

Assembly Bill No. 11

Passed the Assembly July 23, 2009

Chief Clerk of the Assembly

Passed the Senate July 23, 2009

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2009, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 25173.6, 25299.50.2, and 25404 of the Health and Safety Code, to amend Sections 4464, 4475, 4475.5, 4799.04, 4799.12, 21191, 25218, 25414, 25415, 25416, 25420, 25450, 25450.1, 25450.2, 25450.3, and 48653 of, to add Sections 25422, 25450.4, and 25450.5 to, and to add Chapter 5.6 (commencing with Section 25460) and Chapter 5.7 (commencing with Section 25470) to Division 15 of, the Public Resources Code, to amend Sections 5106 and 5108 of the Vehicle Code, and to add Sections 147 and 79424 to the Water Code, relating to public resources, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 11, Evans. Public Resources.

(1) Existing law establishes the Toxic Substances Control Account in the General Fund. Existing law authorizes the moneys deposited in the account to be appropriated to the Department of Toxic Substances Control for specified purposes, including the administration of the Human and Ecological Risk Division, the Hazardous Materials Laboratory, and the Office of Pollution Prevention and Technology Development, all within the department.

This bill would change the reference to the Hazardous Materials Laboratory to the Environmental Chemistry Laboratory, and specify that moneys deposited in the account also may be appropriated to the department for the administration of the successor organizations of the specified units of the department, and for the implementation of programs administered by those units or successor organizations. The bill would authorize moneys in the account to be appropriated to the department for activities of the department related to pollution prevention and technology development, as specified.

(2) Existing law establishes the Underground Storage Tank Petroleum Contamination Orphan Site Cleanup Fund (fund) in the State Treasury until January 1, 2016, and transfers \$10,000,000, for each of the 2008–09, 2009–10, and 2010–11 fiscal years, from

the Underground Storage Tank Cleanup Fund to the fund, for expenditure, upon appropriation by the Legislature, for the costs of response actions to remediate the harm caused by a petroleum contamination at a site that meets specified conditions.

This bill would authorize available federal moneys to be deposited in the fund, and would require the amount transferred in a fiscal year to the fund from the Underground Storage Tank Cleanup Fund to be reduced by the amount of federal moneys deposited in the fund in that fiscal year. The bill would require that if an expenditure from the fund includes federal moneys deposited in the fund, the expenditure be consistent with all applicable requirements for expenditure of the federal moneys.

(3) Existing law requires the Secretary for Environmental Protection to implement a unified hazardous waste and hazardous materials management regulatory program known as the unified program. The unified program is required to consolidate the administration of specified hazardous waste and hazardous materials management requirements. The secretary is required to establish standards applicable to Certified Unified Program Agencies (CUPAs), participating agencies (PAs), state agencies, and businesses specifying the data to be collected and submitted by unified program agencies in administering the specified requirements. Existing law requires the secretary, by January 1, 2010, to establish a statewide information management system capable of receiving all data collected by the unified program agencies and reported by regulated businesses, as specified. Existing law requires not less than 75% of specified funding to be provided to CUPAs and PAs through grant funds in the amounts determined by the secretary to assist those local agencies in meeting information management system requirements.

This bill would require that funding to be provided through grant funds or statewide contract services, rather than only through grant funds.

(4) The Wildland Fire Protection Management Act of 1978 authorizes the Director of Forestry and Fire Protection to enter into contracts, with the approval of the Director of General Services, for prescribed burning or other hazardous fuel reduction with the owner or any person who has legal control of any property or any public agency with regulatory or natural resource management authority over certain lands. The act authorizes the

state to assume a proportionate share of the costs of site preparation and prescribed burning or other hazardous fuel reduction.

This bill would change the term “contract” to “agreement,” and would delete the requirement of approval by the Director of General Services. The bill would also authorize the director to accept grants and donations of equipment, materials, or funds from any source for the purpose of supporting or facilitating the prescribed burning or other hazardous fuels reduction work. The director would be authorized to waive the cost sharing requirements of the act if the funding source prohibits cost sharing requirements.

(5) Existing law authorizes the Department of Forestry and Fire Protection to enter into agreements and make loans to encourage private and public investment in, and improved management of, forest lands and resources within the state to ensure adequate future high-quality timber supplies, related employment and other economic benefits, and the protection, maintenance, and enhancement of a productive and stable forest resource system for the benefit of present and future generations. The Director of Forestry and Fire Protection is authorized to enter into agreements for forest resource improvement work with eligible landowners that require cost sharing on the part of the landowner and is required to deposit into the Forest Resources Improvement Fund funds from any source for forest resource improvement purposes.

This bill would allow the department to waive the cost sharing requirement if the funding source for the authorized forest resource improvement work prohibits cost sharing requirements. This bill would prohibit any federal funds received as part of the federal American Recovery and Reinvestment Act of 2009 from being deposited into the Forest Resources Improvement Fund.

(6) The California Urban Forestry Act of 1978 authorizes the Department of Forestry and Fire Protection to implement a program in urban forestry to, among other things, encourage better management and planting of trees in urban areas and assist cities in innovative solutions to problems, including greenhouse gas emissions, urban heat island effect, stormwater management, lack of green space, and vandalism. The director, with advice from other appropriate state agencies and interested parties, is authorized to make grants to provide assistance of 25 to 90% of costs for projects meeting guidelines established by the State Board of Forestry and Fire Protection, upon recommendation by the director.

This bill would allow the director to waive the cost sharing requirement if the funding source for a grant prohibits cost sharing requirements.

(7) Existing law authorizes the issuance of environmental license plates, as defined, for vehicles, upon application and upon payment of certain fees. All revenue derived from the fees for issuance, renewal, retention, duplication, and transfer of the plates is required to be deposited in the California Environmental License Plate Fund in the State Treasury.

This bill would increase the fees for issuance, renewal, retention, duplication, and transfer of environmental license plates.

(8) The Energy Conservation Assistance Act of 1979 (act) establishes the State Energy Conservation Assistance Account (account), a continuously appropriated account, that is administered by the State Energy Resources Conservation and Development Commission to provide grants and loans to various public entities to maximize energy use savings in existing and planned buildings and facilities. The act authorizes the commission to approve an application for a loan only in those instances where the applicant demonstrates that the costs of the project, plus interest on state funds loaned, will be recovered through savings in the cost of energy to the institution during the repayment period. The act authorizes the commission to make grants in an amount that does not exceed 5% of the annual appropriation from the account. The act authorizes the commission to expend funds from the account for the actual administrative costs to the commission in implementing the act in an amount that does not exceed 5% of the total appropriation. The act also requires, in specified circumstances, the commission to periodically set interest rates on loans based on surveys of existing financial markets and at rates not less than 3% per annum.

This bill would authorize the commission to make grants in an amount that does not exceed 5% of, and to recover its administrative costs in an amount that does not exceed 5% of, the annual unencumbered balance in the account as determined by the commission on July 1 of each fiscal year. This bill would also require the commission to set the interest rate at not less than 1% per annum.

The federal Energy Independence and Security Act of 2007 establishes the Energy Efficiency and Conservation Block Grant

Program to provide funds to the state to assist eligible entities in improving energy efficiency and reducing the total energy use of eligible entities. Existing law authorizes the commission to undertake certain actions and to administer a block grant program funded by the federal Energy Independence and Security Act of 2007 to reduce fossil fuel emission, improve energy efficiency, and reduce overall energy use. Existing law authorizes the commission to recover certain administrative expenses incurred in implementing the block grant program. Existing law prohibits the commission from expending more than 5% of the federal funds received for allowable administrative costs.

This bill would authorize the commission to administer funds appropriated by the federal American Recovery and Reinvestment Act of 2009 for the Energy Efficiency and Conservation Block Grant Program and to award contracts, grants, and loans for energy-related projects. The bill would additionally specify that the recoverable administrative costs include costs related, but not limited, to reporting, recordkeeping, and evaluation activities required by federal law, as well as implementing regulations and guidelines. The bill would authorize the commission to adopt guidelines implementing the block grant program and would subject the awarding of grants and loans to an appeal to the commission upon a showing that the award is based on factors other than those described in the guidelines.

This bill would make an appropriation by requiring that the repayment of loans made in accordance with the federal acts be deposited into the account and used to make additional loans pursuant to above provisions.

This bill would also establish in the State Treasury the Energy Efficient State Property Revolving Fund. The money in the fund would be continuously appropriated to the Department of General Services for loans for projects on state-owned buildings and facilities to achieve greater, long-term energy efficiency, energy conservation, and energy cost and use avoidance, to be allocated as specified. For the fiscal year beginning July 1, 2009, the bill would require \$25,000,000 to be transferred into the fund from money received by the commission pursuant to the federal American Recovery and Reinvestment Act of 2009. On or before January 1, 2010, and annually thereafter, the bill would require the department, in collaboration with the commission, to submit

a report to the Legislature, containing specified information. The bill would require any repayment of loans made pursuant to this authority to be deposited into the fund, thereby making an appropriation.

(9) The California Oil Recycling Enhancement Act, administered by the California Integrated Waste Management Board, among other things, defines terms and establishes the used oil recycling program. The act requires the board to deposit all revenues received pursuant to the act, in the California Used Oil Recycling Fund, part of which is continuously appropriated to the board to pay recycling incentives, to provide a reserve for contingencies, to make specified block grants for implementation of certain local used oil collection programs in a total amount equal to \$10,000,000 or one-half the amount remaining in the fund after specified expenditures are made, for certain grants and loans, and for reimbursement for certain disposal costs of contaminated used oil.

This bill would require the board, during fiscal years 2009–10 and 2010–11, to apply any necessary reductions to block grants in an equitable manner that takes into account prior year block grants that are held in reserves by local organizations as available resources for grantees to use in their operations.

(10) Under existing law, the Department of Water Resources operates the State Water Resources Development System.

This bill would require the department, on or before January 10, 2010, and annually thereafter, to prepare and submit to the fiscal committees of the Legislature a report that describes the budget of the State Water Resources Development System.

(11) The California Bay-Delta Authority Act establishes in the Natural Resources Agency the California Bay-Delta Authority. The act requires the authority and the implementing agencies to carry out programs, projects, and activities necessary to implement the California Bay-Delta Program. The act requires the authority to develop policies and make decisions at program milestones, and to provide direction to achieve balanced implementation, integration, and continuous improvement in all program elements, including the science element.

This bill would require the authority to post on its Internet Web site information relating to the awarding of grants that implement the science element of the CALFED Bay-Delta Program.

(12) The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. The Governor issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on July 1, 2009.

This bill would state that it addresses the fiscal emergency declared by the Governor by proclamation issued on July 1, 2009, pursuant to the California Constitution.

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

Appropriation: yes.

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

SECTION 1. Section 25173.6 of the Health and Safety Code is amended to read:

25173.6. (a) There is in the General Fund the Toxic Substances Control Account, which shall be administered by the director. In addition to any other money that may be appropriated by the Legislature to the Toxic Substances Control Account, all of the following shall be deposited in the account:

(1) The fees collected pursuant to Section 25205.6.

(2) The fees collected pursuant to Section 25187.2, to the extent that those fees are for oversight of a removal or remedial action taken under Chapter 6.8 (commencing with Section 25300) or Chapter 6.85 (commencing with Section 25396).

(3) Fines or penalties collected pursuant to this chapter, Chapter 6.8 (commencing with Section 25300) or Chapter 6.85 (commencing with Section 25396), except as directed otherwise by Section 25192.

(4) Interest earned upon money deposited in the Toxic Substances Control Account.

(5) All money recovered pursuant to Section 25360, except any amount recovered on or before June 30, 2006, that was paid from the Hazardous Substance Cleanup Fund.

(6) All money recovered pursuant to Section 25380.

(7) Reimbursements for funds expended from the Toxic Substances Control Account for services provided by the department, including, but not limited to, reimbursements required pursuant to Sections 25201.9 and 25343.

(8) Money received from the federal government pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9601 et seq.).

(9) Money received from responsible parties for remedial action or removal at a specific site, except as otherwise provided by law.

(b) The funds deposited in the Toxic Substances Control Account may be appropriated to the department for the following purposes:

(1) The administration and implementation of the following:

(A) Chapter 6.8 (commencing with Section 25300), except that funds shall not be expended from the Toxic Substances Control Account for purposes of Section 25354.5.

(B) Chapter 6.85 (commencing with Section 25396).

(C) Article 10 (commencing with Section 7710) of Chapter 1 of Division 4 of the Public Utilities Code, to the extent the department has been delegated responsibilities by the secretary for implementing that article.

(D) Activities of the department related to pollution prevention and technology development, authorized pursuant to this chapter.

(2) The administration of the following units, and successor organizations of those units, within the department, and the implementation of programs administered by those units or successor organizations:

(A) The Human and Ecological Risk Division.

(B) The Environmental Chemistry Laboratory.

(C) The Office of Pollution Prevention and Technology Development.

(3) For allocation to the Office of Environmental Health Hazard Assessment, pursuant to an interagency agreement, to assist the department as needed in administering the programs described in subparagraphs (A) and (B) of paragraph (1).

(4) For allocation to the State Board of Equalization to pay refunds of fees collected pursuant to Section 43054 of the Revenue and Taxation Code.

(5) For the state share mandated pursuant to paragraph (3) of subsection (c) of Section 104 of the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9604(c)(3)).

(6) For the purchase by the state, or by a local agency with the prior approval of the director, of hazardous substance response equipment and other preparations for response to a release of hazardous substances. However, all equipment shall be purchased in a cost-effective manner after consideration of the adequacy of existing equipment owned by the state or the local agency, and the availability of equipment owned by private contractors.

(7) For payment of all costs of removal and remedial action incurred by the state, or by a local agency with the approval of the director, in response to a release or threatened release of a hazardous substance, to the extent the costs are not reimbursed by the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9601 et seq.).

(8) For payment of all costs of actions taken pursuant to subdivision (b) of Section 25358.3, to the extent that these costs are not paid by the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9601 et seq.).

(9) For all costs incurred by the department in cooperation with the Agency for Toxic Substances and Disease Registry established pursuant to subsection (i) of Section 104 of the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9604(i)) and all costs of health effects studies undertaken regarding specific sites or specific substances at specific sites. Funds appropriated for this purpose shall not exceed five hundred thousand dollars (\$500,000) in a single fiscal year. However, these actions shall not duplicate reasonably available federal actions and studies.

(10) For repayment of the principal of, and interest on, bonds sold pursuant to Article 7.5 (commencing with Section 25385) of Chapter 6.8.

(11) For the reasonable and necessary administrative costs and expenses of the Hazardous Substance Cleanup Arbitration Panel created pursuant to Section 25356.2.

(12) Direct site remediation costs.

(13) For the department's expenses for staff to perform oversight of investigations, characterizations, removals, remediations, or long-term operation and maintenance.

(14) For the administration and collection of the fees imposed pursuant to Section 25205.6.

(15) For allocation to the office of the Attorney General, pursuant to an interagency agreement or similar mechanism, for the support of the Toxic Substance Enforcement Program in the office of the Attorney General, in carrying out the purposes of Chapter 6.8 (commencing with Section 25300) and Chapter 6.85 (commencing with Section 25396).

(16) For funding the California Environmental Contaminant Biomonitoring Program established pursuant to Chapter 8 (commencing with Section 105440) of Part 5 of Division 103.

(c) The funds deposited in the Toxic Substances Control Account may be appropriated by the Legislature to the Office of Environmental Health Hazard Assessment and the State Department of Public Health for the purposes of carrying out their duties pursuant to the California Environmental Contaminant Biomonitoring Program (Chapter 8 (commencing with Section 105440) of Part 5 of Division 103).

(d) The director shall expend federal funds in the Toxic Substances Control Account consistent with the requirements specified in Section 114 of the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9614), upon appropriation by the Legislature, for the purposes for which they were provided to the state.

(e) Money in the Toxic Substances Control Account shall not be expended to conduct removal or remedial actions if a significant portion of the hazardous substances to be removed or remedied originated from a source outside the state.

(f) The Director of Finance, upon request of the director, may make a loan from the General Fund to the Toxic Substances Control Account to meet cash needs. The loan shall be subject to the repayment provisions of Section 16351 of the Government Code and the interest provisions of Section 16314 of the Government Code.

(g) The Toxic Substances Control Account established pursuant to subdivision (a) is the successor fund of all of the following:

(1) The Hazardous Substance Account established pursuant to Section 25330, as that section read on June 30, 2006.

(2) The Hazardous Substance Clearing Account established pursuant to Section 25334, as that section read on June 30, 2006.

(3) The Hazardous Substance Cleanup Fund established pursuant to Section 25385.3, as that section read on June 30, 2006.

(4) The Superfund Bond Trust Fund established pursuant to Section 25385.8, as that section read on June 30, 2006.

(h) On and after July 1, 2006, all assets, liabilities, and surplus of the accounts and funds listed in subdivision (g), shall be transferred to, and become a part of, the Toxic Substances Control Account, as provided by Section 16346 of the Government Code. All existing appropriations from these accounts, to the extent encumbered, shall continue to be available for the same purposes and periods from the Toxic Substances Control Account.

(i) The department, on or before February 1 of each year, shall report to the Governor and the Legislature on the prior fiscal year's expenditure of funds within the Toxic Substances Control Account for the purposes specified in subdivision (b).

SEC. 2. Section 25299.50.2 of the Health and Safety Code is amended to read:

25299.50.2. (a) The Underground Storage Tank Petroleum Contamination Orphan Site Cleanup Fund is hereby established in the State Treasury.

(b) (1) Except as provided in paragraph (2), the sum of ten million dollars (\$10,000,000) is hereby transferred, for each of the 2008–09, 2009–10, and 2010–11 fiscal years, from the Underground Storage Tank Cleanup Fund to the Underground Storage Tank Petroleum Contamination Orphan Site Cleanup Fund.

(2) Available federal moneys may be deposited in the Underground Storage Tank Petroleum Contamination Orphan Site Cleanup Fund. The amount transferred pursuant to paragraph (1) in a fiscal year shall be reduced by the amount of federal moneys deposited in the Underground Storage Tank Petroleum Contamination Orphan Site Cleanup Fund in that fiscal year.

(c) The board may expend the moneys in the Underground Storage Tank Petroleum Contamination Orphan Site Cleanup Fund, upon appropriation by the Legislature, for the costs of response actions to remediate the harm caused by a petroleum contamination, including contamination caused by a refined product of petroleum or a petroleum derivative, at a site that meets all of the following conditions:

(1) The site meets the conditions described in paragraph (2) of subdivision (a) of Section 25395.20.

(2) The petroleum contamination is the principal source of contamination at the site.

(3) The source of the petroleum contamination is, or was, an underground storage tank.

(4) A financially responsible party has not been identified to pay for remediation at the site.

(5) If the expenditure includes federal moneys deposited in the Underground Storage Tank Petroleum Contamination Orphan Site Cleanup Fund, the expenditure at the site is consistent with all applicable requirements for expenditure of the federal moneys.

(d) Any funds in the Underground Storage Tank Petroleum Contamination Orphan Site Cleanup Fund that are not expended in the 2009–10, 2010–11, or 2011–12 fiscal years shall remain in the Underground Storage Tank Petroleum Contamination Orphan Site Cleanup Fund until they are encumbered.

(e) Notwithstanding Section 16304.1 of the Government Code, a disbursement in liquidation of an encumbrance may be made before or during the four years following the last day the appropriation is available for encumbrance.

(f) A recipient of a grant that was awarded pursuant to former Section 25299.50.2, as that section read on December 31, 2007, and whose encumbrance under the grant was not liquidated within the time period prescribed in Section 16304.1 of the Government Code, may receive the undisbursed balance of the encumbrance from the Underground Storage Tank Petroleum Contamination Orphan Site Cleanup Fund consistent with the terms of the grant until June 30, 2011.

SEC. 3. Section 25404 of the Health and Safety Code is amended to read:

25404. (a) For purposes of this chapter, the following terms shall have the following meanings:

(1) (A) “Certified Unified Program Agency” or “CUPA” means the agency certified by the secretary to implement the unified program specified in this chapter within a jurisdiction.

(B) “Participating Agency” or “PA” means a state or local agency that has a written agreement with the CUPA pursuant to subdivision (d) of Section 25404.3, and is approved by the secretary, to implement or enforce one or more of the unified

program elements specified in subdivision (c), in accordance with Sections 25404.1 and 25404.2.

(C) “Unified Program Agency” or “UPA” means the CUPA, or its participating agencies to the extent each PA has been designated by the CUPA, pursuant to a written agreement, to implement or enforce a particular unified program element specified in subdivision (c). The UPAs have the responsibility and authority to implement and enforce the requirements listed in subdivision (c), and the regulations adopted to implement the requirements listed in subdivision (c), to the extent provided by Chapter 6.5 (commencing with Section 25100), Chapter 6.67 (commencing with Section 25270), Chapter 6.7 (commencing with Section 25280), Chapter 6.95 (commencing with Section 25500), and Sections 25404.1 and 25404.2. After a CUPA has been certified by the secretary, the unified program agencies and the state agencies carrying out responsibilities under this chapter shall be the only agencies authorized to enforce the requirements listed in subdivision (c) within the jurisdiction of the CUPA.

(2) “Department” means the Department of Toxic Substances Control.

(3) “Minor violation” means the failure of a person to comply with a requirement or condition of an applicable law, regulation, permit, information request, order, variance, or other requirement, whether procedural or substantive, of the unified program that the UPA is authorized to implement or enforce pursuant to this chapter, and that does not otherwise include any of the following:

(A) A violation that results in injury to persons or property, or that presents a significant threat to human health or the environment.

(B) A knowing, willful, or intentional violation.

(C) A violation that is a chronic violation, or that is committed by a recalcitrant violator. In determining whether a violation is chronic or a violator is recalcitrant, the UPA shall consider whether there is evidence indicating that the violator has engaged in a pattern of neglect or disregard with respect to applicable regulatory requirements.

(D) A violation that results in an emergency response from a public safety agency.

(E) A violation that enables the violator to benefit economically from the noncompliance, either by reduced costs or competitive advantage.

(F) A class I violation as provided in Section 25117.6.

(G) A class II violation committed by a chronic or a recalcitrant violator, as provided in Section 25117.6.

(H) A violation that hinders the ability of the UPA to determine compliance with any other applicable local, state, or federal rule, regulation, information request, order, variance, permit, or other requirement.

(4) “Secretary” means the Secretary for Environmental Protection.

(5) “Unified program facility” means all contiguous land and structures, other appurtenances, and improvements on the land that are subject to the requirements listed in subdivision (c).

(6) “Unified program facility permit” means a permit issued pursuant to this chapter. For the purposes of this chapter, a unified program facility permit encompasses the permitting requirements of Section 25284, and permit or authorization requirements under a local ordinance or regulation relating to the generation or handling of hazardous waste or hazardous materials, but does not encompass the permitting requirements of a local ordinance that incorporates provisions of the Uniform Fire Code or the Uniform Building Code.

(b) The secretary shall adopt implementing regulations and implement a unified hazardous waste and hazardous materials management regulatory program, which shall be known as the unified program, after holding an appropriate number of public hearings throughout the state. The unified program shall be developed in close consultation with the director, the Secretary of California Emergency Management, the State Fire Marshal, the executive officers and chairpersons of the State Water Resources Control Board and the California regional water quality control boards, the local health officers, local fire services, and other appropriate officers of interested local agencies, and affected businesses and interested members of the public, including environmental organizations.

(c) The unified program shall consolidate the administration of the following requirements and, to the maximum extent feasible within statutory constraints, shall ensure the coordination and

consistency of any regulations adopted pursuant to those requirements:

(1) (A) Except as provided in subparagraphs (B) and (C), the requirements of Chapter 6.5 (commencing with Section 25100), and the regulations adopted by the department pursuant thereto, are applicable to all of the following:

(i) Hazardous waste generators, persons operating pursuant to a permit-by-rule, conditional authorization, or conditional exemption, pursuant to Chapter 6.5 (commencing with Section 25100) or the regulations adopted by the department.

(ii) Persons managing perchlorate materials.

(iii) Persons subject to Article 10.1 (commencing with Section 25211) of Chapter 6.5.

(B) The unified program shall not include the requirements of paragraph (3) of subdivision (c) of Section 25200.3, the requirements of Sections 25200.10 and 25200.14, and the authority to issue an order under Sections 25187 and 25187.1, with regard to those portions of a unified program facility that are subject to one of the following:

(i) A corrective action order issued by the department pursuant to Section 25187.

(ii) An order issued by the department pursuant to Chapter 6.8 (commencing with Section 25300) or Chapter 6.85 (commencing with Section 25396).

(iii) A remedial action plan approved pursuant to Chapter 6.8 (commencing with Section 25300) or Chapter 6.85 (commencing with Section 25396).

(iv) A cleanup and abatement order issued by a California regional water quality control board pursuant to Section 13304 of the Water Code, to the extent that the cleanup and abatement order addresses the requirements of the applicable section or sections listed in this subparagraph.

(v) Corrective action required under subsection (u) of Section 6924 of Title 42 of the United States Code or subsection (h) of Section 6928 of Title 42 of the United States Code.

(vi) An environmental assessment pursuant to Section 25200.14 or a corrective action pursuant to Section 25200.10 or paragraph (3) of subdivision (c) of Section 25200.3, that is being overseen by the department.

(C) The unified program shall not include the requirements of Chapter 6.5 (commencing with Section 25100), and the regulations adopted by the department pursuant thereto, applicable to persons operating transportable treatment units, except that any required notice regarding transportable treatment units shall also be provided to the CUPAs.

(2) The requirements of Chapter 6.67 (commencing with Section 25270) concerning aboveground storage tanks.

(3) (A) Except as provided in subparagraphs (B) and (C), the requirements of Chapter 6.7 (commencing with Section 25280) concerning underground storage tanks and the requirements of any underground storage tank ordinance adopted by a city or county.

(B) The unified program shall not include the responsibilities assigned to the State Water Resources Control Board pursuant to Section 25297.1.

(C) The unified program shall not include the corrective action requirements of Sections 25296.10 to 25296.40, inclusive.

(4) The requirements of Article 1 (commencing with Section 25500) of Chapter 6.95 concerning hazardous material release response plans and inventories.

(5) The requirements of Article 2 (commencing with Section 25531) of Chapter 6.95, concerning the accidental release prevention program.

(6) The requirements of subdivisions (b) and (c) of Section 80.103 of the Uniform Fire Code, as adopted by the State Fire Marshal pursuant to Section 13143.9 concerning hazardous material management plans and inventories.

(d) To the maximum extent feasible within statutory constraints, the secretary shall consolidate, coordinate, and make consistent these requirements of the unified program with other requirements imposed by other federal, state, regional, or local agencies upon facilities regulated by the unified program.

(e) (1) The secretary shall establish standards applicable to CUPAs, participating agencies, state agencies, and businesses specifying the data to be collected and submitted by unified program agencies in administering the programs listed in subdivision (c). Those standards shall incorporate any standard developed under Section 25503.3.

(2) (A) No later than January 1, 2010, the secretary shall establish a statewide information management system capable of

receiving all data collected by the unified program agencies and reported by regulated businesses pursuant to this subdivision and Section 25504.1, in a manner that is most cost efficient and effective for both the regulated businesses and state and local agencies. The secretary shall prescribe an XML or other compatible Web-based format for the transfer of data from CUPAs and regulated businesses and make all nonconfidential data available on the Internet.

(B) The secretary shall establish milestones to measure the implementation of the statewide information management system and shall provide periodic status updates to interested parties.

(3) (A) (i) Except as provided in subparagraph (B), in addition to any other funding that becomes available, the secretary shall increase the oversight surcharge provided for in subdivision (b) of Section 25404.5 by an amount necessary to meet the requirements of this subdivision for a period of three years, to establish the statewide information management system, consistent with paragraph (2). The increase in the oversight surcharge shall not exceed twenty-five dollars (\$25) in any one year of the three-year period. The secretary shall thereafter maintain the statewide information management system, funded by the assessment the secretary is authorized to impose pursuant to Section 25404.5.

(ii) No less than 75 percent of the additional funding raised pursuant to clause (i) shall be provided to CUPAs and PAs through grant funds or statewide contract services, in the amounts determined by the secretary to assist these local agencies in meeting these information management system requirements.

(B) A facility that is owned or operated by the federal government and that is subject to the unified program shall pay the surcharge required by this paragraph to the extent authorized by federal law.

(C) The secretary, or one or more of the boards, departments, or offices within the California Environmental Protection Agency, shall seek available federal funding for purposes of implementing this subdivision.

(4) No later than three years after the statewide information management system is established, each CUPA, PA, and regulated business shall report program data electronically. The secretary shall work with the CUPAs to develop a phased in schedule for

the electronic collection and submittal of information to be included in the statewide information management system, giving first priority to information relating to those chemicals determined by the secretary to be of greatest concern. The secretary, in making this determination shall consult with the CUPAs, the California Emergency Management Agency, the State Fire Marshal, and the boards, departments, and offices within the California Environmental Protection Agency. The information initially included in the statewide information management system shall include, but is not limited to, the hazardous materials inventory information required to be submitted pursuant to Section 25504.1 for perchlorate materials.

(5) The secretary, in collaboration with the CUPAs, shall provide technical assistance to regulated businesses to comply with the electronic reporting requirements and may expend funds identified in clause (i) of subparagraph (A) of paragraph (3) for that purpose.

SEC. 4. Section 4464 of the Public Resources Code is amended to read:

4464. Unless the context clearly requires otherwise, the following definitions govern the construction of this chapter:

(a) “Hazardous fuel reduction” means the application of practices to wild lands, the primary impact of which to the vegetation is generally limited to the reduction of surface and ladder wild land fuels. These practices include, but are not limited to, prescribed fire, piling by machine or by hand in preparation for burning, thinning, pruning, or grazing. Treatments that reduce crown densities shall be prescribed only for the purpose of impacting fire behavior, and if it can be reasonably concluded, based on the proposed treatment, that the likelihood for the formation of crown fires is reduced.

(b) “Nonprofit organization” means any California corporation organized under Section 501(c)(3) or 501(c)(4) of the federal Internal Revenue Code.

(c) “Person” means any natural person, firm, association, partnership, business trust, corporation, limited liability company, company, nonprofit organization, or a combination of those, or any public agency other than an agency of the federal government.

(d) “Prescribed burn crew” means personnel and firefighting equipment of the department that are prepared to contain fire set

in a prescribed burning operation and to suppress any fire that escapes during a prescribed burning operation.

(e) “Prescribed burning” or “prescribed burning operation” means the planned application and confinement of fire to wild land fuels on lands selected in advance of that application to achieve any of the following objectives:

(1) Prevention of high-intensity wild land fires through reduction of the volume and continuity of wild land fuels.

(2) Watershed management.

(3) Range improvement.

(4) Vegetation management.

(5) Forest improvement.

(6) Wildlife habitat improvement.

(7) Air quality maintenance.

(f) “Wild land” means any land that is classified as a state responsibility area pursuant to Article 3 (commencing with Section 4125) of Chapter 1 and includes any land having a flammable plant cover. “Wild land” also means any land not classified as a state responsibility area where the geographic location of these lands and accumulation of wild land fuel is such that a wild land fire occurring on these lands would pose a threat to a state responsibility area.

(g) “Wild land fire” means any uncontrolled fire burning on wild land.

(h) “Wild land fuel” means any timber, brush, grass, or other flammable vegetation, living or dead, standing or down.

SEC. 5. Section 4475 of the Public Resources Code is amended to read:

4475. (a) The director may enter into an agreement, including a grant agreement, for prescribed burning or other hazardous fuel reduction that is consistent with this chapter and the regulations of the board with either the owner or any other person who has legal control of any property or any public agency with regulatory or natural resource management authority over any property that is included within any wild land for any of the following purposes, or any combination of those purposes:

(1) Prevention of high-intensity wild land fires through reduction of the volume and continuity of wild land fuels.

(2) Watershed management.

(3) Range improvement.

- (4) Vegetation management.
- (5) Forest improvement.
- (6) Wildlife habitat improvement.
- (7) Air quality maintenance.

(b) An agreement shall not be entered into pursuant to this section unless the director determines that the public benefits estimated to be derived from the prescribed burning or other hazardous fuel reduction pursuant to the agreement will be equal to or greater than the foreseeable damage that could result from the prescribed burning or other hazardous fuel reduction.

SEC. 6. Section 4475.5 of the Public Resources Code is amended to read:

4475.5. (a) The state may assume a proportionate share of the costs of site preparation and prescribed burning or other hazardous fuel reduction conducted pursuant to this article on wild lands other than wild lands under the jurisdiction of the federal government. The state's share of those costs shall bear the same ratio to the total costs of the operation as the public benefits bear to all public and private benefits to be derived from the prescribed burning operation or other hazardous fuel reduction, as estimated and determined by the director. The state's share of the costs may exceed 90 percent of the total costs of the operation only if the director determines that no direct private economic benefits will accrue or will be utilized by a person that owns or controls any property under contract pursuant to Section 4475.

(b) The board shall adopt regulations establishing standards to be used by the director in determining the state's share of these costs and in determining whether, pursuant to Section 4475, the public benefits of a prescribed burning operation or other hazardous fuel reduction will equal or exceed the foreseeable damage therefrom.

(c) The determination of public and private benefits pursuant to this section shall reflect any substantial benefit to be derived from accomplishing any of the purposes specified in Section 4475 and the prevention of degradation of air quality.

(d) All or part of these costs to be borne by the person contracting with the department may be met by the value of materials, services, or equipment furnished by that person directly, or furnished by that person pursuant to an agreement with a private consultant or contractor, or furnished by a combination of both

means, that are determined by the department to be suitable for the preparation for, and the conduct of, the prescribed burning operation or other hazardous fuel reduction.

(e) The director may accept grants and donations of equipment, materials, or funds from any source for the purpose of supporting or facilitating the prescribed burning or other hazardous fuels reduction work undertaken pursuant to this chapter. The director may waive the cost sharing requirements of this chapter if the funding source prohibits cost sharing requirements.

SEC. 7. Section 4799.04 of the Public Resources Code is amended to read:

4799.04. To effectuate the purposes of this chapter, the department is authorized to:

(a) Collect or contract for adequate supplies of high-quality seed and take whatever steps are necessary to insure to the maximum degree feasible that seeds or seedlings planted as part of forest resource improvement projects undertaken pursuant to this chapter are adapted to the planting site and measures are taken to assure appropriate diversity of forest species.

(b) Contract for seedling production and, in cooperation with other state, local, and federal agencies, encourage the production of seedlings needed to accomplish reforestation in the state by small business entities in or near areas where planting will be carried out.

(c) Provide technical assistance to private seedling nurseries and conduct a program for certification of the quality and adaptability of seeds and tree seedlings supplied for forest resource improvement projects undertaken pursuant to this chapter.

(d) Increase availability of genetically improved seed and planting stock by expansion of seed orchards or other recognized tree improvement techniques.

(e) In cooperation with other public and private entities or persons:

(1) Conduct necessary research and take other appropriate measures to protect the genetic integrity and diversity of forest tree species, including, but not limited to, a seed depository.

(2) Conduct research and make grants or enter into contracts or cooperative agreements with public and private entities or persons concerning measures to increase the contribution of trees to

improve the natural environment and economy of the state and measures to otherwise accomplish the purposes of this chapter.

(f) Purchase necessary equipment or materials and, in accordance with the State Civil Service Act (commencing with Section 18570 of the Government Code), appoint such deputies, officers, and other employees as may be necessary.

(g) In cooperation with other public and private entities and persons, establish such training and educational programs as may be appropriate to increase the number of workers with necessary skills to carry out seed collection, seedling production, and forest resource improvement projects.

(h) To accept grants and donations of equipment, seedlings, materials, or funds from any source for the purpose of supporting or facilitating forest resource improvement work undertaken pursuant to the provisions of this chapter. Any funds received shall be deposited by the director in the Forest Resource Improvement Fund established pursuant to Chapter 3 (commencing with Section 4799.13) of this part. No federal funds received as part of the American Recovery and Reinvestment Act (Public Law 111- 5) shall be deposited into the Forest Resources Improvement Fund.

(i) Waive the landowner cost sharing requirements of this chapter if the funding source for the authorized forest improvement work prohibits cost sharing requirements.

SEC. 8. Section 4799.12 of the Public Resources Code is amended to read:

4799.12. The director, with advice from other appropriate state agencies and interested parties, may make grants to provide assistance of 25 to 90 percent of costs for projects meeting guidelines established by the board upon recommendation by the director. The director may waive the cost sharing requirement for projects that are in disadvantaged and severely disadvantaged communities. Grants may be made to cities, counties, districts, and nonprofit organizations. The director may also waive the cost sharing requirement if the funding source for a grant prohibits cost sharing requirements. Contributions required as a condition of grants made pursuant to this section may be made in the form of material, services, or equipment, or funds. Authorized assistance may include, but is not limited to, any of the following needs:

(a) Funding for development of urban tree plans that include coordination of local agency efforts and citizen involvement.

(b) Funding for development of urban tree plans that include coordination of multiple jurisdictions, multiple agency efforts, and citizen involvement.

(c) Funding for development of urban forest master plans or similar plans designed to provide comprehensive protection, maintenance, and management of the urban forest.

(d) Provision of seedling and tree stock.

(e) Tree planting projects.

(f) Funding and other assistance to local agencies and nonprofit organizations for partnerships as follows:

(1) Energy saving urban forest programs similar to the Los Angeles Department of Water and Power's Trees for Green LA program and the Sacramento Municipal Utility District's Sacramento Shade Tree program.

(2) Developing projects or programs that use urban forests for water conservation, improving water quality, or stormwater capture.

(3) Developing projects or programs that use urban forests for air quality improvement, reduction in greenhouse gas emissions, or reduction of urban heat island effect.

(4) Developing community education and engagement programs on the benefits and proper care of trees.

(g) Funding for the development of training and educational materials on the benefits of the urban forest.

(h) Funding for the development of training and educational materials on proper care and maintenance of trees and the urban forest, including young and mature tree care.

(i) Funding and other assistance, based on criteria developed by the department, for management of urban forests to ensure their survival and ability to optimize the benefits that urban forests provide the community and the environment.

(j) Funding and other assistance for demonstration projects in urban forestry with special attention given to projects or programs assisting the state in meeting the requirements of the Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code), improving energy and water conservation, capturing and filtering urban stormwater, improving water quality, reducing the urban heat island effect, improving air quality, and wood and fiber utilization projects, including, but not limited to, biofuel and bioenergy.

(k) Other categories of projects recommended by the director and approved by the board.

SEC. 9. Section 21191 of the Public Resources Code is amended to read:

21191. (a) The California Environmental License Plate Fund, which supersedes the California Environmental Protection Program Fund, is continued in existence in the State Treasury, and consists of the moneys deposited in the fund pursuant to any provision of law. The Legislature shall establish the amount of fees for environmental license plates, which shall be not less than forty-eight dollars (\$48) for the issuance or thirty-eight dollars (\$38) for the renewal of an environmental license plate.

(b) The Controller shall transfer from the California Environmental License Plate Fund to the Motor Vehicle Account in the State Transportation Fund the amount appropriated by the Legislature for the reimbursement of costs incurred by the Department of Motor Vehicles in performing its duties pursuant to Sections 5004, 5004.5, and 5022 and Article 8.5 (commencing with Section 5100) of Chapter 1 of Division 3 of the Vehicle Code. The reimbursement from the California Environmental License Plate Fund shall only include those additional costs which are directly attributable to any additional duties or special handling necessary for the issuance, renewal, or retention of the environmental license plates.

(c) The Controller shall transfer to the post fund of the Veterans' Home of California, established pursuant to Section 1047 of the Military and Veterans Code, all revenue derived from the issuance of prisoner of war special license plates pursuant to Section 5101.5 of the Vehicle Code less the administrative costs of the Department of Motor Vehicles in that regard.

(d) The Director of Motor Vehicles shall certify the amounts of the administrative costs of the Department of Motor Vehicles in subdivision (c) to the Controller.

(e) The balance of the moneys in the California Environmental License Plate Fund shall be available for expenditure only for the exclusive trust purposes specified in Section 21190, upon appropriation by the Legislature. However, all moneys derived from the issuance of commemorative 1984 Olympic reflectorized license plates in the California Environmental License Plate Fund shall be used only for capital outlay purposes.

(f) All proposed appropriations for the program shall be summarized in a section in the Governor's Budget for each fiscal year and shall bear the caption "California Environmental Protection Program." The section shall contain a separate description of each project for which an appropriation is made. All of these appropriations shall be made to the department performing the project and accounted for separately.

(g) The budget the Governor presents to the Legislature pursuant to subdivision (a) of Section 12 of Article IV of the California Constitution shall include, as proposed appropriations for the California Environmental Protection Program, only projects and programs recommended for funding by the Secretary of the Natural Resources Agency pursuant to subdivision (a) of Section 21193. The Secretary of the Natural Resources Agency shall consult with the Secretary for Environmental Protection before making any recommendations to fund projects pursuant to subdivision (a) of Section 21190.

SEC. 10. Section 25218 of the Public Resources Code is amended to read:

25218. In addition to other powers specified in this division, the commission may do any of the following:

(a) Apply for and accept grants, contributions, and appropriations, and award grants consistent with the goals and objectives of a program or activity the commission is authorized to implement or administer.

(b) Contract for professional services if the work or services cannot be satisfactorily performed by its employees or by any other state agency.

(c) Be sued and sue.

(d) Request and utilize the advice and services of all federal, state, local, and regional agencies.

(e) Adopt any rule or regulation, or take any action, it deems reasonable and necessary to carry out this division.

(f) Adopt rules and regulations, or take any action, it deems reasonable and necessary to ensure the free and open participation of any member of the staff in proceedings before the commission.

SEC. 11. Section 25414 of the Public Resources Code is amended to read:

25414. Annually at the conclusion of each fiscal year, but not later than October 31, each eligible institution that has received

an allocation pursuant to this chapter shall compute the cost of energy saved as a result of implementing a project funded by the allocation. The cost shall be calculated in a manner prescribed by the commission.

SEC. 12. Section 25415 of the Public Resources Code is amended to read:

25415. (a) Each eligible institution to which an allocation has been made under this chapter shall repay the principal amount of the allocation, plus interest, in not more than 30 equal semiannual payments, as determined by the commission. The first semiannual payment shall be made on or before December 22 of the fiscal year following the year in which the project is completed. The repayment period may not exceed the life of the equipment, as determined by the commission or the lease term of the building in which the energy conservation measures will be installed.

(b) Notwithstanding any other provision of law, the commission shall, unless it determines that the purposes of this chapter would be better served by establishing an alternative interest rate schedule, periodically set interest rates on the loans based on surveys of existing financial markets and at rates not less than 1 percent per annum.

(c) The governing body of each eligible institution shall annually budget an amount at least sufficient to make the semiannual payments required in this section. The amount shall not be raised by the levy of additional taxes but shall instead be obtained by a savings in energy costs or other sources.

SEC. 13. Section 25416 of the Public Resources Code is amended to read:

25416. (a) The State Energy Conservation Assistance Account is hereby created in the General Fund. Notwithstanding Section 13340 of the Government Code, the account is continuously appropriated to the commission without regard to fiscal year.

(b) The money in the account shall consist of all money authorized or required to be deposited in the account by the Legislature and all money received by the commission pursuant to Sections 25414 and 25415.

(c) The money in the account shall be disbursed by the Controller for the purposes of this chapter as authorized by the commission.

(d) The commission may contract and provide grants for services to be performed for eligible institutions. Services may include, but are not limited to, feasibility analysis, project design, field assistance, and operation and training. The amount expended for those services may not exceed 10 percent of the unencumbered balance of the account as determined by the commission on July 1 of each year.

(e) The commission may make grants to eligible institutions for innovative projects and programs. Except as provided in subdivision (d), the amount expended for grants may not exceed 5 percent of the annual unencumbered balance in the account as determined by the commission on July 1 of each fiscal year.

(f) The commission may charge a fee for the services provided under subdivision (d).

(g) Notwithstanding any other provision of law, the Controller may use the State Energy Conservation Assistance Account for loans to the General Fund as provided in Sections 16310 and 16381 of the Government Code.

SEC. 14. Section 25420 of the Public Resources Code is amended to read:

25420. The commission may expend from the State Energy Conservation Assistance Account an amount to pay for the actual administrative costs incurred by the commission pursuant to this chapter. The amount shall not exceed 5 percent of the annual unencumbered balance in the account as determined by the commission on July 1 of each fiscal year, to be used to defray costs incurred by the commission for allocations made by the commission pursuant to this chapter.

SEC. 15. Section 25422 is added to the Public Resources Code, to read:

25422. (a) Federal funds available to the commission pursuant to Chapter 5.6 (commencing with Section 25460) may be used by the commission to augment funding for grants and loans pursuant to this chapter. Any federal funds used for loans shall, when repaid, be deposited into the Energy Conservation Assistance Account and used to make additional loans pursuant to this chapter.

(b) A separate subaccount shall be established within the Energy Conservation Assistance Account to track the award and repayment of loans from federal funds, including any interest earnings, in

accordance with the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5).

SEC. 16. Section 25450 of the Public Resources Code is amended to read:

25450. (a) The Legislature finds and declares all of the following:

(1) The cost of energy in California is increasing and creating greater demands on local governments' operating budgets.

(2) The 110th Congress enacted the Energy Independence and Security Act of 2007 (42 U.S.C. Sec. 17001 et seq.) that provides energy efficiency and conservation block grants to eligible entities, including states, to reduce fossil fuel emissions, improve energy efficiency, and reduce overall energy use.

(3) Section 545(c)(1)(A) of the Energy Independence and Security Act of 2007 (42 U.S.C. Sec. 17155(c)(1)(A)) mandates that states receiving block grants under the act use not less than 60 percent of the grant amount to provide subgrants to local governments that are not eligible entities for the purposes of the act.

(4) The 111th Congress enacted the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) that appropriates funds for energy efficiency and conservation block grants.

(b) It is the intent of the Legislature to fully implement the requirements for, and achieve the purposes of, the energy efficiency and conservation block grants provided pursuant to the Energy Independence and Security Act of 2007 and the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), in the most expedient manner possible, and that the funds allocated to the state pursuant to those acts be administered by the commission.

(c) It is the intent of the Legislature to strive to maximize the opportunity to allocate funds toward the most cost-effective energy efficiency projects, and when allocating funds toward administration, the commission should use the allowable administrative expenses specified in Section 545(c)(4) of the Energy Independence and Security Act of 2007 (42 U.S.C. Sec. 17155(c)(4)) as a ceiling and improve efficiencies to allocate less than the allowable amount.

SEC. 17. Section 25450.1 of the Public Resources Code is amended to read:

25450.1. The commission shall administer the funds allocated to and received by the state pursuant to the Energy Independence and Security Act of 2007 (42 U.S.C. Sec. 17001 et seq.) and the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) for the Energy Efficiency and Conservation Block Grant Program established pursuant to Section 542 of the Energy Independence and Security Act of 2007 (42 U.S.C. Sec. 17152), and may use the federal funds to award contracts, grants, and loans as expeditiously as possible consistent with those acts.

SEC. 18. Section 25450.2 of the Public Resources Code is amended to read:

25450.2. (a) Not less than 60 percent of the funds received pursuant to Section 25450.1 shall be used to provide cost-effective energy efficiency, climate change planning, and conservation grants to cities with a population of less than 35,000 and counties with a population of less than 200,000, and be prioritized based on cost-effective energy efficiency. However, this population requirement does not apply to funds received pursuant to the American Recovery and Reinvestment Act of 2009 (Public Law 111-5).

(b) The remaining funds received pursuant to Section 25450.1 shall be used to provide cost-effective energy efficiency and conservation contracts, grants, and loans to eligible entities consistent with the Energy Independence and Security Act of 2007 (42 U.S.C. Sec. 17001 et seq.) and the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) that govern or fund the Energy Efficiency and Conservation Block Grant program and be prioritized based on cost-effective energy efficiency.

SEC. 19. Section 25450.3 of the Public Resources Code is amended to read:

25450.3. The commission shall not exceed the amount specified in Section 545(c)(4) of the Energy Independence and Security Act of 2007 (42 U.S.C. Sec. 17155(c)(4)) for administrative expenses, which include, but are not limited to, reporting, recordkeeping, and evaluation activities required by the Energy Independence and Security Act of 2007 (42 U.S.C. Section 17001 et seq.), the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), and implementing regulations and guidelines, that govern or fund the Energy Efficiency and Conservation Block Grant Program, and the combined administration program costs, indirect

costs, overhead, and costs associated with the Statewide Cost Allocation Plan.

SEC. 20. Section 25450.4 is added to the Public Resources Code, to read:

25450.4. The commission may award contracts, grants, and loans pursuant to this chapter, unless otherwise prohibited by the Energy Independence and Security Act of 2007 (42 U.S.C. Sec. 17001 et seq.), the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), implementing regulations and guidelines.

SEC. 21. Section 25450.5 is added to the Public Resources Code, to read:

25450.5. (a) The commission may adopt guidelines governing the award, eligibility, and administration of funding pursuant to the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) at a publicly noticed meeting offering all interested parties an opportunity to comment. The commission shall provide written public notice of not less than 30 days for the initial adoption of guidelines. Substantive changes to the guidelines shall not be adopted without 15-day written notice to the public. Notwithstanding any other provision of law, any guidelines adopted pursuant to this chapter shall be exempt from the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(b) Grants and loans made pursuant to this chapter are subject to appeal to the commission upon a showing that factors other than those described in the guidelines adopted by the commission were applied in making the awards and payments.

SEC. 22. Chapter 5.6 (commencing with Section 25460) is added to Division 15 of the Public Resources Code, to read:

CHAPTER 5.6. FEDERAL FUNDING OF ENERGY-RELATED
PROJECTS AND STATE ENERGY PROGRAMS

25460. (a) The Legislature finds and declares that the 111th Congress enacted the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) that appropriates funds for various energy programs administered by the commission.

(b) It is the intent of the Legislature that the commission should have the authority to award contracts, grants, and loans from funds

received pursuant to the American Recovery and Reinvestment Act of 2009 and to make the awards as expeditiously as possible.

25461. (a) Except as provided in Chapter 5.5 (commencing with Section 25450), the commission shall administer federal funds allocated to, and received by, the state for energy-related projects pursuant to the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) or federal acts related to the American Recovery and Reinvestment Act of 2009.

(b) Unless otherwise prohibited by the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) or subsequent federal acts related to the American Recovery and Reinvestment Act of 2009, the commission may use the federal funds to award contracts, grants, and loans for energy efficiency, energy conservation, renewable energy, and other energy-related projects and activities authorized by the American Recovery and Reinvestment Act of 2009 or subsequent federal acts related to the American Recovery and Reinvestment Act of 2009.

25462. (a) The commission may adopt guidelines governing the award, eligibility, and administration of funding pursuant to this chapter at a publicly noticed meeting offering all interested parties an opportunity to comment. The commission shall provide written public notice of not less than 30 days for the initial adoption of guidelines. Substantive changes to the guidelines shall not be adopted without 15-day written notice to the public. Notwithstanding any other provision of law, any guidelines adopted pursuant to this chapter shall be exempt from the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(b) Grants and loans made pursuant to this chapter are subject to appeal to the commission upon a showing that factors other than those described in the guidelines adopted by the commission were applied in making the awards and payments.

25463. (a) Notwithstanding any other provision of this division, federal funds available to the commission pursuant to this chapter may be used by the commission to augment funding for any programs or measures authorized by this division unless otherwise prohibited by the American Recovery and Reinvestment Act of 2009 (Public Law 111-5). The commission may administer any funds used to augment other programs using the procedures of the augmented program consistent with applicable federal law.

(b) This section shall be liberally construed to maximize the commission's ability to utilize and award federal funds expeditiously and in accordance with the American Recovery and Reinvestment Act of 2009 or federal acts related to the American Recovery and Reinvestment Act of 2009.

SEC. 23. Chapter 5.7 (commencing with Section 25470) is added to Division 15 of the Public Resources Code, to read:

CHAPTER 5.7. ENERGY EFFICIENT STATE PROPERTY REVOLVING
FUND

25470. As used in this chapter:

(a) "Act" means the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5).

(b) "Allocation" means a loan of funds by the Department of General Services pursuant to the procedures specified in this chapter.

(c) "Building" means any existing structure that includes a heating or cooling system, or both. Additions to an existing building shall be considered part of that building rather than a separate building.

(d) "Department" means the Department of General Services.

(e) "Energy audit" means a determination of the energy consumption characteristics of a building that does all of the following:

(1) Identifies the type, size, and energy use level of the building and the major energy using systems of the building.

(2) Determines appropriate energy conservation maintenance and operating procedures.

(3) Indicates the need, if any, for the acquisition and installation of energy conservation measures.

(f) "Energy conservation maintenance and operating procedure" means a modification or modifications in the maintenance and operations of a building, and any installations therein, based on the use time schedule of the building that are designed to reduce energy consumption in the building and that require no significant expenditure of funds.

(g) "Energy conservation measure" means an installation or modification of an installation in a building that is primarily

intended to reduce energy consumption or allow the use of a more cost-effective energy source.

(h) “Energy conservation project” means an undertaking to acquire and to install one or more energy conservation measures in a building, and technical assistance in connection with that undertaking.

(i) “Fund” means the Energy Efficient State Property Revolving Fund.

(j) “Project” means a purpose for which an allocation may be requested and made under this chapter. Those purposes shall include energy audits, energy conservation and operating procedures, and energy conservation measures in existing buildings, and energy conservation projects.

(k) “State agency” means a unit of state government, including any department, agency, board, or commission under the State of California.

(l) “State-owned building” means a building that is primarily occupied by offices or agencies of a unit of state government and includes those properties owned by the State of California.

25471. (a) There is hereby created in the State Treasury the Energy Efficient State Property Revolving Fund for the purpose of implementing this chapter. Notwithstanding Section 13340 of the Government Code, the money in this fund is continuously appropriated to the department, without regard to fiscal years, for loans for projects on state-owned buildings and facilities to achieve greater, long-term energy efficiency, energy conservation, and energy cost and use avoidance.

(b) The fund shall be administered by the department. The department may use other funding sources to leverage project loans.

(c) For the 2009–10 fiscal year, the sum of twenty-five million dollars (\$25,000,000) shall be transferred into the Energy Efficient State Property Revolving Fund from money received by the commission pursuant to the act to be used for purposes of the federal State Energy Program.

(d) The Controller shall disburse moneys in the fund for the purposes of this chapter, as authorized by the department.

(e) Moneys in the fund, including all interest earnings, shall be clearly delineated and distinctly accounted for in accordance with the requirements of the act.

25472. (a) The department, in consultation with the commission, shall establish a process by which projects are identified and funding is allocated.

(b) Beginning July 1, 2009, the department shall use money in the fund for projects that will improve long-term energy efficiency and increase energy use savings.

(c) The department shall comply with the requirements of the act and implementing guidelines of the commission, including, but not limited to, performance metrics, data collection, and reporting. All projects must be consistent with these requirements and guidelines.

(d) Funding prioritization shall be granted to those projects that are cost-effective and will yield immediate and sustainable energy efficiency, energy conservation, energy use cost savings, and cost avoidance.

(e) The department shall fund allowable projects through a loan to the appropriate state agency or agencies occupying the building or facility for which the project will be performed.

(f) The department shall determine a reasonable loan repayment schedule that may not exceed the life of the energy conservation measure equipment, as determined by the department, or the lease term of the building in which the energy conservation measure is installed.

(g) Maximum loan amounts shall be based on estimated energy cost savings that will allow state agencies to repay loan principal and interest within the maximum repayment term specified in this section.

(h) The department shall periodically set interest rates on the loans based on surveys of existing financial markets and at rates of not less than 1 percent per annum.

(i) Annual loan repayment amounts shall be structured so as to reflect the projected annualized energy cost avoidance estimated from the completed project. The department may utilize a direct billing methodology to recover loan repayments for completed projects.

25473. (a) On or before January 1, 2010, and annually thereafter, the department, in collaboration with the commission, shall submit to the Legislature's fiscal and appropriate policy committees a report that includes an initial list of projects identified and planned for the 2009–10 fiscal year, and for each fiscal year

thereafter. The report also shall include the anticipated cost of each project, an analysis of the results of the methodology, and an estimate of energy savings to be achieved.

(b) On or before July 1, 2010, the department, in collaboration with the commission, shall submit to the Legislature an update to the January 1, 2010, report.

25474. (a) Any repayment of loans made pursuant to this chapter, including interest payments, and all interest earnings on or accruing to, any money resulting from the implementation of this chapter in the Energy Efficient State Property Revolving Fund, shall be deposited in that fund and shall be available for the purposes of this chapter.

(b) The department may recover costs of administering the projects and related costs through energy utility rebates awarded to the state agency as a result of completed projects up to 5 percent of the project loan amounts. Project costs can include energy efficiency improvements and costs associated with managing the project and administering the loan program, including all reporting requirements.

SEC. 24. Section 48653 of the Public Resources Code is amended to read:

48653. The board shall deposit all amounts paid pursuant to Section 48650 by manufacturers, civil penalties, or fines paid pursuant to this chapter, and all other revenues received pursuant to this chapter into the California Used Oil Recycling Fund, which is hereby created in the State Treasury. Notwithstanding Section 13340 of the Government Code, the money in the fund is to be appropriated solely as follows:

(a) Continuously appropriated to the board for expenditure for the following purposes:

- (1) To pay recycling incentives pursuant to Section 48651.
- (2) To provide a reserve for contingencies, as may be available after making other payments required by this section, in an amount not to exceed one million dollars (\$1,000,000).
- (3) To make block grants for the implementation of local used oil collection programs adopted pursuant to Article 10 (commencing with Section 48690) to cities, based on the city's population, and counties, based on the population of the unincorporated area of the county, in a total annual amount equal to ten million dollars (\$10,000,000) or half of the amount that

remains in the fund after the expenditures are made pursuant to paragraphs (1) to (3), inclusive, and subdivision (b), whichever amount is greater, multiplied by the fraction equal to the population of cities and counties which are eligible for block grants pursuant to Section 48690, divided by the population of the state. The board shall use the latest population estimates of the state generated by the Population Research Unit of the Department of Finance in making the calculations required by this paragraph. During the fiscal year 2009–10 and 2010–11, the board shall apply any necessary reductions to block grants in an equitable manner that takes into account prior year block grants that are held in reserves by local organizations as available for grantees to use in their operations.

(4) For expenditures pursuant to Section 48656.

(b) The money in the fund may be expended by the board for the administration of this chapter and by the department for inspections and reports pursuant to Section 48661, only upon appropriation by the Legislature in the annual Budget Act.

(c) The money in the fund may be transferred to the Farm and Ranch Solid Waste Cleanup and Abatement Account in the General Fund, upon appropriation by the Legislature in the annual Budget Act, to pay the costs associated with implementing and operating the Farm and Ranch Solid Waste Cleanup and Abatement Grant Program established pursuant to Chapter 2.5 (commencing with Section 48100).

(d) Appropriations to the board to pay the costs necessary to administer this chapter, including implementation of the reporting, monitoring, and enforcement program pursuant to subdivision (d) of Section 48631, shall not exceed three million dollars (\$3,000,000) annually.

(e) The Legislature hereby finds and declares its intent that the sum of two hundred fifty thousand dollars (\$250,000) should be annually appropriated from the California Used Oil Recycling Fund in the annual Budget Act to the board, commencing with fiscal year 1996–97, for the purposes of Section 48655.

SEC. 25. Section 5106 of the Vehicle Code is amended to read:

5106. (a) Except as provided in Section 5101.7, in addition to the regular registration fee or a permanent trailer identification fee, the applicant shall be charged a fee of forty-eight dollars (\$48) for issuance of environmental license plates.

(b) In addition to the regular renewal fee or a permanent trailer identification fee for the vehicle to which the plates are assigned, the applicant for a renewal of environmental license plates shall be charged an additional fee of thirty-eight dollars (\$38). An applicant with a permanent trailer identification plate shall be charged an annual fee of thirty-eight dollars (\$38) for renewal of environmental license plates. However, applicants for renewal of prisoner-of-war special license plates issued under Section 5101.5 shall not be charged the additional renewal fee under this subdivision.

(c) When payment of renewal fees is not required as specified in Section 4000, the holder of any environmental license plate may retain the plate upon payment of an annual fee of thirty-eight dollars (\$38). The fee shall be due at the expiration of the registration year of the vehicle to which the environmental license plate was last assigned. However, applicants for retention of prisoner-of-war special license plates issued under Section 5101.5 shall not be charged the additional retention fee under this subdivision.

(d) Notwithstanding Section 9265, the applicant for a duplicate environmental license plate or a duplicate, replacement commemorative 1984 Olympic reflectorized license plate shall be charged a fee of thirty-eight dollars (\$38).

SEC. 26. Section 5108 of the Vehicle Code is amended to read:

5108. Whenever any person who has been issued environmental license plates applies to the department for transfer of the plates to another passenger vehicle, commercial motor vehicle, trailer, or semitrailer, a transfer fee of thirty-eight dollars (\$38) shall be charged in addition to all other appropriate fees.

SEC. 27. Section 147 is added to the Water Code, to read:

147. (a) On or before January 10, 2010, and annually thereafter, the department shall prepare and submit to the chairpersons of the fiscal committees of the Legislature a report with regard to the budget for the State Water Resources Development System.

(b) The department shall include in the report all of the following information:

(1) A description of the expenditures made, or projected to be made, as applicable, on behalf of the State Water Resources Development System, by program and fund, and of the total

revenues expended, or projected to be expended, as applicable, for that system, including each fund source.

(2) A description of the positions within the department that carry out functions related to the State Water Resources Development System, and the total number of those positions.

(3) A description of any funds, other than funds generated by the State Water Resources Development System, that are expended, or projected to be expended, as applicable, for the State Water Resources Development System, including those funds used for cost-sharing purposes.

(4) An itemization of all contracts related to the Bay-Delta Conservation Plan financed, or projected to be financed, as applicable, in full or in part with funds generated by the State Water Resources Development System, including the dollar amount of those contracts and a brief description of the purposes of those contracts.

(c) The department shall include in each report information relating to three fiscal years that include the two completed fiscal years that immediately precede the year in which the report is due, along with applicable information for the fiscal year in which the report is due. The department shall prepare the first report required under subdivision (a) for the 2007–08, 2008–09, and 2009–10 fiscal years.

SEC. 28. Section 79424 is added to the Water Code, to read:

79424. (a) The authority shall post on its Internet Web site information relating to the awarding of grants that implement the science element of the CALFED Bay-Delta Program.

(b) The information required to be posted pursuant to subdivision (a) shall include all of the following:

- (1) The dollar amount of the grant.
- (2) The purpose of the grant.
- (3) The date on which the grant was awarded.
- (4) The identity of the entity awarding the grant and the identity of the entity receiving the grant.

SEC. 29. This act addresses the fiscal emergency declared by the Governor by proclamation on July 1, 2009, pursuant to subdivision (f) of Section 10 of Article IV of the California Constitution.

SEC. 30. 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 Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to implement the Budget Act of 2009 as quickly as possible, it is necessary that this act take immediate effect.

Approved _____, 2009

Governor