

Date of Hearing: April 29, 2025

ASSEMBLY COMMITTEE ON WATER, PARKS, AND WILDLIFE

Diane Papan, Chair

AB 1520 (Committee on Water, Parks, and Wildlife) – As Amended April 22, 2025

SUBJECT: Public resources: conservation

SUMMARY: Makes various changes to statutes related to water, parks, and wildlife. Specifically, **this bill**:

- 1) Makes numerous changes, including:
 - a) Permits the use of performance bonds as a form of financial security for mitigation bank agreements;
 - b) Provides consistency in situations where the Department of Parks and Recreation (State Parks) needs to provide public notice to bidders for concession agreements;
 - c) Extends exemptions for conservation projects to include Duck Stamp Projects;
 - d) Corrects the definition of “water year;”
 - e) Updates the renewal process for water rights registration to provide for registration without filing if annual fees have been submitted on time; and
 - f) Makes non-substantial, technical changes, such as repealing obsolete provisions, correcting cross references, and updating department, agency, and location names.

EXISTING LAW:

- 1) Permits the State Water Resources Control Board (State Water Board) to issue water right registrations that permit an applicant to appropriate water for small domestic, small irrigation, or livestock stockpond uses if the applicant submits a complete registration, pays required fees, and meets other specified requirements (Water Code § 1228.1).
- 2) Authorizes the Department of Fish and Wildlife (CDFW) to approve a mitigation bank if the person seeking to establish a mitigation bank submits a complete prospectus to CDFW that includes specified information, including estimates of financial assurance that may be in the form of cash or a letter of credit (Fish and Game Code § 1798.5).
- 3) Requires State Parks to notify the public when seeking bids for concession agreements to occupy State Park lands for a period greater than two years (Public Resources Code § 5080.7).

FISCAL EFFECT: Unknown. This bill is keyed fiscal.

COMMENTS:

- 1) **Purpose of this bill.** This bill makes various non-controversial changes to statutes within this Committee’s jurisdiction.

- 2) **Background.** This committee bill corrects erroneous language and cross reference and includes various consensus items.

Mitigation bank financial assurances. Mitigation is mandated under the California Environmental Quality Guidelines whenever a project may result in a significant impact to the environment. One approach has been the creation of mitigation banks to compensate for terrestrial impacts. These banks are generally large, connected areas of preserved, restored, enhanced, or constructed habitats (for example, wetlands) that are set aside for the express purpose of providing mitigation for project impacts to wetlands, threatened and endangered species, and other sensitive resources. Mitigation banks are required to provide some level of financial assurance that the property will be managed in perpetuity in the event a bank sponsor defaults. Existing law allows for the use of either cash or a letter of credit as a form of security for mitigation bank agreements. The federal 2008 Compensatory Mitigation Rule allows for financial assurances in the form of performance bonds, escrow accounts, casualty insurance, and letters of credit—this bill allows the (CDFW) to also consider performance bonds as an option for mitigation bank financial assurance.

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

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

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

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

reporting data on the standard water year definition—this bill aligns the definition of water year.

- 3) **Arguments in support.** Numerous environmental groups write in support of this bill. California Waterfowl Association and several waterfowl-related organization write that this bill will reduce the cost and delay to time sensitive Duck Stamp habitat projects on state lands. United Water Conservation District (UWCD) indicates that correcting the definition of water year will allow UWCD and other conservation districts to report on the same schedule as all other agencies rather than be required to estimate groundwater reporting data and then adjust after the fact, and will bring conservation districts into alignment with state regulations. California Ecological Restoration Business Association writes in support for expanding the allowable financial assurances for mitigation banks noting that bank sponsors are financially constrained in their ability to invest in new bank projects and the inclusion of performance bonds are more accessible to sponsors and equally effective assurance mechanisms.
- 4) **Related legislation.** AB 1760 (Assembly Water, Parks, and Wildlife Committee), Chapter 132, Statutes of 2023, makes numerous technical changes to the Fish and Game Code based on recommendations from the California Law Revision Commission.

REGISTERED SUPPORT / OPPOSITION:

Support

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

Opposition

None on file

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