Date of Hearing: April 20, 2022

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT Cecilia Aguiar-Curry, Chair AB 1902 (Aguiar-Curry) – As Amended April 4, 2022

SUBJECT: Resource conservation: resource conservation districts.

SUMMARY: Makes numerous changes to laws related to resource conservation districts (RCDs). Specifically, **this bill**:

- 1) Specifies that the Director of Conservation may do the following:
 - a) Advise a city, county, city and county, special district, including a RCD, state agency, federal agency, tribal agency, and the general public on issues of conservation importance, including, but not limited to, planning activities and documents.
 - b) Review and provide comments to documents prepared in accordance with the California Environmental Quality Act (CEQA).
 - c) Administer local assistance programs, including grants and contracts.
 - d) Serve as a state-level liaison with RCDs.
 - e) Provide assistance to RCDs, including, but not limited to, equipment, technology, training, education, technical assistance, financial assistance, assistance to support or improve the RCD's organization or capacity, and any other goods or services.
 - f) Cooperate with and promote coordination of the activities of any federal, state, local, or tribal agency, including cities, counties, special districts, RCDs, and California Native American tribes on issues of conservation importance.
- 2) Allows, upon appropriation by the Legislature, the Department of Conservation (DOC) to provide grants and other forms of local assistance to RCDs.
- 3) Provides that the Director of Conservation may authorize advance payments from a grant awarded, which shall not exceed 25% of the total grant award.
- 4) Provides that, with the consent of the owner, RCDs may construct on privately or publicly owned lands any necessary works for the protection, conservation, restoration, or enhancement of natural resources, the improvement or enhancement of adaptation or resilience to climate change, and the mitigation or sequestration of carbon emissions.
- 5) Specifies that RCDs may develop and implement projects and programs for the conservation, enhancement, restoration, adaptation, and resilience of soil, water, and biodiversity and related natural resource conservation.

- 6) Removes the requirement that a RCD is required to provide at least a 25% local match of funding, of which 40% of that amount must be provided in cash, in order to qualify for specified grant funding from the DOC.
- 7) Authorizes a RCD to be formed to promote and implement programs, projects, practices, and activities on public and private natural, working, and urban lands to support achievement of California's climate, conservation, and natural resources goals and objectives, including, but not limited to, all of the following functions:
 - a) Protecting people, communities, ecosystems, and public and private resources from devastating wildfire, flood, drought, and other natural disasters.
 - b) Protecting, conserving, restoring, promoting, and improving the health, resilience, and adaptability to climate change of natural, working, and urban lands.
 - c) Protecting and improving water quality, conserving water resources, and developing and distributing water.
 - d) Planning, preparing for, and addressing sea level rise.
 - e) Protecting, conserving, and restoring California's biodiversity.
 - f) Controlling and eradicating invasive species, disease, and pests on natural, working, and urban lands.
 - g) Conserving soil, controlling runoff, preventing and controlling soil erosion, and stabilizing soil erosion.
 - h) Providing technical assistance to landowners and land managers in pursuit of all of the above.
- 8) Requires that, if an RCD develops a long-range work plan, the long-range work plans shall be adopted and updated every five years, and specifies that RCDs that prepare long-range work plans shall provide, for information purposes only, long-range work plans and updates to these plans to the boards of supervisors of every county with land in the RCD's jurisdiction.
- 9) Specifies that if an RCD develops an annual work plan, the annual work plan shall be adopted on or before June 30, instead of March 1, of each year. A district that prepares annual work plans shall provide, for information purposes only, annual work plans to the boards of supervisors of every county with land in the district's jurisdiction.
- 10) Provides that an annual RCD report shall be completed on or before June 30, instead of September 1, instead of September 1, of each year.
- 11) Allows RCDs to enter into interagency agreements with state agencies consistent with existing law and the Department of General Services' State Contracting Manual.

- 12) Makes changes to existing findings and declarations.
- 13) Makes numerous technical, clarifying, and conforming changes.

EXISTING LAW:

- 1) Establishes the DOC within the Natural Resources Agency (NRA) and grants powers and duties to the DOC with regards to forestry, mines and geology, oil and gas, and soil conservation.
- 2) Creates the Division of Resource Conservation (Division) within the DOC and grants powers and duties to the Division with regard to resource conservation. Allows the Division to aid RCDs in developing plans for achieving their soil and water conservation objectives.
- 3) Requires RCDs to provide a 25% local match to any grant awarded by the DOC to an RCD, among other requirements.

FISCAL EFFECT: This bill is keyed fiscal.

COMMENTS:

1) **Resource Conservation Districts.** RCDs are a kind of special district, established in Division 9 of the Public Resources Code in the 1930s in response to the Dust Bowl. Their initial and statutory purpose was to conserve soil and water, control runoff, prevent and control soil erosion, manage watersheds, protect water quality, and develop water storage and distribution. These powers were expanded in 1971 to include resources such as fish and wildlife habitat. This expansion of power was reflected in the change of name from "Soil" Conservation District to "Resource" Conservation District.

According to the DOC, RCDs are set up to be locally governed agencies with their own locally appointed or elected independent boards of directors. RCDs implement projects on public and private lands, as well as educate landowners and the public about resource conservation. Since their creation and development, however, many RCDs have expanded their work to include projects and programs to combat and mitigate the effects of climate change.

RCDs receiving property tax revenues prior to the passage of Proposition 13 in 1978 generally continue to receive county collected property taxes; however, most RCDs receive very little regular funding through local taxation and rely heavily on competitive grants and other types of fundraising to stay in operation. Today, there are over 95 RCDs that manage diverse resource conservation projects covering more than 85 percent of the state.

2) **Bill Summary and Author's Statement.** This bill specifies that RCDs can be formed for the purpose of addressing the impacts of climate change. This bill also authorizes the Director of Conservation to have certain powers and duties pertaining to resource conservation activities and programs, and amends the requirements pertaining to RCD's long-range work plans and annual work plans. Lastly, this bill makes numerous technical, clarifying and conforming

According to the author, "Resource Conservation Districts are increasing California's resilience to climate change by implementing programs and projects that improve forest health and manage fuels, provide homeowners with home hardening and defensible space services, work with farmers and ranchers to increase water efficiency and become more drought resilient, implement natural infrastructure to reduce flooding, and protect and restore endangered species habitat. However, the last meaningful update to Division 9 occurred in the 1970s, and the statute currently is out of step with the types of projects RCDs undertake. As many of the state's resilience programs utilize grants to RCDs, these grants have led RCDs to take on service programs beyond the clear and/or explicit provision in statute.

"AB 1902 gives RCDs statutory authority in line with their current work, ranging from protecting people, communities, and ecosystems from wildfire, drought and other disasters wrought by climate change to controlling and eradicating invasive species to providing technical assistance to landowners to enhance the landowners' knowledge of resilience practices."

- 3) **Previous Legislation**. AB 2303 (Aguiar-Curry) of 2020 would have required the DOC to provide assistance to RCDs to improve or support their organization and capacity, if they meet certain criteria. This bill was held in the Local Government Committee.
- 4) **Arguments in Support**. According to the California Association of Resource Conservation Districts, "AB 1902 adds a number of conservation activities that RCDs may be formed to address. In addition to their current authorization to control runoff, prevent or control soil erosion, the development and distribution of water, and the improvement of land capabilities, RCDs would have statutory authority in line with their current work. These authorities would range from protecting people, communities, and ecosystems from wildfire, drought and other disasters wrought by climate change to controlling and eradicating invasive species to providing technical assistance to landowners to enhance the landowners' knowledge of resilience practices. Further, AB 1902 will enhance the relationship between RCDs and the Department of Conservation, which acts as the lead department overseeing RCDs. As RCDs are neither enterprise nor non-enterprise districts, AB 1902 will provide the DOC with new tools to assist RCDs in meeting their missions.

"RCDs are playing a critical role in helping the state and communities respond and adapt to climate change and it's time for the RCD enabling statute to reflect what RCDs are doing in practice."

5) **Arguments in Opposition.** None on file.

REGISTERED SUPPORT / OPPOSITION:

Support

California Association of Resource Conservation Districts [SPONSOR] California Special Districts Association Glenn County Resource Conservation District
Gold Ridge Resource Conservation District
Honey Lake Valley Resource Conservation District
Humboldt County Resource Conservation District
Mariposa County Resource Conservation District
Napa County Resource Conservation District
Resource Conservation District of Greater San Diego County
Sierra Resource Conservation District
Tahoe Resource Conservation District
Upper Salinas – Las Tablas Resource Conservation District

Opposition

None on file

Analysis Prepared by: Rainer Apostol / L. GOV. / (916) 319-3958, Jimmy MacDonald / L. GOV. / (916) 319-3958