy and livestock operations and improved water quality through manure management and handling, including, but not limited to, the creation of composted manure products.
- (2) Preference shall be given to small- and medium-sized farms and socially disadvantaged farmers and ranchers.

-33 - AB 2387

(d) Twenty million dollars (\$20,000,000) shall be deposited in the Invasive Species Account established pursuant to Section 7706 of the Food and Agricultural Code for purposes of funding invasive species projects and activities recommended by the Invasive Species Council of California. Priority shall be given to projects that restore and protect biodiversity and ecosystem health.

(e) Ten million dollars (\$10,000,000) shall be available to fund improvements and enhancements to pollinator habitat and forage. 80572. Of the funds made available by Section 80570, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the Department of Food and Agriculture for grants that benefit small- and medium-sized farms and socially disadvantaged farmers, and increase the sustainability of agricultural infrastructure and facilities that support food systems, market access, agricultural workforce development, worker safety equipment, or job retention and growth.

80573. (a) Of the funds made available by Section 80570, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Department of Conservation for projects for the protection, restoration, and enhancement of farmland and rangeland, including, but not limited to, the acquisition of fee title or easements, that improve climate resilience, open-space soil health, atmospheric carbon removal, soil carbon sequestration, erosion control, watershed restoration, conservation projects, water quality, or water retention. Projects shall provide multiple benefits. In awarding funds for farmland and rangeland projects pursuant to this section, the Department of Conservation shall give preference to projects for small- and medium-sized farms.

- (b) The Department of Conservation may develop guidelines to allow for innovative incentives to support multigenerational farmland transitions, entry of new farmers into the sector, or support for small or socially disadvantaged farms. The Department of Conservation may expend up to 20 percent of the funds made available pursuant to this section for projects funded under these guidelines.
- (c) At least 35 percent of the funds allocated pursuant to this section shall be allocated to projects that provide direct and meaningful benefits to farmers and ranchers in disadvantaged communities or severely disadvantaged communities.

AB 2387 — 34 —

(d) The Department of Conservation shall maximize grant timeline flexibility for the funds made available pursuant to this section to ensure that applicants have multiple opportunities to apply for funding throughout each year.

80574. Of the funds made available by Section 80570, ten million dollars (\$10,000,000) shall be available to the Wildlife Conservation Board for the purpose of recovering and sustaining populations of monarch butterflies and other pollinators.

Chapter 7. Responding to Extreme Heat

 80580. The sum of seven hundred twenty-five million dollars (\$725,000,000) shall be available, upon appropriation by the Legislature, for the purposes of strengthening California's climate resilience and mitigation strategies to address increasing temperatures and extreme heat events through investments in parks, urban green infrastructure, and community forestry projects.

80581. (a) The sum of four hundred million dollars (\$400,000,000) shall be available, upon appropriation by the Legislature, to the Department of Parks and Recreation for the creation and expansion of safe neighborhood parks in park-poor neighborhoods in accordance with the Statewide Park Development and Community Revitalization Act of 2008's competitive grant program described in Chapter 3.3 (commencing with Section 5640) of Division 5.

- (1) When developing or revising criteria or guidelines for the grant program, the department shall give additional consideration to projects that reduce urban heat island effect or mitigate increasing temperatures and extreme heat events.
- (2) The department shall perform its due diligence by conducting a rigorous prequalification process to determine the fiscal and operational capacity of a potential grant recipient to manage a project to do both of the following:
 - (A) Maximize the project's public benefit.
 - (B) Implement the project in a timely manner.
- (b) Of the amount available pursuant to subdivision (a), not less than 20 percent shall be available for the rehabilitation, repurposing, or substantial improvement of existing park infrastructure in communities of the state that will lead to increased use and enhanced user experiences or increase access for

35 AB 2387

individuals with disabilities, as defined by the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.).

(c) Of the amount available pursuant to subdivision (a), to correct historic underinvestment in the central valley, Inland Empire, gateway, rural, and desert communities, the sum of fifty million dollars (\$50,000,000) shall be available for local park creation and improvement grants to the communities identified by the department as park deficient for active recreational projects, including aquatic centers, to encourage youth health, fitness, and recreational pursuits. Projects that include the partial or full donation of land, materials, or volunteer services and that demonstrate collaborations of multiple entities and the leveraging of scarce resources may be given special consideration. Entities that receive a grant under this section may also be eligible to receive other grants under subdivision (a) of Section 80526.

80582. Of the funds made available by Section 80580, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the Natural Resources Agency for competitive grants for urban greening. Projects shall benefit vulnerable populations. These funds shall support projects that mitigate the urban heat island effect, rising temperatures, and extreme heat impacts. Eligible projects may include, but are not limited to, investments that support an expanded urban greening program that supports the creation of green recreational parks in park poor communities.

80583. Of the funds made available by Section 80580, seventy-five million dollars (\$75,000,000) shall be available, upon appropriation by the Legislature, to the Department of Forestry and Fire Protection to protect or augment California's urban forests pursuant to Section 4799.12. Projects shall contribute to mitigating the urban heat island effect and extreme heat impacts.

80584. Of the funds made available by Section 80580, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Department of Community Services and Development for low-income weatherization projects consistent with Section 12087.5 of the Government Code.

80585. Of the funds made available by Section 80580, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the Strategic Growth Council for a grant program to reduce the urban heat island effect and other

AB 2387 — 36—

extreme heat impacts from climate change. Eligible projects shall mitigate the impacts of the urban heat island effect and extreme heat through any of the following: the use of reflective surface materials in the built environment, the capture and beneficial reuse of water for cooling, the increased use of natural or man-made shade, and the reduction of heat-trapping surfaces. Projects shall benefit disadvantaged communities, severely disadvantaged communities, or vulnerable populations. Priority shall be given to projects that provide multiple benefits, including, but not limited to, projects that do more than one of any of the following: capture rainwater, reduce stormwater pollution, use cool roofs and pavements, use shade structures, or increase the use of natural spaces for urban vegetation and forestry.

80586. At least 10 percent of the funds available pursuant to this chapter shall be allocated for grants that provide outreach and technical assistance that directly benefit disadvantaged communities and vulnerable communities. An eligible applicant is a nonprofit organization, technical assistance provider, or tribe.

Chapter 8. Strengthening California's Regional Climate Resilience

80590. The sum of one billion one hundred ten million dollars (\$1,110,000,000) shall be made available, upon appropriation by the Legislature, for the purposes of strengthening California's climate resilience based on regional needs.

80591. (a) Of the funds made available by Section 80590, eight hundred fifty million dollars (\$850,000,000) shall be available, upon appropriation of the Legislature, to the Strategic Growth Council for climate resilience and the reduction in the risk of climate impacts to communities, including, but not limited to, wildfire, sea level rise, drought, flood, increasing temperatures, and extreme heat events. The goal of these funds is to encourage the development and implementation of science- and research-informed multiple-benefit, cross-sector projects that respond to each region's greatest climate vulnerabilities.

(b) Funds shall be available to regional climate networks to implement the highest priority projects identified in approved regional climate adaptation action plans.

-37 - AB 2387

(c) Funds shall be for public benefits associated with climate resilience projects that reduce climate vulnerabilities.

- (d) Funds shall be allocated to regional climate networks, as follows:
- (1) At least 60 percent of funds shall be available to regional climate networks based on the percentage of the state's population included in the jurisdiction of the network's regional climate adaptation action plan, but not less than two million dollars (\$2,000,000) per network.
- (2) The remaining funds may be provided to increase the size of the awards under paragraph (1) to the extent the approved regional climate adaptation action plan does any of the following:
- (A) Protects disadvantaged communities, severely disadvantaged communities, under-resourced communities, or vulnerable populations.
 - (B) Protects natural resources prioritized by the state.
- (C) Enhances statewide climate adaptation and resilience strategies, as identified by the most recent update of the Safeguarding California Plan developed by the Natural Resources Agency.
 - (D) Reduces or sequesters carbon emissions.
 - (E) Scales to maximize effectiveness of response.
- (F) Includes information regarding the regional climate network's ability to secure matching funds for projects identified within the plan.
- (G) Prioritizes technical assistance to disadvantaged communities, severely disadvantaged communities, vulnerable populations, under-resourced communities, including those with access and functional needs or with at-risk infrastructure, or both, socially disadvantaged farmers or ranchers, and economically distressed areas.
- 80592. Of the funds made available by Section 80590, one hundred million dollars (\$100,000,000) shall be available, upon appropriation by the Legislature, to the Strategic Growth Council for the implementation of the Transformative Climate Communities Program established pursuant to Section 75240 for projects that address wildfire, flood, drought, heat, air pollution, and other climate risks and that improve the resilience of local communities.
- 80592.5. Of the funds made available by Section 80590, fifty million dollars (\$50,000,000) shall be available, upon appropriation

AB 2387 -38-

1

3

4

5

6

7 8

10

11 12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33 34

35

36

37

38

39

40

by the Legislature, to the Strategic Growth Council for implementation of multijurisdictional projects led by countywide special districts created for the purpose of building resiliency to the impacts of sea level rise and extreme storms.

80593. (a) Of the funds made available by Section 80590, fifty million dollars (\$50,000,000) shall be available, upon appropriation by the Legislature, to the Office of Emergency Services and the Strategic Growth Council for competitive grants for the creation of strategically located community resilience centers across diverse regions of the state at eligible community facilities. These grants shall be awarded to eligible community facilities that model integrated delivery of emergency response services during disruptions, including zero-emission backup power, drinking water, clean air, cooling, food storage, shelter, telecommunications and broadband services, economic assistance, and other health protection measures and emergency resources during a disaster, state of emergency, local emergency, or public safety power shutoff event. Grants shall be prioritized to proposed centers that demonstrate involvement of community-based organizations and community residents within governance and decisionmaking processes.

- (b) The Office of Emergency Services and the Strategic Growth Council shall coordinate with the Department of Food and Agriculture to ensure there is no duplication with funding awarded under Section 80594.
 - (c) For purposes of this section, the following definitions apply:
- (1) "Eligible community facilities" include senior and youth centers, park and recreation sites, libraries, health clinics, hospitals, schools, town halls, food banks, homeless shelters, childcare facilities, community centers, community nonprofit facilities providing essential services, places of worship, grocery stores, mobile sites, community land trusts, and fairgrounds.
- (2) "Public safety power shutoff" means a preventative measure to deenergize all, or a portion, of an electric generation, distribution, or transmission system when the electricity provider reasonably believes there is an imminent and significant risk that strong winds, or other extreme and potentially dangerous weather events, increase the probability of a wildfire.
- 80594. Of the funds made available by Section 80590, sixty million dollars (\$60,000,000) shall be available, upon appropriation

-39- AB 2387

by the Legislature, to the Department of Food and Agriculture for grants to fairgrounds operated by the network of California fairs for modifications or upgrades that do one or both of the following activities:

- (a) Enhance the ability of those facilities to serve as multirole community, staging, and evacuation centers to provide community resilience benefits during a disaster, state of emergency, local emergency, or public safety power shutoff event.
- (b) Deploy communications and broadband infrastructure at those facilities to improve their capability to serve as a multirole community, staging, and evacuation centers and enhance local telecommunications service.

80595. At least 10 percent of the funds available pursuant to this chapter shall be allocated for grants that provide outreach and technical assistance that directly benefit disadvantaged communities, under-resourced communities, and vulnerable communities. An eligible applicant is a nonprofit organization, technical assistance provider, or tribe.

CHAPTER 9. FISCAL PROVISIONS

- 80600. (a) Bonds in the total amount of seven billion four hundred thirty million dollars (\$7,430,000,000), not including the amount of any refunding bonds issued in accordance with Section 80612, may be issued and sold for carrying out the purposes expressed in this division and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, issued, and delivered, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both the principal of, and interest on, the bonds as the principal and interest become due and payable.
- (b) The Treasurer shall cause the issuance and sell the bonds authorized by the committee pursuant to subdivision (a) in the amount determined by the committee to be necessary or desirable pursuant to Section 80603. The bonds shall be issued and sold upon the terms and conditions specified in a resolution to be adopted by the committee pursuant to Section 16731 of the Government Code.

AB 2387 — 40 —

80601. The bonds authorized by this division shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), as amended from time to time, and all of the provisions of that law, except subdivisions (a) and (b) of Section 16727 of the Government Code, apply to the bonds and to this division and are hereby incorporated in this division as though set forth in full in this division.

- 80602. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), of the bonds authorized by this division, the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Finance Committee is hereby created. For purposes of this division, the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Finance Committee is the "committee," as that term is used in the State General Obligation Bond Law.
- (b) The committee consists of the Director of Finance, the Treasurer, the Controller, and the Secretary of the Natural Resources Agency. Notwithstanding any other law, any member may designate a representative to act as that member in that member's place for all purposes, as though the member were personally present.
- (c) The Treasurer shall serve as the chairperson of the committee.
 - (d) A majority of the committee may act for the committee.
- 80603. The committee shall by resolution determine whether or not it is necessary or desirable to issue and sell bonds authorized by this division in order to carry out the actions specified in this division and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.
- 38 80604. For purposes of the State General Obligation Bond Law 39 (Chapter 4 (commencing with Section 16720) of Part 3 of Division 40 4 of Title 2 of the Government Code), "board," as defined in

— 41 — AB 2387

Section 16722 of the Government Code, means the Secretary of 2 the Natural Resources Agency.

1

3

4

5

6

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

80605. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds becoming due in that year. It is the duty of all officers charged by law with any duty regarding the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

80606. Notwithstanding Section 13340 of the Government Code, there is hereby continuously appropriated from the General Fund in the State Treasury, for the purposes of this division, and without regard to fiscal years, an amount that will equal the total of the following:

- (a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this division, as the principal and interest become due and payable.
 - (b) The sum that is necessary to carry out Section 80609.

80607. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account or any other form of interim financing in accordance with Section 16312 of the Government Code, for the purpose of carrying out this division. The amount of the request shall not exceed the amount of the unsold bonds that the committee has, by resolution, authorized to be sold for the purpose of carrying out this division, excluding any refunding bonds authorized pursuant to Section 80612, less any amount loaned and not yet repaid pursuant to this section and any amount withdrawn from the General Fund pursuant to Section 80609 and not yet returned to the General Fund. The board shall execute those documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated in accordance with this division.

80608. Notwithstanding any other provision of this division, or of the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), if the Treasurer sells bonds pursuant to this chapter that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for

— 42 — AB 2387

1

7

8

9

11 12

13

14

15

16 17

18

19

20 21

22

23

24 25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

federal tax purposes under designated conditions or is otherwise 2 entitled to any federal tax advantage, the Treasurer may maintain 3 separate accounts for the bond proceeds invested and for the 4 investment earnings on those proceeds and may use or direct the 5 use of those proceeds or earnings to pay any rebate, penalty, or 6 other payment required under federal law or take any other action with respect to the investment and use of those bond proceeds, as may be required or desirable under federal law in order to maintain the tax-exempt status of those bonds and to obtain any other 10 advantage under federal law on behalf of the funds of this state.

80609. For purposes of carrying out this division, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds that have been authorized by the committee to be sold for the purpose of carrying out this division, excluding refunding bonds authorized pursuant to Section 80612, less any amount loaned pursuant to Section 80607 and not yet repaid and any amount withdrawn from the General Fund pursuant to this section and not yet returned to the General Fund. Any amounts withdrawn shall be deposited in the fund to be allocated in accordance with this division. Any moneys made available under this section shall be returned to the General Fund, with interest at the rate earned by the moneys in the Pooled Money Investment Account, from proceeds received from the sale of bonds for the purpose of carrying out this division.

80610. All moneys deposited in the fund that are derived from premiums and accrued interest on bonds sold pursuant to this division shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest, except that amounts derived from premiums may be reserved and used to pay costs of bond issuance before any transfer to the General Fund.

80611. Pursuant to the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), the cost of bond issuance shall be paid or reimbursed out of the bond proceeds, including premiums, if any. To the extent the cost of bond issuance is not paid from premiums received from the sale of bonds, these costs shall be allocated proportionally to each program funded through this division by the applicable bond sale.

-43 - AB 2387

80612. The bonds issued and sold pursuant to this division may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law, as amended. Approval by the voters of the state for the issuance of the bonds under this division shall include approval of the issuance, sale, or exchange of any bonds issued to refund any bonds originally issued under this division or any previously issued refunding bonds. Any bond refunded with the proceeds of a refunding bond as authorized by this section may be legally defeased to the extent permitted by law in the manner and to the extent set forth in the resolution, as amended from time to time, authorizing that refunded bond.

80613. Notwithstanding Section 16727 of the Government Code, funds provided pursuant to this division may be used for grants and loans to nonprofit organizations to repay financing described in Section 22064 of the Financial Code related to projects that are consistent with the purpose of the respective provisions of this division.

80614. The proceeds from the sale of bonds authorized by this division are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, and the disbursement of these proceeds is not subject to the limitations imposed by that article.

80615. Bonds issued under this division shall, whenever practical, be aligned with generally recognized principles and best practice guidelines for financing climate mitigation, adaptation, or resilience projects.

SEC. 3. Section 2 of this act shall take effect upon the approval by the voters of the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022, as set forth in Section 2 of this act.

SEC. 4. (a) (1) Notwithstanding Sections 9040, 9043, 9044, 9061, and 9082 of the Elections Code, or any other law, Section 2 of this act shall be submitted by the Secretary of State to the voters at the June 7, November 8, 2022, statewide primary general election.

(2) The requirement of Section 9040 of the Elections Code that a measure submitted to the people by the Legislature appear on

AB 2387 — 44 —

the ballot of the first statewide election occurring at least 131 days
after the adoption of the proposal by the Legislature shall not apply
to Section 2 of this act.

- (b) The Secretary of State shall include in the ballot pamphlets mailed pursuant to Section 9094 of the Elections Code the information specified in Section 9084 of the Elections Code regarding Section 2 of this act. If that inclusion is not possible, the Secretary of State shall publish a supplemental ballot pamphlet regarding Section 2 of this act to be mailed with the ballot pamphlet. If the supplemental ballot pamphlet cannot be mailed with the ballot pamphlet, the supplemental ballot pamphlet shall be mailed separately.
- (c) Notwithstanding Section 9054 of the Elections Code or any other law, the translations of the ballot title and the condensed statement of the ballot title required pursuant to Section 9054 of the Elections Code for Section 2 of this act may be made available for public examination at a later date than the start of the public examination period for the ballot pamphlet.
- (d) Notwithstanding Sections 13115 and 13117 of the Elections Code, Section 2 of this act and any other measure placed on the ballot by the Legislature for the June 7, November 8, 2022, statewide primary general election after the 131-day deadline set forth in Section 9040 of the Elections Code shall be placed on the ballot, following all other ballot measures, in the order in which they qualified as determined by chapter number.
- SEC. 5. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.
- SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:
- Because the state is again facing severe drought conditions, it is necessary for this act to take effect immediately so that the voters of the state can approve this act at the June 7, November 8, 2022, statewide primary general election to ensure the state can better

<u>45</u> **AB 2387**

- prepare for, and respond to, the impacts of climate change in an
 expeditious manner.