



March 29, 2013

Emma Howard  
Regional Planning Department  
Room 1354  
320 W. Temple Street  
Los Angeles, CA 90012

Dear Ms. Howard:

Land Veritas Corp. has reviewed the *Draft Significant Ecological Area Ordinance* dated December 20, 2012 and offers this letter in response to your request for public comment.

Land Veritas owns two large properties where it is processing mitigation/conservation banks in Los Angeles County, a 317-acre site adjacent to Elizabeth Lake and the 3,852-acre Petersen Ranch. A portion of the Elizabeth Lake site is within the proposed revised San Andreas SEA limits while all of Petersen Ranch is within these limits.

We respectfully request that the SEA exempt mitigation and conservation banks that are in process for approval or approved by the U.S. Army Corps of Engineers (Corps) and/or California Department of Fish & Wildlife (CDFW) pursuant to the Corps/ U.S. Environmental Protection Agency (EPA) 2008 Mitigation Rule and/or California Senate Banking Bill 1148 from the review requirements of the SEA. (NOTE: Section 14 of SB1148 contains the mitigation and conservation banking provisions). While these areas can and should be used for offsite mitigation, the SEA should not create another approval layer to the already complicated, lengthy and expensive Corps/CDFW process. If exemption is not possible, we request the changes to the Ordinance language as shown on Attachment 1 and summarized as follows:

- Please remove any requirements for setbacks from waters for mitigation and conservation banks. In order to expand “waters of the U.S. and State” resources, we often must grade adjacent to existing waters. In addition, our mitigation banks include groundwater recharge components, which also must be in or adjacent to waters.
- The SEA should recognize privately held mitigation and conservation banks and encourage their use with the regulated public. These formal Corps and/or CDFW banks require comprehensive short and long-term financial assurances and are protected, maintained and endowed in perpetuity.

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- Please remove requirements for site plan reviews for mitigation and conservation banks completing the Corps and/or CDFW banking process.
- Corps and/or CDFW-approved banks require preservation in perpetuity. The requirement for a conditional use permit would be in conflict with the mitigation and conservation banking regulations and could prevent us from qualifying as an approved bank.

Thank you for the opportunity to provide these comments. Please do not hesitate to contact me with any questions.

Sincerely,



Tracey Brownfield  
President

Attachments: Mitigation Banking Checklist  
SB 1148  
Petersen Ranch Bank and Elizabeth Lake Bank flyers

## ATTACHMENT 1

Section 22.52.2640 Development Standards.

### K. Water Resources

3. All water resources on the lot or parcel of land and on adjoining lots or parcels of land identified in the biologist site visit required by Section 22.52.2650.B.1 and identified on the map required by subsection K.1 above, shall be adequately set back from any ground disturbance or use. This section does not apply to U.S. Army Corps of Engineers (Corps) and/or California Department of Fish & Wildlife (CDFW) restoration activities or groundwater recharge activities. The following setbacks shall apply....

Section 22.52.2650 Permitted Uses.

A. The following uses are permitted, provided that a Site Plan Review application is approved pursuant to subsection B below:

5. Any of the following activities to improve the quality of biological resources in an SEA conducted by a governmental agency or a non-profit land conservation organization that meets the Statement of Qualifications of Non-Profits Requesting to Hold Mitigation Lands according to Government Code Section 65965, subject to all applicable development standards of Section 22.52.2640 or a Corps and/or CDFW approved publicly or privately held conservation/mitigation bank.

B. Site Plan Review. The following provisions shall apply to the Site Plan Review application in addition to any site plan procedures and submission materials required by the zone and any supplemental district or in which the use is located as provided in Section 22.52.2620. This section shall not apply to mitigation and conservation banks that are subject to a Corps and/or CDFW Bank Enabling Instrument.

Section 22.52.2660 Uses Subject to SEA Conditional Use Permit.

D. Corps and/or CDFW approved publicly or privately held conservation/mitigation banks do not require a Conditional Use Permit.

Section 22.52.2670 SEA Conditional Use Permit Review.

### E. Conditions of Approval

6. Open Space Ownership and Management Requirements.

a. All Projects.

(2). A non-profit land conservation organization that meets the Statement of Qualifications of Non-Profits Requesting to Hold Mitigation Land according to Government Code Section 65965 and/or an approved publicly or privately held Corps and/or CDFW mitigation or conservation bank.



**Contact:**

Tracey Brownfield, Managing Partner  
tracey@landveritas.com  
415-729-3733

**KEY FACTS**

*Location:*

Leona Valley, within unincorporated Los Angeles County

*Property Size:*

317 Acres

*Target Resources:*

- Desert Wash
- Riparian Habitat
- Alluvial Floodplain
- Mixed Chaparral
- Peirson's Morning Glory

*Potential habitat for:*

- Swainson's Hawk
- Tri-Colored Blackbird
- Patch-Nose Snake
- Yellow Warbler
- Yellow-Breasted Chat
- Western Pond Turtle
- Willow Flycatcher
- Bald Eagle
- Coast Horned Lizard



**Elizabeth Lake  
Mitigation/Conservation Bank**

Land Veritas, LLC  
1001 Bridgeway, Suite  
246  
Sausalito CA 94965

Tracey Brownfield  
tracey@landveritas.com  
415-332-6530

**Land Features**

The property is an inholding in the Angeles National Forest Portal Ridge and is located between the shores of Elizabeth Lake to the north and the Santa Clara/Mohave Rivers Ranger District of the Angeles National Forest to the south. The Mitigation Site is also located near the Portal Ridge and partially within the proposed San Andreas Rift Zone Significant Ecological Area, which are important habitat linkage corridors. The property is a biologically diverse site with mixed chaparral communities dominating the steeper slopes while California buckwheat scrub, rabbitbrush scrub, and annual grasslands dominate the lower slopes and valley bottoms. Narrow side canyons support ephemeral and desert washes with diverse scrub communities. Storm flows on the site concentrate in low-lying depressions and swales in the valley bottom that support seasonal wetlands and convey flows to the dense riparian stands and freshwater marshes along the shores of Elizabeth Lake.

Several special status species have been documented to occur on the site including bald eagle, coast horned lizard, western pond turtle and Peirson's morning glory. Other special status species known to occur in the area include tri-colored blackbird, patch-nosed snake, willow flycatcher, yellow warbler and yellow-breasted chat.

**Service Area**

This property is expected to be able to provide CEQA mitigation for any project, including renewable energy projects, impacting sensitive habitats throughout the desert and desert-foothill regions of Kern and Los Angeles Counties, as well as Army Corps' mitigation for impacts to wetlands/waters within the Santa Clara River watershed.





**Contact:**

Tracey Brownfield, Managing Partner  
tracey@landveritas.com  
415-729-3733

**KEY FACTS**

*Location:*

- Leona Valley, within unincorporated Los Angeles County

*Property Size:*

- Approx. 4,000 acres

*Target Resources:*

- Riparian Habitats
- Wetlands
- Oak Woodlands
- Juniper Woodlands
- Native Grasslands
- Mixed Chaparral and Scrub Communities

*Potential Habitat for:*

- Swainson's Hawk
- California Red-Legged Frog
- Burrowing Owl
- Coast Horned Lizard
- Loggerhead Shrike
- Western Pond Turtle
- Tri-Colored Blackbird
- Peirson's Morning Glory
- Golden Eagle

**The Petersen Ranch  
Mitigation/Conservation Bank**



**Land Features**

The site is located in the Leona Valley within the proposed San Andreas Rift Zone Significant Ecological Area and extends from the floor of Antelope Valley to the Angeles National Forest. It is also within the boundaries of the Desert Renewable Energy Conservation Plan (DRECP) Area. The property drains to two watersheds with the western portion of the site draining into the Santa Clara River watershed and the eastern portion draining into the Antelope Valley watershed. The site is topographically and biologically diverse with dominant vegetative communities including annual grasslands, mixed chaparral, California buckwheat scrub, rabbitbrush scrub, sagebrush scrub, mixed Mojave woodland scrub, riparian forest, willow scrub and wetlands.

Several sensitive wildlife species exist in this vicinity including California red-legged frog, burrowing owl, coast horned lizard, loggerhead shrike, western pond turtle, tri-colored blackbird, Swainson's hawk, golden eagle, and Peirson's morning glory.

**Service Area**

This property is expected to provide CEQA mitigation for renewable energy projects impacting sensitive habitats throughout the desert and desert-foothill regions of Kern and Los Angeles Counties, as well as Army Corps' mitigation for impacts to wetlands/waters within the Antelope-Fremont Valley and Santa Clara River watersheds. The bank approval process is underway and expected to be completed by late 2013/early 2014.



## Cover Sheet

### Mitigation Banking Proposal Procedures

*[Revised September 2010 by the Multi-Agency Product Delivery Team]*

This package provides procedures and information to initiate the development of mitigation banking proposals in the state of California. This package contains three checklists with requirements for submitting a Mitigation Bank Draft Prospectus, a Prospectus, and a Draft Bank Enabling Instrument (BEI). **Please follow the instructions carefully.** The review and approval of mitigation banks is a multi-agency process that may involve any of the following five federal and state agencies: the U.S. Army Corps of Engineers (“USACE”), Region IX of the U.S. Environmental Protection Agency (“USEPA”), the U.S. Fish and Wildlife Service (“USFWS”), National Oceanic Atmospheric Administration’s National Marine Fisheries Service (“NMFS”), and the California Department of Fish and Game (“CDFG”). These agencies comprise and are referred to jointly as the Interagency Review Team (“IRT”).

Prior to submitting a Prospectus, the Bank Sponsor may elect to submit a Draft Prospectus to the IRT agencies for comment and consultation. It is intended to identify potential issues early so that the Bank Sponsor may attempt to address those issues prior to the formal review process. A Prospectus must be submitted by the Bank Sponsor and then reviewed, and evaluated by the IRT and the public prior to the Bank Sponsor’s submittal of a Draft BEI. The following also applies to all amendments to existing banks.

The following steps should be utilized from the Prospectus stage forward: 1) Check the IRT agencies’ websites to obtain the most current banking information and templates before beginning the Prospectus, or Draft BEI preparation; 2) Check with your IRT for meeting dates, times, and chair contacts – this information is provided at the end of this cover sheet; 3) Submit a Prospectus for completeness review by the IRT Chair(s); 4) Once the Prospectus has been deemed complete by the Chair(s) the Prospectus is reviewed by the IRT agencies and the public; and 5) Upon completion of review by the IRT agencies’ and the public of the Prospectus, USACE will coordinate with the other Chairs and will provide a letter to the Bank Sponsor informing them whether or not they may begin development of the draft BEI.

#### Definitions:

Draft Prospectus (optional) – A brief, concept level proposal submitted when scoping the concept of a mitigation bank, contemplating pursuing a mitigation bank idea or for those

new to the mitigation banking process.

Prospectus (required) – Should be submitted when a Bank Sponsor has a definite bank proposal.

Draft BEI – The complete Bank Enabling Instrument and all Exhibits submitted for IRT review and approval.

Please contact \_\_\_\_\_ at the \_\_\_\_\_ District of the USACE at (###) ###-#### or \_\_\_\_\_@usace.army.mil to arrange a time to be placed on the agenda for an IRT meeting. **Issuance of [IRT to insert appropriate requirement: an approved or a preliminary] jurisdictional determination by the USACE is required prior to submittal of a Prospectus.** The IRT meetings for the \_\_\_\_\_ District are held [*IRT to insert appropriate day of each month, or “as needed”*].

In order to receive a time slot on the IRT agenda for a Draft Prospectus or a Prospectus, the Bank Sponsor must provide the IRT participants listed below [*IRT can edit as needed*: with \_\_\_\_ hard copies and \_\_\_\_ compact discs (CD) of the proposal at least **14 days prior to the scheduled meeting with the IRT. In addition to the quantities listed above, please** bring \_\_\_\_ extra hard copies of the proposals and CDs of the completed information for a Draft Prospectus or Prospectus to the IRT meeting at the scheduled time.] Following review and public input, the IRT will respond to the Bank Sponsor as to whether the proposal is tentatively accepted and a Draft BEI may be prepared. The IRT may also request additional information if the Prospectus raises additional questions or issues.

In order to receive a time slot on the IRT agenda for a Draft BEI, the Bank Sponsor must provide each IRT agency with copies of the Draft BEI, to be provided in a 3-ring binder with all sections tabbed and descriptively labeled, at least **21 days prior to the** scheduled meeting with the IRT.

Time slots for IRT banking proposal meetings will be filled as the proposals are received and Bank Sponsors will be notified of the time slot and the meeting location. If all slots are full when the proposal is received, the Bank Sponsor will be notified and offered a time slot at the following month's IRT meeting.



**Optional Checklist**  
**Draft Prospectus for Mitigation Banks**  
*[Revised September 2010 by the Multi-Agency Product Delivery Team]*

Please refer to the Cover Sheet, revised *September 2010*, for procedures related to the submission of a mitigation bank proposal. Please provide the following information and a copy of this checklist with the submittal of a Draft Prospectus:

- Proposed Bank Name - Use a short name based on a geographic feature if possible and include "Mitigation Bank" in the name;
- Bank contacts – include the name, address, phone, fax, and email for: Bank Sponsor, Property Owner, Consultants, etc.;
- General location map and address of the proposed Bank Property;
- Accurate current map of the proposed Bank Property on a 7.5-minute USGS map showing boundaries of the mitigation bank;
- Color aerial photographs that reflect current conditions of the proposed Bank Property and surrounding properties. Briefly discuss compatibility of proposed mitigation bank with adjacent property land uses including known present and proposed zoning designations;
- Map of the proposed mitigation bank service area(s), description of the general need for the mitigation bank and basis for such determination; and
- Site conditions description. This should include a BRIEF description of: site conditions; habitats and species known or potentially present; photos of the Bank Property; description and acreage of existing wetlands and other waters of the U.S. present on the proposed Bank Property; hydrology; methods for establishing, restoring, rehabilitating, and/or preserving wetlands and other waters of the U.S., and habitat for federal, and state listed species; and site history, including past and present land uses, surrounding land uses and zoning along with the anticipated future development in the area;
- Explain how the proposed bank would contribute to connectivity and ecosystem function. Also discuss potential conflicts and compatibility with any conservation

plans, CDFG conceptual area plans, or other land use plans, policies, or regulations;

- Has the proposed Bank Property been:
  - Used as mitigation for a previous project(s);
  - Already designated or dedicated for passive park or open space use, where that use is generally compatible with sustaining biological values;
  - Designated for purposes which are inconsistent with habitat preservation (i.e., lands purchased for roads, landfills, etc.); and
  - Acquired by a public entity (e.g., with State Bond Act funds) or provided to a jurisdiction for park or natural open space purposes. This criterion excludes land purchased by state and local agencies specifically for the purposes of mitigation or mitigation banking assuming the funding source is appropriate;
  
- Provide details including ownership information on interest of surface and sub-surface mineral rights;
  
- Details regarding public funding received (if applicable) for restoration, acquisition or other purposes on all or a portion of the proposed Bank Property (e.g., funding source, amount received, purpose, # of acres affected by each purpose, etc.).

Following IRT review of this material, additional information may be requested for evaluating the proposal.

## Checklist

### Prospectus for Mitigation Banks

*[Revised September 2010 by the Multi-Agency Product Delivery Team]*

Please refer to the Cover Sheet, revised *September 2010*, for information and instructions related to the submission requirements for a mitigation bank proposal.<sup>1</sup> Please provide the following information and a copy of this checklist with the submittal of a Prospectus:

- Proposed Bank Name - Use a short name based on a geographic feature if possible and include “Mitigation Bank” in the name;<sup>2</sup>
- Bank contacts – Include the name, address, phone, fax, and email for: Bank Sponsor, Property Owner, Consultants, etc;
- General location map and address of the proposed Bank Property;
- Accurate current map of the proposed Bank Property on a 7.5-minute USGS map showing proposed boundaries of the mitigation bank;
- Color aerial photographs that reflect current conditions proposed Bank Property and surrounding properties. Briefly discuss compatibility of proposed mitigation bank with adjacent property land uses including known present and proposed zoning designations;
- Description of how the mitigation bank will be established and operated, including the proposed ownership arrangements and long-term management strategy, and any phases planned [include description of phases, boundaries, target habitat/species, and the number of credits associated with each phase];
- Qualifications of the Bank Sponsor to successfully complete the type(s) of mitigation project(s) proposed, including information describing any similar activities by the Bank Sponsor;
- [***USACE District to include the appropriate language:*** Approved or preliminary<sup>3</sup>] jurisdictional determination (JD) of on-site wetlands and other

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<sup>1</sup> Additional information may be requested to deem the prospectus complete.

<sup>2</sup> A name change may be requested if the proposed bank name is already being used.

waters of the U.S;

- Preliminary Biological Resources Survey(s) - This section should describe the biotic and abiotic baseline of the proposed Bank Property and should include descriptions of the following, with maps: a) Bank geographic location and features, including topography, hydrology, soils, and vegetation; b) current functions and services of aquatic resources; c) inventory of all biological resources, including description of vegetation communities and a complete plant species list, presence of federally threatened or endangered species, and/or their habitats, as determined by protocol surveys or other appropriate survey methodology, state-listed threatened and endangered species and other species of special concern, other wildlife species that may be present, and presence of non-native species; and d) past and present land uses, including grazing practices;
- Map of the proposed mitigation bank service area(s), description of the general need for the mitigation bank and basis for such determination;
- A map depicting other conserved lands in the vicinity of the proposed Bank Property;
- Bank Objectives/Conceptual Plan - This document describes the objectives of the mitigation bank and activities and methods for establishing, restoring, rehabilitating and/or preserving wetlands and other waters of the U.S. and habitat for federal and state listed species. Include maps detailing the anticipated location, acreages, and credits of wetlands and other waters of the U.S., habitat for federal and state listed species. The plan should detail anticipated increases in

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<sup>3</sup> [*USACE District to include, depending on the USACE District's requirement for an approved vs. a preliminary JD*: A preliminary JD can only be used to determine that wetlands or other water bodies that exist on a particular site “may be” jurisdictional waters of the United States. For the purposes of this document, a preliminary JD is one done in accordance with the requirements of USACE Regulatory Guidance Letter 08-02.]

functions and services of existing aquatic resources and their corresponding effect within the watershed (i.e., habitat diversity and connectivity, floodplain management, or other landscape scale functions). Describe ecological suitability of the site to achieve the objectives of the mitigation bank (i.e., watershed/hydrology analysis, soils, topography, compatibility with adjacent land uses, watershed management plans). If a restoration site, should include historic aerial photographs and/or historic topographic maps, if available. Include proposed Performance Standards and monitoring methods for assessing how the objectives of the mitigation bank will be met;

- Explain how the proposed bank would contribute to connectivity and ecosystem function. Also discuss potential conflicts and compatibility with any conservation plans, CDFG conceptual area plans, or other land use plans, policies, or regulations;
- Real Estate Records and Assurances:
  - Current (within one year of submittal) Preliminary Title Report indicating any easements or other encumbrances and a figure depicting all relevant property lines, easements, dedications, etc. on the proposed Bank Property. Note: any liens and easements on the proposed Bank Property that may affect a mitigation bank's viability will need to be resolved before a mitigation bank can be approved. Provide a property assessment that summarizes and explains each recorded or unrecorded lien or encumbrance on, or interest in, the proposed Bank Property, including, without limitation, each exception listed in the Preliminary Title Report and describing the manner in which each encumbrance may affect the mitigation bank's operation or habitat services;
  - Assurance of sufficient water rights to support the long-term sustainability of the mitigation bank;
  - Provide details including ownership information on interest of surface and sub-surface mineral rights;
  - Identification and description of access to the proposed Bank Property;
  - An affirmative statement that a conservation easement covering the proposed Bank Property in perpetuity or fee title transfer of the proposed

Bank Property to a specified and approved grantee will occur as part of the mitigation bank establishment. Include number of acres of the proposed Bank Property, excluding any easement areas that allow uses incompatible with conservation. Note: Pursuant to California Civil Code Section 815 and Government Code Section 65965, only certain entities may be approved to hold an interest in mitigation lands. CDFG Regional offices can provide information related to these statutory requirements.

- Has the proposed Bank Property been:
  - Used as mitigation for a previous project(s);
  - Already designated or dedicated for passive park or open space use, where that use is generally compatible with sustaining biological values;
  - Designated for purposes which are inconsistent with habitat preservation (i.e., lands purchased for roads, landfills, etc.); and
  - Acquired by a public entity (e.g., with State Bond Act funds) or provided to a jurisdiction for park or natural open space purposes. This criterion excludes land purchased by state and local agencies specifically for the purposes of mitigation or mitigation banking assuming the funding source is appropriate;
  
- Any other restrictions on the proposed Bank Property;
  
- Details regarding public funding received (if applicable) for restoration, acquisition or other purposes on all or a portion of the proposed Bank Property (e.g., funding source, amount received, purpose, number of acres affected by each purpose, etc.); and
  
- A list of federal, state, and local permits required for construction and operation of the mitigation bank.

## Checklist

### **Draft Bank Enabling Instrument Requirements for Mitigation Banks** ***[Revised September 2010 by the Multi-Agency Product Delivery Team]***

Please refer to the Cover Sheet, revised *September 2010*, for information and instructions related to the submission requirements for a mitigation bank proposal. The following are the submission requirements for a Draft Bank Enabling Instrument (BEI). Please provide the following information and a copy of this checklist with the submittal of a Draft BEI. Any proposed modifications to the BEI template shall be identified using tracked changes or other electronic comparison and explained in a memorandum. The Draft BEI should be submitted in a 3-ring binder containing all the information and documents listed below. The binder should contain labeled tabs (i.e., Exhibit A, Bank Location Maps). The submittal should also include an electronic, editable format of the BEI, the Conservation Easement, and other applicable template-derived documents. The Draft BEI should include the most recent banking templates and the other necessary exhibits listed below and described in Appendix 1 of the BEI Template.

- BEI
  
- “Exhibit A” - Bank Location Maps
  - A-1 General Vicinity Map
  - A-2 Map of [*if applicable, include:* Property and] Bank Property
  - A-3 Map of any Existing Conserved Land in Bank Property Vicinity [*if applicable*]
  
- “Exhibit B” - Service Area Map(s) and Description(s)
  - B-1 Map(s) of the Bank’s Service Area(s)
  - B-2 Narrative Description(s) of the Bank’s Service Area(s)
  
- “Exhibit C” - Development Plan
  - C-1 Development Plan
  - C-2 Construction Security Analysis and Schedule
  - C-3 Performance Security Analysis and Schedule
  
- “Exhibit D” - Bank Management and Operation Documents
  - D-1 Interim Management Security Analysis and Schedule

- D-2 Endowment Fund Analysis, Assumptions and Funding Schedule
- D-3 Instructions and Forms for Submission or Disbursement of Funds
- D-4 Interim Management Plan
- D-5 Long-Term Management Plan
- D-6 Bank Closure Plan
- “Exhibit E” - Real Estate Records and Assurances
  - E-1 Preliminary Title Report, Legal Description, and Parcel Map(s)
  - E-2 Property Assessment and Warranty
  - E-3 Plat Map(s)
  - E-4 Approved-as-to-form Conservation Easement Deed or Grant Deed
  - E-5 Title Insurance (valid for final BEI approval)
- “Exhibit F” - Bank Crediting and Credit Transfers
  - F-1 Credit Evaluation and Credit Table
  - F-2 Credit Purchase Agreements and Payment Receipts Templates
  - F-3 Credit Transfer Ledger Template
- “Exhibit G” - Phase I Environmental Site Assessment
- “Exhibit H” - Biological Resources Survey
- “Exhibit I” – USACE Waters of the U.S. Verification Letter
- “Exhibit J” – Cultural, Historical, Archeological, and Native American Resources (“Cultural Resources”)
  - J-1 Identification, Inventory and Evaluation
  - J-2 Compliance Documentation *[include as applicable]*
  - J-3 Historic Properties Treatment Plan *[include as applicable]*
- “Exhibit K” - Other Documentation, Permits, Amendments or Revisions

**Senate Bill No. 1148**  
**CHAPTER 565**

**An act to amend Sections 711, 713, 714, 1050, 1726, 1726.4, 1727, 3031, 4006, 6596, 6596.1, 7149, 7149.05, 7260, 7852, 7881, 8032, and 13007 of, to add Sections 1726.1, 1729, and 1730 to, to add Chapter 7.9 (commencing with Section 1797) to Division 2 of, to repeal Chapter 9 (commencing with Section 1850) of Division 2 of, and to repeal and add Section 1728 of, the Fish and Game Code, and to amend Section 65042 of the Government Code, relating to fish and wildlife resources, and making an appropriation therefor.**

[ Approved by Governor September 25, 2012. Filed Secretary of State September 25, 2012.  
]

LEGISLATIVE COUNSEL'S DIGEST

SB 1148, Pavley. Fish and Game Commission: Department of Fish and Game.

(1) The Sacramento-San Joaquin Valley Wetlands Mitigation Bank Act of 1993 provides for the establishment of wetlands mitigation bank sites to increase the total wetlands acreage and values within the Sacramento-San Joaquin Valley.

This bill would provide that no conservation bank, mitigation bank, or conservation and mitigation bank is operative, vested, or final, nor bank credits issued, until the Department of Fish and Game has approved the bank in writing and a conservation easement has been recorded on the site. The bill would require the department to follow certain procedures and authorize the department to charge and adjust specified fees to cover the reasonable costs of the department reviewing various documents when a person is interested in establishing a bank. The bill would require the department to deposit revenues of those fees in a separate dedicated account within the Fish and Game Preservation Fund.

The bill would require the department to establish and maintain a database that includes certain information about banks and to make this data available on its Internet Web site or accessible by a link from the department's Internet Web site.

The bill would require the department to adopt and amend guidelines and criteria to amend provisions relating to the department's review of a bank.

(2) Under existing law, the changes in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services is used as the index to determine an annual rate of increase or decrease in the fees for hunting and fishing licenses, stamps, permits, and tags. Under existing law, the department issues lifetime sportsman's licenses, hunting licenses, sport fishing ocean enhancement stamps, commercial fishing ocean enhancement stamps, commercial fishing ocean enhancement validations, commercial fishing licenses, commercial fish business licenses, commercial boat registrations, sport fishing ocean enhancement validations, trapping licenses, and sport fishing licenses, and existing law establishes base fees for those entitlements, adjusted annually pursuant to the index.

This bill would require the Fish and Game Commission to adjust the base fees for lifetime sportsman's licenses, hunting licenses, sport fishing ocean enhancement stamps and validations, commercial fishing ocean enhancement stamps and validations, commercial fishing licenses, commercial fish business licenses, commercial boat registrations, trapping licenses, and sport fishing licenses, as necessary, to fully recover, but not exceed, all reasonable administrative and implementation costs of the department and the commission relating to those licenses. The bill would also authorize the department to establish fees and to adjust statutorily imposed fees by regulation for certain filings, permits, determinations, or other department actions.

(3) Existing law relating to the Office of Planning and Research requires every officer, agency, department, or instrumentality of state government to cooperate in the preparation and maintenance of the State Environmental Goals and Policy Report and to ensure that their entity's functional plan is consistent with specified state planning priorities and annually demonstrate, when requesting infrastructure as specified, how the plans are consistent with those priorities. Existing law requires those entities to comply with any request for advice, assistance, information, or other material.

This bill would specify that the subject entities include certain trustee agencies.

(4) Existing law, the Trout and Steelhead Conservation and Management Planning Act of 1979, requires the department to determine whether a stream or lake should be managed as a wild trout fishery, or whether its management should involve the planting of native trout species to supplement wild trout populations. Existing law requires the commission to develop additional wild trout waters. Existing law requires the department to prepare a list each year of no less than 25 miles of stream or stream segments and at least one lake that it deems suitable for consideration as wild trout waters and to submit this list to the commission. Existing law requires the commission to annually submit a report to the Legislature that includes its reasons why any stream or lake listed by the department was or was not included in the program. Existing law requires the department to prepare and complete management plans for all wild trout waters not more than 3 years following their initial designation by the commission, and to update the management plan every 5 years following completion of the initial management plan.

This bill would revise the findings and declarations of the act. The bill would require the department to maintain and continuously revise specified inventories prepared for each stream, stream system, or lake, with the goal of reviewing every watershed once per decade, and would require the department to make those inventories publicly available on the department's Internet Web site. The bill would require the commission, instead, to report to the Legislature regarding progress in implementing the wild trout program on even-numbered years and would require the report to be publicly available on the department's Internet Web site.

The bill would require the department every 5 years to update the Strategic Plan for Trout Management published in November 2003 as necessary to guide the state's trout management. The bill would require the department to prepare and complete trout management plans consistent with the Strategic Plan for Trout Management for all wild trout waters, to be reviewed as prescribed, and to make the Strategic Plan for Trout Management and the trout management plans publicly available on the department's Internet Web site. The bill would require the department, by January 1, 2014, to form an intradepartmental strategic trout management team to provide statewide direction and trout management oversight and to be responsible for developing prescribed basin management plans.

The bill would require the department to give priority to stocking native hatchery-produced species in California's waters where stocking is determined to be appropriate by the department. The bill would require the department to ensure that all trout stocked in waters of the state for recreational purposes, except as provided, are unable to reproduce through triploidy or other means. The bill would authorize the department to provide specified outreach to anglers to promote awareness, would authorize the department to develop, conduct, and respond to angler preference and satisfaction surveys, and would require educational programs utilizing the hatcheries to be encouraged. The bill would require the department to review angling regulations periodically and adjust those regulations to ensure consistency with the Strategic Plan for Trout Management.

Existing law requires 33 1/3% of the fees derived from the issuance of sport fishing licenses, with certain exceptions, to be deposited into the Hatchery and Inland Fisheries Fund within the State Treasury. Existing law authorizes moneys in the fund to be expended, upon appropriation, in support of department programs related to the management, maintenance, and capital improvement of California's fish hatcheries, the Heritage and Wild Trout Program, enforcement activities, and other activities eligible to be funded from revenue generated by sport fishing license fees. Existing law requires that those fund moneys be used for specified purposes, including the attainment of prescribed fish production and release goals for state hatcheries.

This bill would instead authorize the expenditure of those moneys, consistent with specified existing law, to support programs of the department related to management, maintenance, and capital improvement of California's fish hatcheries, the Heritage and Wild Trout Program, and enforcement activities related thereto, and to support other activities eligible to be funded from revenue generated by sport fishing license fees. The bill would require that the fees be used for the purposes of attaining a specified hatchery production goal, the Heritage and Wild Trout Program, the development of trout management plans, and staffing, as specified. The bill would require the department, on an annual basis, to invest in hatchery facility improvements and rehabilitation to ensure progress towards achievement of specified

hatchery fish production targets. The bill would authorize the department, beginning January 1, 2015, to obtain California-based hatchery fish if specified criteria are satisfied. The bill would establish funding for "Heritage Trout Waters" as a priority for the fund.

The bill would appropriate \$1,000,000 from the Hatchery and Inland Fisheries Fund to the department for capital outlay expenditures necessary to improve state hatchery facility and system improvements to achieve specified hatchery fish production goals.

DIGEST KEY

Vote: majority Appropriation: yes Fiscal Committee: yes Local Program: no

BILL TEXT

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** The Legislature further finds and declares the following:

(a) In 2010, the Legislature passed and the Governor signed Assembly Bill 2376, which established a process to develop a strategic vision for the Department of Fish and Game and the Fish and Game Commission.

(b) Pursuant to Assembly Bill 2376, the Natural Resources Agency appointed an executive committee, a blue ribbon commission, and a broad-based stakeholder group, and established a public process that is focused on improving and enhancing the capacity of both the department and the commission to protect and manage California's fish and wildlife.

(c) All groups and individuals with an interest in improving the work of the department and the commission have been invited to participate in the stakeholder group process. Numerous public meetings have been held and extensive information on the process and the comments received to date are available on the Internet Web site of the Department of Fish and Game.

(d) The policy chairs in their respective houses of committees with subject matter jurisdiction will cooperate with proposed legislation that will address many of the draft recommendations of the California Fish and Wildlife Strategic Vision and other reforms necessary to satisfy the mandate of Assembly Bill 2376. Some of the content of the proposed legislation reflects suggestions contained in the draft interim strategic vision report released by the department and the commission on November 22, 2011. Each bill may be amended from time to time to reflect additional recommendations.

(e) It is the intent of the Legislature to focus more of the work of the commission on the implementation of the state's hunting and fishing and other wildlife-related regulations and the professional administration of those laws. Several fees related to hunting and fishing should therefore be reassigned from the department to the commission. It is also the intent of the Legislature to enhance the ability of the department to focus on the management and administration of its lands, its enforcement responsibilities, the conservation programs entrusted to it, and enhancing the scientific basis of conservation decisions made in California.

**SEC. 2.** Section 711 of the Fish and Game Code is amended to read:

**711.** (a) It is the intent of the Legislature to ensure adequate funding from appropriate sources for the department. To this end, the Legislature finds and declares that:

(1) The costs of nongame fish and wildlife programs shall be provided annually in the Budget Act by appropriating money from the General Fund, through nongame user fees, and sources other than the Fish and Game Preservation Fund to the department for these purposes.

(2) The costs of commercial fishing programs shall be provided out of revenues from commercial fishing taxes, license fees, and other revenues, from reimbursements and federal funds received for commercial fishing programs, and other funds appropriated by the Legislature for this purpose.

(3) The costs of hunting and sportfishing programs shall be provided out of hunting and sportfishing revenues and reimbursements and federal funds received for hunting and sportfishing programs, and other funds appropriated by the Legislature for this purpose. These revenues, reimbursements, and federal funds shall not be used to support commercial fishing programs, free hunting and fishing license programs, or nongame fish and wildlife programs.

(4) The costs of managing lands managed by the department and the costs of wildlife management programs shall be supplemented out of revenues in the Native Species Conservation and Enhancement Account in the Fish and Game Preservation Fund.

(5) Hunting, sportfishing, and sport ocean fishing license fees shall be adjusted annually to an amount equal to that computed pursuant to Section 713. However, a substantial increase in the aggregate of hunting and sportfishing programs shall be reflected by appropriate amendments to the sections of this code that establish the base sport license fee levels. The inflationary index provided in Section 713 shall not be used to accommodate a substantial increase in the aggregate of hunting and sportfishing programs.

(6) The costs of a conservation and mitigation banking program, including, but not limited to, costs incurred by the department during its adoption of guidelines for, and the review, approval, establishment, monitoring, and oversight of, banks, shall be reimbursed from revenues of conservation and mitigation bank application fees imposed pursuant to Sections 1798.5, 1798.6, and 1799.

(b) The director and the Secretary of the Natural Resources Agency, with the department's annual budget submittal to the Legislature, shall submit a report on the fund condition, including the expenditures and revenue, for all accounts and subaccounts within the Fish and Game Preservation Fund. The department shall also update its cost allocation plan to reflect the costs of program activities.

(c) For purposes of this article, "substantial increase" means an increase in excess of 5 percent of the Fish and Game Preservation Fund portion of the department's current year support budget, excluding cost-of-living increases provided for salaries, staff benefits, and operating expenses.

**SEC. 3.** Section 713 of the Fish and Game Code is amended to read:

**713.** (a) The changes in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, as published by the United States Department of Commerce, shall be used as the index to determine an annual rate of increase or decrease in the fees for licenses, stamps, permits, tags, or other entitlements issued by the department.

(b) (1) The department shall determine the change in the Implicit Price Deflator for State and Local Government Purchases of Goods and Services, as published by the United States Department of Commerce, for the quarter ending March 31 of the current year compared to the quarter ending March 31 of the previous year. The relative amount of the change shall be multiplied by the current fee for each license, stamp, permit, tag, or other entitlement issued by the department.

(2) The product shall be rounded to the nearest twenty-five cents (\$0.25), and the resulting amount shall be added to the fee for the current year. The resulting amount shall be the fee for the license year beginning on or after January 1 of the next succeeding calendar year for the license, stamp, permit, tag, or other entitlement that is adjusted under this section.

(c) Notwithstanding any other provision of law, the department may recalculate the current fees charged for each license, stamp, permit, tag, or other entitlement issued by the department, to determine that all appropriate indexing has been included in the current fees. This section shall apply to all licenses, stamps, permits, tags, or other entitlements, that have not been increased each year since the base year of the 1985–86 fiscal year.

(d) The commission, with respect to any license, stamp, permit, tag, or other entitlement issued by the commission shall comply with subdivisions (a) to (c), inclusive.

(e) The calculations provided for in this section shall be reported to the Legislature with the Governor's Budget Bill.

(f) The Legislature finds that all revenues generated by fees for licenses, stamps, permits, tags, and other entitlements, computed under this section and used for the purposes for which they were imposed, are not subject to Article XIII B of the California Constitution.

(g) The department and the commission, at least every five years, shall analyze all fees for licenses, stamps, permits, tags, and other entitlements issued by it to ensure the appropriate fee amount is charged. Where appropriate, the department shall recommend to the

Legislature or the commission that fees established by the commission or the Legislature be adjusted to ensure that those fees are appropriate.

**SEC. 4.** Section 714 of the Fish and Game Code is amended to read:

**714.** (a) In addition to Section 3031, 3031.2, 7149, 7149.05, or 7149.2 and notwithstanding Section 3037, the department shall issue lifetime sportsman's licenses pursuant to this section. A lifetime sportsman's license authorizes the taking of birds, mammals, fish, reptiles, or amphibia anywhere in this state in accordance with law for purposes other than profit for the life of the person to whom issued unless revoked for a violation of this code or regulations adopted pursuant to this code. A lifetime sportsman's license is not transferable. A lifetime sportsman's license does not include any special tags, stamps, or other entitlements.

(b) A lifetime sportsman's license may be issued to residents, as follows:

(1) To a person 62 years of age or over upon payment of a base fee of seven hundred thirty dollars (\$730).

(2) To a person 40 years of age or over and less than 62 years of age upon payment of a base fee of one thousand eighty dollars (\$1,080).

(3) To a person 10 years of age or over and less than 40 years of age upon payment of a base fee of one thousand two hundred dollars (\$1,200).

(4) To a person less than 10 years of age upon payment of a base fee of seven hundred thirty dollars (\$730).

(c) This section does not require a person less than 16 years of age to obtain a license to take fish, reptiles, or amphibia for purposes other than profit or to obtain a license to take birds or mammals, except as required by law.

(d) This section does not exempt an applicant for a license from meeting other qualifications or requirements otherwise established by law for the privilege of sport hunting or sport fishing.

(e) Upon payment of a base fee of four hundred forty-five dollars (\$445), a person holding a lifetime hunting license or lifetime sportsman's license shall be issued annually one deer tag application pursuant to subdivision (a) of Section 4332 and five wild pig tags issued pursuant to Section 4654. Lifetime privileges issued pursuant to this subdivision are not transferable.

(f) Upon payment of a base fee of two hundred ten dollars (\$210), a person holding a lifetime hunting license or lifetime sportsman's license shall be entitled annually to the privileges afforded to a person holding a state duck stamp or validation issued pursuant to Section 3700 or 3700.1 and an upland game bird stamp or validation issued pursuant to Section 3682 or 3682.1. Lifetime privileges issued pursuant to this subdivision are not transferable.

(g) The base fees specified in this section are applicable commencing January 1, 2004, and shall be adjusted annually thereafter pursuant to Section 713.

(h) The commission shall adjust the amount of the fees specified in subdivision (g), as necessary, to fully recover, but not exceed, all reasonable administrative implementation costs of the department and the commission relating to those licenses.

**SEC. 5.** Section 1050 of the Fish and Game Code is amended to read:

**1050.** (a) All licenses, permits, tags, reservations, and other entitlements authorized by this code shall be prepared and issued by the department.

(b) The commission shall determine the form of all licenses, permits, tags, reservations, and other entitlements and the method of carrying and displaying all licenses, and may require and prescribe the form of applications therefor and the form of any contrivance to be used in connection therewith, except for those programs where the department has fee-setting authority, in which case the department shall retain that authority.

(c) Whenever this code provides for a permit, license, tag, reservation, application, or other

entitlement, the commission, in accordance with the provision, shall prescribe the terms and conditions under which the permit, license, tag, reservation, application, or other entitlement shall be issued, except for those programs where the department has fee-setting authority, in which case the department shall retain that authority. The department shall issue the permit, license, tag, reservation, application, or other entitlement in accordance therewith and with the applicable provisions of law.

(d) Except for fees set by the department pursuant to subdivision (e), whenever this code does not specify whether a fee is to be collected, or does not specify the amount of a fee to be collected, or does not expressly prohibit the adjustment of statutorily imposed fees by the commission by reference to this section for the issuance of any license, tag, permit, application, reservation, or other entitlement, the commission may establish a fee or the amount thereof by regulation. The commission may also provide for the change in the amount of the fee in accordance with Section 713. Fees established by the commission shall be in an amount sufficient to recover all reasonable administrative and implementation costs of the department and commission relating to the program with regard to which the fee is paid. The commission may establish a fee structure that provides for the phasing in of new fees leading up to full cost recovery for the department and commission, provided that full cost recovery is achieved within five years of the establishment of the fee.

(e) The department may establish fees and may adjust statutorily imposed fees by regulation for the filings, permits, determinations, or other department actions described in Section 711.4, 1002, or 1609. The department also may provide for the change in the amount of the fee in accordance with Section 713. Fees established by the department shall be in an amount sufficient to recover all reasonable administrative and implementation costs of the department relating to the program with regard to which the fee is paid. The department may establish a fee structure that provides for the phasing in of new fees leading up to full cost recovery for the department, provided that full cost recovery is achieved within five years of the establishment of the fee.

(f) Whenever this code provides for a license, tag, permit, reservation, or other entitlement, the commission or department, as applicable, may establish a nonrefundable application fee, not to exceed seven dollars and fifty cents (\$7.50) sufficient to pay the department's costs for issuing the license, tag, permit, reservation, or other entitlement and may adjust the application fee in accordance with Section 713.

**SEC. 6.** Section 1726 of the Fish and Game Code is amended to read:

**1726.** The Legislature hereby finds and declares that it is the policy of the state to do all of the following:

(a) Establish and maintain wild trout stocks, that, to the extent possible, should be native fish, in suitable waters of the state that are readily accessible to the general public as well as in those waters in remote areas.

(b) Establish angling regulations designed to maintain the wild trout fishery in those waters by natural reproduction.

(c) Discourage artificial planting of hatchery-raised hybrid and nonnative fish species in wild trout waters or in other areas that would adversely affect native aquatic and nonaquatic species.

**SEC. 7.** Section 1726.1 is added to the Fish and Game Code, to read:

**1726.1.** The Legislature further finds and declares all of the following:

(a) Hatchery production and stocking of California's waters started over 140 years ago and is an enduring part of California's history and attempts to steward its natural resources.

(b) Sustainable and adaptive management provides and improves recreational angling opportunities while protecting and maintaining native and wild trout fisheries, other species, and their mutual habitat.

(c) Management of the genetic diversity of California's native trout species is imperative.

(d) Habitat restoration and the protection of cold water ecosystems are both of utmost importance to maintaining healthy wild trout populations, ensuring and promoting angler opportunities, and the sustainability of the inland trout fishery.

(e) The department shall seek to provide and enhance diverse recreational angling opportunities in California.

**SEC. 8.** Section 1726.4 of the Fish and Game Code is amended to read:

**1726.4.** (a) For the purposes of this chapter, "trout" includes steelhead trout.

(b) The department, in administering its existing wild trout program, shall maintain an inventory of all California trout streams and lakes to determine the most suitable angling regulations for each stream or lake. The department shall determine for each stream or lake whether it should be managed as a wild trout fishery, or whether its management should involve the temporary planting of native trout species to supplement wild trout populations that is consistent with this chapter. In maintaining the inventory, the department shall give priority to those streams and lakes that have the highest biological potential for producing sizeable wild trout, which are inhabited by rare species, or where the quality of the fishery is threatened or endangered and take into consideration public use. The biological and physical inventories prepared and maintained for each stream, stream system, or lake shall include an assessment of the resource status, threats to the continued well-being of the fishery resource, the potential for fishery resource development, and recommendations, including necessary changes in the allowed take of trout, for the development of each stream or lake to its full capacity as a fishery, consistent with this chapter.

(c) This section does not provide any public entity or private party with any new or additional authority to affect the management of, or access to, any private land without the written consent of the owner. Privately owned lakes and ponds not open to the use of the general public shall be subject to this section only with the written consent of the owner. This chapter shall not be construed as authorizing or requiring special treatment of adjacent land areas or requiring land use restrictions. It is the intent of the Legislature that this chapter should not diminish the existing authority of the department.

(d) The department shall make the inventory maintained pursuant to subdivision (b) publicly available on the department's Internet Web site and the department shall continuously revise that inventory with the goal of reviewing every watershed once per decade.

**SEC. 9.** Section 1727 of the Fish and Game Code is amended to read:

**1727.** (a) In order to provide for a diversity of available angling experiences throughout the state, it is the intent of the Legislature that the commission maintain the existing wild trout program, and as part of the program, develop additional wild trout waters in the more than 20,000 miles of trout streams and approximately 5,000 lakes containing trout in California.

(b) The department shall prepare a list of no less than 25 miles of stream or stream segments and at least one lake that it deems suitable for designation as wild trout waters. The department shall submit this list to the commission for its consideration at the regular October commission meeting.

(c) The commission may remove any stream or lake that it has designated as a wild trout fishery from the program at any time. If any of those waters are removed from the program, an equivalent amount of stream mileage or an equivalent size lake shall be added to the wild

trout program.

(d) The commission, in January of each even-numbered year, shall submit a report to the Legislature regarding progress in implementing the wild trout program described in this chapter. In that report, the commission shall state its reasons why any stream or lake listed by the department as suitable for consideration as a wild trout water was or was not included in the program. The commission shall also state its reasons for removing and replacing any waters within the program. The report shall be publicly available on the department's Internet Web site.

**SEC. 10.** Section 1728 of the Fish and Game Code is repealed.

**SEC. 11.** Section 1728 is added to the Fish and Game Code, to read:

**1728.** (a) Every five years the department shall update the Strategic Plan for Trout Management published in November 2003 as necessary to guide the state's trout management.

(b) The Strategic Plan for Trout Management shall be intended to ensure all of the following:

(1) Thriving and self-sustaining, wild and native trout populations throughout their historic ranges.

(2) Providing and improving angling opportunities for wild and native trout and other trout.

(3) Providing for the conservation of wild and native trout.

(4) Environmental sustainability and overall ecosystem and watershed health.

(c) The Strategic Plan for Trout Management shall be guided by all of the following considerations:

(1) Adaptively managing trout populations, including, but not limited to, stocking practices, to establish thriving and self-sustaining native and wild trout fisheries in wild trout waters and, where possible, in other waters.

(2) Increasing angler satisfaction.

(3) Ensuring appropriate age distribution of wild trout when appropriate.

(4) Establishing ecologically and environmentally sustainable hatchery and stocking practices for native trout, including, but not limited to, the following:

(A) Hatchery and stocking practices consistent with this chapter.

(B) Stocking plans shall include consideration of angler satisfaction and public use of, and access to, the waters for angling. This may include, but is not limited to, harvest and catch rates, including, but not limited to, trophy catch rates, the potential for high angler satisfaction, and where appropriate, put and grow stocking.

(C) Native trout shall be preferentially stocked when stocking is employed.

(D) Designing stocking plans to maintain and optimize the genetic diversity of trout populations and to be consistent with the direction provided by the strategic trout management team.

(E) Stocking plans for species listed in Section 7261 shall not exceed the documented biological carrying capacity of the water or ecosystem.

(5) Integrating stakeholder involvement into the planning process.

(6) Monitoring and evaluating management processes through angler surveys, public meetings coordinated with county fish and game commissions, or by other means.

(d) The department shall prepare and complete trout management plans consistent with the Strategic Plan for Trout Management for all wild trout waters not more than three years following their initial designation by the commission. The department shall update the management plan every five years or as necessary following completion of the initial management plan. The department shall prepare trout management plans for other waters consistent with the Strategic Plan for Trout Management as appropriate.

(e) Before implementation, the Strategic Plan for Trout Management produced by the department shall be reviewed by the strategic trout management team, the hatchery operations committee, and an ad hoc peer review committee convened by the department to ensure compliance with sound management practices, improved genetic diversity, and use of

the best available scientific information.

(f) The Strategic Plan for Trout Management and plans completed pursuant to subdivision (d) shall be publicly available on the department's Internet Web site.

**SEC. 12.** Section 1729 is added to the Fish and Game Code, to read:

**1729.** (a) The department shall give priority to stocking native hatchery-produced species in California's waters, where stocking is determined to be appropriate by the department. Stocking of hatchery-produced fish is not appropriate in all of California's waters, including, but not limited to, stocking in California's waters that would adversely affect species listed under the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.) or the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3).

(b) Hatchery-produced trout shall be stocked to support sustainable angling recreation and promote angler access to trout fishing, including, but not limited to, urban fisheries.

(c) The department may provide outreach and educational materials to all anglers to promote awareness of environmental sustainability, ecosystem health, fish genetics, angling opportunities, and fish population management.

(d) Educational programs utilizing the hatcheries shall be encouraged.

(e) The department shall ensure that all trout stocked in waters of the state for recreational purposes are unable to reproduce through triploidy or other means, with the exception of fish planted into brood stock lakes, surplus brood stock planted according to fishery management decisions, fish planted to supplement waters that the department has determined to be genetically isolated from native fish populations, and native trout species produced for recovery and restoration within their native range.

(f) The department may develop, conduct, and respond to regular angler preference and satisfaction surveys. This is not a substitute for a preferred scientific data collection and monitoring program that would facilitate adaptive management of California's inland trout fisheries.

(g) The department shall review angling regulations periodically and adjust those regulations to ensure consistency with the strategic plan described in Section 1728.

**SEC. 13.** Section 1730 is added to the Fish and Game Code, to read:

**1730.** (a) By January 1, 2014, the department shall form an intradepartmental strategic trout management team to provide direction and oversee trout management statewide. Working under the framework of the Strategic Plan for Trout Management, the strategic trout management team shall direct and implement focused management and monitoring efforts for trout at the watershed level, in cooperation with local stakeholders.

(b) The strategic trout management team shall be responsible for developing basin management plans that are conservation based and are consistent throughout California for inland watersheds.

(c) The basin plans in subdivision (b) shall be reviewed by an ad hoc peer review committee, which may be convened under the guidance of the department's Science Institute to ensure compliance with sound management practices and utilization of the best available scientific information.

**SEC. 14.** Chapter 7.9 (commencing with Section 1797) is added to Division 2 of the Fish and Game Code, to read:

## CHAPTER 7.9. Conservation Bank and Mitigation Bank Applications and Fees

**1797.** The Legislature finds and declares as follows:

(a) Mitigation banks and conservation banks provide for the conservation of important habitats and habitat linkages, take advantage of economies of scale that are often not available to individualized mitigation projects, and simplify the state regulatory compliance process while achieving conservation goals.

(b) The department authorizes the establishment of private and public conservation and mitigation banks that can provide viable consolidated mitigation for adverse impacts caused by projects. Banks sell habitat or species credits to project proponents having mitigation responsibilities that require compensation for impacts to wetlands, threatened or endangered species, and other sensitive resources. The state policy on conservation banks was established in 1995 by the Natural Resources Agency and the California Environmental Protection Agency.

(c) In 2011, the department and other state and federal agencies, including the United States Fish and Wildlife Service, the National Marine Fisheries Service, the United States Army Corps of Engineers, and the United States Environmental Protection Agency, renewed a memorandum of understanding for the purpose of jointly establishing a framework for developing and using combined or coordinated approaches to mitigation and conservation banking in the state. The memorandum of understanding includes provisions for the development and continuous improvement of standardized banking program documents and guidance. Existing standardized documents identified in the memorandum of understanding include bank enabling instruments, conservation easements, long-term management plans, and bank proposal review checklists, among others.

(d) The department has properly excluded from being eligible as mitigation and conservation banks those lands that are not suitable to become banks, for reasons that include that the lands do not support significant biological resources or are not biologically viable, are subject to potentially inconsistent uses, encumbrances, or requirements, or would not meet requirements of permits or authorizations that require mitigation.

(e) Greater transparency is desired to ensure that mitigation requirements of regulatory programs, permits, and authorizations are fully met when employing conservation and mitigation banks, and that the monitoring of banks to ensure long-term conservation of species and habitats is scientifically valid.

(f) The private and public mitigation and conservation banks and the private and public entities to which bank credits are sold should fully fund the administrative and regulatory costs of the department in providing banking program services, administration and oversight.

(g) The department has found that the establishment and use of conservation and mitigation banks may result in added ecological benefits and reduced administrative costs over the more traditional forms of smaller, single-purpose mitigation projects.

(h) It is the intent of the Legislature that banking and all other forms of mitigation for wildlife species comply with regulatory requirements, are based on the best available scientific information, can be implemented successfully, and have adequate funding to achieve mitigation measures and be monitored for compliance and effectiveness. The Legislature recognizes that mitigation and conservation banking is important to the state because banks provide regulatory efficiencies, environmental benefits, and economic advantages. Properly developed and monitored banks have demonstrated their value and efficacy and are important tools in mitigating impacts to resources and in conserving a wide range of habitat lands.

**1797.5.** For the purposes of this chapter, the following terms shall have the following meanings:

(a) "Bank" means a conservation bank, mitigation bank, or conservation and mitigation bank.

(b) "Bank enabling instrument" means a written agreement with the department regarding the establishment, use, operation, and maintenance of the bank.

(c) "Bank sponsor" means the person or entity responsible for establishing and operating a bank.

(d) "Conservation bank" means a publicly or privately owned and operated site that is to be conserved and managed in accordance with a written agreement with the department that includes provisions for the issuance of credits, on which important habitat, including habitat for threatened, endangered, or other special status species, exists, has been, or will be created to do any of the following:

(1) Compensate for take or other adverse impacts of activities authorized pursuant to Chapter 1.5 (commencing with Section 2050) of Division 3.

(2) Reduce adverse impacts to fish or wildlife resources from activities, authorized pursuant to Chapter 6 (commencing with Section 1600) of Division 2, to less than substantial.

(3) Mitigate significant effects on the environment pursuant to the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) and Guidelines for Implementation of the California Environmental Quality Act (Chapter 3 (commencing with Section 15000) of Division 6 of Title 14 of the California Code of Regulations).

(4) Establish mitigation in advance of any impacts or effects.

(e) "Conservation easement" means a perpetual conservation easement, as defined by Section 815.1 of the Civil Code, covering the real property that comprises the bank site.

(f) "Mitigation bank" means either of the following:

(1) A bank site or mitigation bank site as defined by Section 1777.2.

(2) Any publicly or privately owned and operated site, other than those defined by Section 1777.2, on which wetlands exist, have been, or will be created, and that is to be conserved and managed in accordance with a written agreement with the department for any of the purposes described in paragraphs (1) to (4), inclusive, of subdivision (d).

(g) "Person" has the meaning set forth in subdivision (b) of Section 711.2.

(h) "Prospectus" means a written summary of the proposed bank containing a sufficient level of detail to support informed department review and comment.

**1798.** (a) (1) Any person interested in establishing any bank with the department may elect to submit an optional draft prospectus for review by the department. Any draft prospectus shall be accompanied by a draft prospectus review fee of one thousand five hundred dollars (\$1,500) to fund the reasonable cost of the department's review services. The draft prospectus review, while optional, is intended to identify potential issues early so that the potential bank sponsor may attempt to address those issues prior to initiating the formal review process. The draft prospectus is a brief proposal submitted when scoping the concept of a bank, contemplating pursuing a bank idea, or for those new to the banking process.

(2) No later than 30 calendar days after the department receives a draft prospectus and review fee, the department shall make an initial evaluation of the proposed concept and notify the person who submitted the draft prospectus of potential issues identified by the department.

(b) (1) Any person seeking to establish a bank with the department shall submit a bank prospectus to the department together with a prospectus review fee of ten thousand dollars (\$10,000) to fund the reasonable cost of the department's review services. If a draft prospectus and the review fee have been submitted pursuant to subdivision (a), then the review fee for the bank prospectus shall be eight thousand five hundred dollars (\$8,500) so as not to exceed a total fee of ten thousand dollars (\$10,000).

(2) The bank prospectus shall contain at least all of the following information:

(A) The proposed bank name.

(B) Contact information, including, but not limited to, the bank sponsor, property owner, and any consultants.

(C) A general location map, address, and the size of the proposed bank in acres.

(D) A 7.5-minute United States Geological Survey map showing proposed boundaries of the bank.

- (E) Color aerial photographs that reflect current conditions on the site of the proposed bank and surrounding properties.
  - (F) Description of how the bank will be established and operated, including, but not limited to, proposed ownership arrangements, long-term management strategy, and any phases.
  - (G) Qualifications of bank sponsor.
  - (H) Preliminary natural resources surveys that document biotic and abiotic baseline conditions, including past, current, and adjacent land uses, vegetation types, species information, topography, hydrology, and soil types.
  - (I) Map of proposed bank service areas.
  - (J) Map depicting other conserved lands in the vicinity of the proposed bank.
  - (K) Description of bank objectives that includes how the proposed bank would contribute to connectivity and ecosystem function.
  - (L) A current preliminary report covering the site of the proposed bank that identifies the owner of the fee simple title and shows all liens, easements, and other encumbrances and depicts all relevant property lines, easements, dedications, and other features.
  - (M) A declaration of whether or not the proposed bank site has been or is being used as mitigation, is designated or dedicated for park or open space use, or designated for purposes that may be inconsistent with habitat preservation.
  - (N) Details of any public funding received for acquisition or restoration of, or other purposes related to, the proposed bank site.
- (c) No later than 30 calendar days after the department receives a bank prospectus and the prospectus review fee, the department shall determine whether or not the prospectus is complete and provide written notice of its determination to the person who submitted the prospectus. If a prospectus is not complete, it may be made complete and resubmitted.
- (d) If the department determines that the prospectus is complete, then within 90 calendar days of that determination, the department shall determine whether or not the prospectus is acceptable and notify the person who submitted the prospectus of the determination. The department may request clarifying information during the prospectus review process.
- (e) (1) If the department determines that a bank prospectus is acceptable then a bank agreement package may be submitted in accordance with Section 1798.5.
- (2) If the department determines that a bank prospectus is not acceptable the department shall state the reasons for the determination. The prospectus may be resubmitted in accordance with subdivision (a) if further consideration is desired. Any resubmittal must be accompanied by payment of a new prospectus review fee.
- (f) The department may adopt and amend guidelines and criteria for the purposes of this section pursuant to subdivision (b) of Section 1799.1.

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

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

- (A) The draft bank enabling instrument and all exhibits.
- (B) Drafts of the interim management plan, long-term management plan, bank closure plan, and, if applicable, a development or construction plan for the bank.
- (C) A draft conservation easement, or if potential state ownership is contemplated by the department, a draft grant deed.
- (D) A map and written description of the proposed bank service area.
- (E) A proposed credit ledger and credit release schedule for the bank.
- (F) A property analysis record or other comparable economic analysis of the funding necessary to support bank maintenance activities, such as monitoring and reporting, in perpetuity.

(G) Estimates of financial assurances and proposed forms of security. Proposed forms of security may be either cash or a letter of credit.

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

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

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

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

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

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

(e) If the department needs supplemental information during its review of the bank agreement package in order to fully evaluate the proposed bank, the regional manager or departmental equivalent, or a higher level department employee, shall provide the person seeking to establish the bank a written request for the needed information. Upon the department's receipt of the requested information, a new 90-day period shall begin during which the department shall determine acceptability pursuant to paragraph (2) of subdivision (c). If the department does not receive the requested information within 60 calendar days of the department's request, the bank agreement package will be deemed unacceptable.

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

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

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

**1798.6.** (a) Any person seeking to amend any bank shall submit to the department a complete

bank amendment package containing each of the original bank agreement package documents, including any prior amendments, as well as any documents proposed to be amended or that would be affected by the proposed amendment. The department may adopt and amend guidelines and criteria for the bank amendment package pursuant to subdivision (b) of Section 1799.1.

(b) (1) Within 30 calendar days following its receipt of a draft bank amendment package and any fee required by subdivision (c), the department shall determine whether or not the package is complete and give written notice of that determination to the person who submitted the package.

(2) If the department determines that the bank amendment package is complete, then within 90 calendar days of that determination, the department shall determine whether or not the package is acceptable and notify the person who submitted the package of that determination. If the bank amendment package is determined not to be acceptable, the determination shall state the reasons. The department may request clarifying information during the bank amendment review process. The department may extend the 90-day period for reviewing the bank amendment package by an additional 60 days if the department determines that 90 days is insufficient time to complete its review of a bank amendment package for reasons that may include, but are not limited to, the size, location, or complexity of the bank or bank amendment documents, that the package includes a development plan, or that there are substantial variations from recommended standard forms.

(c) (1) The department shall collect a fee of either seven thousand five hundred dollars (\$7,500) or twenty-five thousand dollars (\$25,000) per bank amendment package to fund the reasonable cost of the department's review services. The fee of seven thousand five hundred dollars (\$7,500) is intended to cover the reasonable cost of the department's services in reviewing simple amendments, such as a change in bank name, ownership change, address change, or proposed decrease in the number of credits proposed. The fee of twenty-five thousand dollars (\$25,000) is intended to cover the reasonable cost of the department's services in reviewing all other amendments, including, but not limited to, requests for increase change in service area, or increase in the number of credits. A regional manager or department equivalent, or a higher level department representative employee, shall determine which of the two fees is appropriate and shall provide notification of that determination to the person who submitted the request for bank amendment package pursuant to paragraph (3).

(2) An initial fee of seven thousand five hundred dollars (\$7,500) shall be submitted to the department with the bank amendment package.

(3) Within 30 calendar days following the department's receipt of a bank amendment package and the initial fee, pursuant to paragraph (2), the department shall determine whether or not the package is complete and give written notice of the determination to the person who submitted it and, if applicable, notice pursuant to paragraph (1) that the person shall remit an additional fee of seventeen thousand five hundred dollars (\$17,500). If noticed by the department, the additional fee of seventeen thousand five hundred dollars (\$17,500) shall be submitted to the department within 30 days of the notice. If the additional fee is not received by this date, the review timelines in this section shall be suspended until the fee is received by the department.

(4) If the department determines that the bank amendment package is not complete, the package may be made complete and resubmitted. If the department determines that the bank amendment package is complete, then within 90 calendar days of that determination and the receipt of the additional fee pursuant to paragraph (3), if applicable, the department shall determine whether or not the bank amendment package is acceptable and notify the person who submitted the package of the determination.

(d) (1) If the department determines that the bank amendment package is not acceptable the determination shall state the reasons.

(2) The department may request clarifying information during the bank amendment review process.

(e) If the department needs supplemental information during its review of the bank amendment package in order to fully evaluate the proposed amendment, the regional manager or department equivalent, or a higher level department employee, shall provide the person seeking to amend the bank, in writing, a written request for the needed information. Upon the department's receipt of the requested information, a new 90-day period shall begin during which the department will determine acceptability pursuant to paragraph (4) of

subdivision (c). If the department does not receive the requested information within 60 calendar days of the department's request, the bank amendment package shall be deemed unacceptable.

(f) If the person seeking to amend the bank proposes changes to the bank amendment package that have not been solicited by the department during its the department's 90-day review period, including, but not limited to, parties, number or type of credits, bank size, number or type of species, credit release schedule, service area, design change, or other changes as identified by the department to require additional review time, the department, acting through the regional manager or department equivalent, or a higher level department employee, shall assess a one-time fee of ten thousand dollars (\$10,000) to cover the reasonable cost of the department's services in reviewing the changes. A new 90-day review period shall begin upon receipt of the proposed changes and the fee, during which the department shall determine acceptability pursuant to paragraph (4) of subdivision (c).

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

(h) If the department determines that a bank amendment package is not acceptable, then the package may be resubmitted in accordance with subdivision (a) if further consideration is desired. Any resubmittal shall be accompanied by payment of all applicable bank amendment package review fees.

**1798.7.** A bank prospectus, agreement, or amendment package submitted to the department, but not approved as of January 1, 2013, shall be reviewed for completeness or acceptability in accordance with the timelines provided by this chapter and only after the department has collected all appropriate fees pursuant to this chapter.

**1799.** (a) Until the department has approved a bank, in writing, and, if applicable, a conservation easement has been recorded on the site, no bank shall be operative, vested, or final, nor bank credits issued. No amendment to an approved bank shall be effective without the written approval of the department.

(b) Following approval of a final bank agreement package and establishment of a bank, the department shall conduct compliance review activities as provided in the approved bank enabling instrument.

(c) (1) The department shall establish and maintain a database that allows bank sponsors to accurately update and add information about mitigation and conservation banks. This data shall be available on the department's Internet Web site or accessible by a link from the department's Internet Web site. The available information shall include, but is not limited to, the total number of each type of bank credit, the types of credits sold or obligated, the number of credits sold or obligated, the number of credits applied, the balance of each type of credit remaining, the status of the species and habitat at the bank, links to the bank's long-term management plans, and links to the complete annual monitoring reports required by departmental policy.

(2) Information contained in the database created pursuant to former Chapter 9 (commencing with Section 1850) on January 1, 2011, shall be incorporated into the database established pursuant to paragraph (1).

(d) By January 1, 2014, and annually thereafter, the department shall provide a report to the

Legislature. The report shall include the following information based on data from the previous calendar year:

(1) Number of new bank applications, prospectuses, bank agreement packages, and amendments received.

(2) Number of bank applications approved, rejected because not complete, rejected because not acceptable, and withdrawn.

(3) Name of new or existing bank, geographic location, number of acres, number of credits approved for each habitat type or species, and number of credits sold.

(4) An accounting of fees collected pursuant to this chapter.

(5) A statement of whether or not the timelines for bank review in this chapter were met.

(6) Other information determined by the department to be relevant in assessing the effectiveness of the department's mitigation and conservation banking program.

(e) (1) The department shall collect fees to pay for all or a portion of the department's bank implementation and compliance costs.

(2) The department shall collect a total payment of sixty thousand (\$60,000) per bank, apportioned by an amount that equals the ratio of the number of credits released to the total number of credits in the bank, and shall be identified in the bank enabling instrument. Payments shall be due following each credit release no later than the due date for the submission of the bank's annual report. The payments shall be submitted following each credit release and no later than the time of the submission of the bank's annual report. The department may require the bank to cease selling credits and may stop credit releases until these fees are paid in full. The department shall assess a penalty of 10 percent of the amount of fees due if there is a failure to remit the amount payable when due.

**1799.1.** (a) The department shall annually adjust the fees in this chapter pursuant to Section 713.

(b) Moneys received pursuant to this chapter shall be deposited in a separate dedicated account within the Fish and Game Preservation Fund and expended for the purposes of this chapter.

(c) The department shall adopt and amend guidelines and criteria to implement this chapter. The department shall develop these guidelines and criteria in coordination with interested parties, including, but not limited to, bank sponsors, conservation organizations, and federal and state bank approving agencies. The guidelines shall incorporate all relevant documents and program guidance, including, but not limited to, the 2011 Memorandum of Understanding approved by the United States Fish and Wildlife Service, the United States Army Corps of Engineers, and the United States Environmental Protection Agency, for the purpose of jointly establishing a framework for developing and using combined or coordinated approaches to mitigation and conservation banking in California. Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code shall not apply to the development, adoption, or amendment, of guidelines or criteria pursuant to this section. The guidelines and criteria shall be posted on the department's Internet Web site.

(d) The costs of a conservation and mitigation banking program, including, but not limited to, costs incurred by the department during its guideline adoption and review, approval, establishment, monitoring, and oversight of banks, shall be reimbursed from revenues of conservation and mitigation bank application fees imposed pursuant to Sections 1798.5, 1798.6, and 1799.

**SEC. 15.** Chapter 9 (commencing with Section 1850) of Division 2 of the Fish and Game Code is repealed.

**SEC. 16.** Section 3031 of the Fish and Game Code is amended to read:

**3031.** (a) A hunting license, granting the privilege to take birds and mammals, shall be issued to any of the following:

(1) A resident of this state, 16 years of age or older, upon the payment of a base fee of thirty-one dollars and twenty-five cents (\$31.25).

(2) A resident or nonresident, who is under 16 years of age on July 1 of the licensing year, upon the payment of a base fee of eight dollars and twenty-five cents (\$8.25), regardless of whether that person applies before or after July 1 of that year.

(3) A nonresident, 16 years of age or older, upon the payment of a base fee of one hundred eight dollars and fifty cents (\$108.50).

(4) A nonresident, 16 years of age or older, valid only for two consecutive days upon payment of the fee set forth in paragraph (1). A license issued pursuant to this paragraph is valid only for taking resident and migratory game birds, resident small game mammals, fur-bearing mammals, and nongame mammals, as defined in this code or in regulations adopted by the commission.

(5) A nonresident, valid for one day and only for the taking of domesticated game birds and pheasants while on the premises of a licensed game bird club, or for the taking of domesticated migratory game birds in areas licensed for shooting those birds, upon the payment of a base fee of fifteen dollars (\$15).

(b) The base fees specified in this section are applicable to the 2004 license year, and shall be adjusted annually thereafter pursuant to Section 713.

(c) The commission shall adjust the amount of the fees specified in subdivision (b), as necessary, to fully recover, but not exceed, all reasonable administrative and implementation costs of the department and the commission relating to those licenses.

**SEC. 17.** Section 4006 of the Fish and Game Code is amended to read:

**4006.** (a) A trapping license shall be issued as follows:

(1) To any resident of this state over the age of 16 years upon payment of a base fee of forty-five dollars (\$45), as adjusted under Section 713.

(2) To any resident of this state under the age of 16 years upon payment of a base fee of fifteen dollars (\$15), as adjusted under Section 713.

(3) To any person not a resident of this state upon payment of a base fee of two hundred twenty-five dollars (\$225), as adjusted under Section 713.

(b) A license shall not be issued to a nonresident if the state in which he or she resides does not provide for issuance of a nonresident trapping license to California residents. Also, a nonresident issued a license under this subdivision may take only those species, and may take or possess only that quantity of a species that a resident of California may take or possess under a nonresident trapping license or permit in the state of residence of that nonresident.

(c) The commission shall adjust the amount of the fees specified in subdivision (a), as necessary, to fully recover, but not exceed, all reasonable administrative and implementation costs of the department and the commission relating to those licenses.

**SEC. 18.** Section 6596 of the Fish and Game Code is amended to read:

**6596.** (a) In addition to a valid California sport fishing license and any other applicable license stamp issued pursuant to this code, a person taking fish from ocean waters south of a line extending due west from Point Arguello for purposes other than for profit shall have a valid sport fishing ocean enhancement stamp permanently affixed to his or her fishing license. A sport fishing ocean enhancement stamp shall be issued upon payment of a base fee of three dollars and fifty cents (\$3.50). A sport fishing license issued pursuant to paragraph (4) or (5) of subdivision (a) of Section 7149 is not subject to this subdivision.

(b) In addition to a valid California commercial passenger fishing boat license issued pursuant to Section 7920, the owner of any boat or vessel who, for profit, permits any person to fish therefrom, south of a line extending due west from Point Arguello, shall have a valid commercial fishing ocean enhancement stamp issued for that vessel that has not been suspended or revoked.

(c) Any person who takes, possesses aboard a boat, or lands any white sea bass for commercial purposes, south of a line extending due west from Point Arguello, shall have a valid commercial fishing ocean enhancement stamp issued to that person that has not been suspended or revoked.

(d) The base fee for a commercial fishing ocean enhancement stamp is thirty-five dollars (\$35).

(e) This section does not apply to licenses, permits, reservations, tags, or other entitlements issued through the Automated License Data System.

(f) The base fees specified in this section are applicable to the 2004 license year, and shall be adjusted annually thereafter pursuant to Section 713.

(g) The commission shall adjust the amount of the fees specified in subdivision (f), as necessary, to fully recover, but not exceed, all reasonable administrative and implementation costs of the department and the commission relating to those licenses.

**SEC. 19.** Section 6596.1 of the Fish and Game Code is amended to read:

**6596.1.** (a) In addition to a valid California sport fishing license and any other applicable license validation issued pursuant to this code, a person taking fish from ocean waters south of a line extending due west from Point Arguello for purposes other than for profit shall have a valid sport fishing ocean enhancement validation permanently affixed to his or her fishing license. A sport fishing ocean enhancement validation shall be issued upon payment of a base fee of three dollars and fifty cents (\$3.50). A sport fishing license issued pursuant to paragraph (4) or (5) of subdivision (a) of Section 7149.05 is not subject to this subdivision.

(b) In addition to a valid California commercial passenger fishing boat license issued pursuant to Section 7920, the owner of any boat or vessel who, for profit, permits any person to fish therefrom, south of a line extending due west from Point Arguello, shall have a valid commercial fishing ocean enhancement validation issued for that vessel that has not been suspended or revoked.

(c) Any person who takes, possesses aboard a boat, or lands any white sea bass for commercial purposes south of a line extending due west from Point Arguello, shall have a valid commercial fishing ocean enhancement validation issued to that person that has not been suspended or revoked.

(d) The base fee for a commercial ocean fishing enhancement validation is thirty-five dollars (\$35).

(e) This section applies only to licenses, permits, reservations, tags, and other entitlements issued through the Automated License Data System.

(f) The base fees specified in this section are applicable to the 2004 license year, and shall be adjusted annually thereafter pursuant to Section 713.

(g) The commission shall adjust the amount of the fees specified in subdivision (f), as necessary, to fully recover, but not exceed, all reasonable administrative and implementation costs of the department and the commission relating to those licenses.

**SEC. 20.** Section 7149 of the Fish and Game Code is amended to read:

**7149.** (a) A sport fishing license granting the privilege to take any fish, reptile, or amphibia anywhere in this state for purposes other than profit shall be issued to any of the following:

- (1) A resident, 16 years of age or older, for the period of a calendar year, or, if issued after the beginning of the year, for the remainder thereof, upon payment of a base fee of thirty-one dollars and twenty-five cents (\$31.25).
  - (2) A nonresident, 16 years of age or older, for the period of a calendar year, or, if issued after the beginning of the year, for the remainder thereof, upon payment of a base fee of eighty-four dollars (\$84).
  - (3) A nonresident, 16 years of age or older, for the period of 10 consecutive days beginning on the date specified on the license upon payment of the fee set forth in paragraph (1).
  - (4) A resident or nonresident, 16 years of age or older, for two consecutive designated calendar days, upon payment of one-half of the fee set forth in paragraph (1). Notwithstanding Section 1053, more than one two-day license issued for different two-day periods may be issued to, or possessed by, a person at one time.
  - (5) A resident or nonresident, 16 years of age or older, for one designated day, upon payment of a base fee of ten dollars (\$10).
- (b) California sport fishing license stamps shall be issued by authorized license agents in the same manner as sport fishing licenses, and no compensation may be paid to the authorized license agent for issuing the stamps except as provided in Section 1055.
- (c) This section does not apply to licenses, permits, reservations, tags, or other entitlements issued through the Automated License Data System.
- (d) The base fees specified in this section are applicable to the 2004 license year, and shall be adjusted annually thereafter pursuant to Section 713.
- (e) The commission shall adjust the amount of the fees specified in subdivision (d), as necessary, to fully recover, but not exceed, all reasonable administrative and implementation costs of the department and the commission relating to those licenses.

**SEC. 21.** Section 7149.05 of the Fish and Game Code is amended to read:

**7149.05.** (a) A sport fishing license granting the privilege to take any fish, reptile, or amphibia anywhere in this state for purposes other than profit shall be issued to any of the following:

- (1) A resident, 16 years of age or older, for the period of a calendar year, or, if issued after the beginning of the year, for the remainder thereof, upon payment of a base fee of thirty-one dollars and twenty-five cents (\$31.25).
  - (2) A nonresident, 16 years of age or older, for the period of a calendar year, or, if issued after the beginning of the year, for the remainder thereof, upon payment of a base fee of eighty-four dollars (\$84).
  - (3) A nonresident, 16 years of age or older for the period of 10 consecutive days beginning on the date specified on the license upon payment of the fee set forth in paragraph (1).
  - (4) A resident or nonresident, 16 years of age or older, for two designated days, upon payment of one-half the fee set forth in paragraph (1). Notwithstanding Section 1053, more than one single day license issued for different days may be issued to, or possessed by, a person at one time.
  - (5) A resident or nonresident, 16 years of age or older, for one designated day upon payment of a base fee of ten dollars (\$10).
- (b) California sport fishing license validations shall be issued by authorized license agents in the same manner as sport fishing licenses, and no compensation shall be paid to the authorized license agent for issuing the validations except as provided in Section 1055.1.
- (c) This section applies only to licenses, permits, reservations, tags, and other entitlements issued through the Automated License Data System.
- (d) The base fees specified in this section are applicable to the 2004 license year, and shall be adjusted annually thereafter pursuant to Section 713.
- (e) The commission shall adjust the amount of the fees specified in subdivision (d), as necessary, to fully recover, but not exceed, all reasonable administrative and implementation costs of the department and the commission relating to those licenses.

**SEC. 22.** Section 7260 of the Fish and Game Code is amended to read:

**7260.** (a) The Legislature finds and declares all of the following:

(1) California has the greatest biodiversity of native trout species of any state in the nation. Trout can be found in more than 18,000 miles of California's cooler streams. California's trout are the principal sport fish in 3,581 cold-water lakes and reservoirs.

(2) Self-sustaining native trout populations in "Heritage Trout Waters" that retain and promote genetic trout diversity and overall sustainable watershed and ecosystem environmental health are state policy.

(b) Funding for "Heritage Trout Waters" is a priority for the Hatchery and Inland Fisheries Fund.

(c) The commission may designate "Heritage Trout Waters" to recognize the beauty, diversity, historical significance, and special values of California's native trout. The commission's designation shall meet both of the following criteria:

(1) Only waters supporting populations that best exemplify indigenous strains of native trout within their historic drainages may qualify for designation.

(2) Only waters providing anglers with an opportunity to catch native trout consistent with the conservation of the native trout may qualify for designation.

(3) Any stocking of heritage trout waters shall meet the criteria established by Chapter 7.2 (commencing with Section 1725) of Division 2.

**SEC. 23.** Section 7852 of the Fish and Game Code is amended to read:

**7852.** (a) The department shall issue a commercial fishing license to any resident who is 16 years of age or older, upon payment of a base fee of ninety-five dollars (\$95) for each resident vessel crewmember or resident vessel operator.

(b) The department shall issue a commercial fishing license to any nonresident who is 16 years of age or older, upon payment of a base fee of two hundred eighty-five dollars (\$285) for a nonresident vessel crewmember or nonresident vessel operator.

(c) The base fees specified in this section are applicable to the 2004 license year, and shall be adjusted annually thereafter pursuant to Section 713.

(d) The commission shall adjust the amount of the fees specified in subdivision (c), as necessary, to fully recover, but not exceed, all reasonable administrative and implementation costs of the department and the commission relating to those licenses.

(e) Nothing in this section affects any other provision of law relating to the employment of minors.

**SEC. 24.** Section 7881 of the Fish and Game Code is amended to read:

**7881.** (a) Every person who owns or operates a vessel in public waters in connection with fishing operations for profit in this state, or who brings fish into this state, or who, for profit, permits persons to fish therefrom, shall submit an application for commercial boat registration on forms provided by the department and shall be issued a registration number.

(b) A commercial boat registration may be issued to any resident owner or operator of a vessel upon payment of a base fee of two hundred fifty dollars (\$250). The commercial boat registration shall be carried aboard the vessel at all times, and shall be posted in a conspicuous place.

(c) A commercial boat registration may be issued to any nonresident owner or operator of a vessel upon payment of a base fee of seven hundred fifty dollars (\$750). The commercial boat

registration shall be carried aboard the vessel at all times and shall be posted in a conspicuous place.

(d) If a registered vessel is lost, destroyed, or sold, the owner of the vessel shall immediately report the loss, destruction, or sale to the department.

(e) This section does not apply to any person required to be licensed as a guide pursuant to Section 2536.

(f) The base fees specified in this section are applicable to the 2004 license year, and shall be adjusted annually thereafter pursuant to Section 713.

(g) The commission shall adjust the amount of the fees specified in subdivision (f), as necessary, to fully recover, but not exceed, all reasonable administrative and implementation costs of the department and the commission relating to those licenses.

**SEC. 25.** Section 8032 of the Fish and Game Code is amended to read:

**8032.** (a) A commercial fish business license shall be issued that authorizes any or all activities described in Section 8033, 8034, 8035, or 8036. The annual fee for this license is one thousand three hundred seventy-three dollars (\$1,373).

(b) Specialty licenses for part of, but not all, activities described in subdivision (a) shall be issued in five classes, as follows:

(1) Fish receiver's license, issued to any person engaged in the business of receiving fish as provided in Section 8033.

(2) Marine aquaria receiver's license, issued to any person engaged in the business of receiving live marine species indigenous to California waters from a person required to be a licensed commercial fisherman for the purpose of wholesaling or retailing those species for pet industry or hobby purposes as provided in Section 8033.1.

(3) Fish processor's license, issued to any person engaged in the business of processing fish as provided in Section 8034.

(4) Fish wholesaler's license, issued to any person who is engaged in the business of wholesaling fish as provided in Section 8035.

(5) Fish importer's license, issued to any person who is engaged in the business of importing fish as provided in Section 8036.

(c) The commission shall adjust the amount of the fee specified in subdivision (a), as necessary, to fully recover, but not exceed, all reasonable administrative and implementation costs of the department and the commission relating to those licenses.

**SEC. 26.** Section 13007 of the Fish and Game Code is amended to read:

**13007.** (a) Notwithstanding Section 13001 and paragraph (1) of subdivision (a) of Section 13005, commencing July 1, 2006, 331/3 percent of all sport fishing license fees collected pursuant to Article 3 (commencing with Section 7145) of Chapter 1 of Part 2 of Division 6, except license fees collected pursuant to Section 7149.8, shall be deposited into the Hatchery and Inland Fisheries Fund, which is hereby established in the State Treasury. Moneys in the fund may be expended, consistent with the Strategic Plan for Trout Management and Chapter 7.2 (commencing with Section 1725) of Division 2, and, upon appropriation by the Legislature, to support programs of the department related to management, maintenance, and capital improvement of California's fish hatcheries, the Heritage and Wild Trout program, and enforcement activities related thereto, and to support other activities eligible to be funded from revenue generated by sport fishing license fees.

(b) The department shall use sport fishing license fees collected and subject to appropriation pursuant to subdivision (a) for the following purposes:

(1) For the department's attainment of a state hatchery production goal of 2.75 pounds of

released trout per sport fishing license sold in the calendar year ending two and one-half years earlier, based on the sales of the following types of sport fishing licenses: resident; lifetime; nonresident year; nonresident, 10-day; 2-day; 1-day; and reduced fee. The predominant number of released fish shall be of catchable size or larger. The department shall attain this goal in compliance with Fish and Game Commission trout policies concerning catchable-sized trout stocking, the Strategic Plan for Trout Management, and Chapter 7.2 (commencing with Section 1725) of Division 2.

(2) To the Heritage and Wild Trout Program, at least two million dollars (\$2,000,000), for the following purposes:

(A) At least seven new permanent positions for the Heritage and Wild Trout Program.

(B) Permanent positions and seasonal aides in each region of the state as necessary to contribute to the objectives of this section, the objectives of the Strategic Plan for Trout Management pursuant to Section 1728, and other activities necessary to the program.

(C) The development of trout management plans pursuant to Chapter 7.2 (commencing with Section 1725) of Division 2.

(D) The department may expend up to 25 percent of the funds made available to the Heritage and Wild Trout Program for watershed restoration projects, resource assessment, or scientific inquiry. The department may enter into contracts with qualified entities including local governments, special districts, tribes, and nonprofit organizations for the purposes of this subparagraph.

(3) For the development of the department's Strategic Plan for Trout Management pursuant to Section 1728.

(4) The department shall ensure that the numbers of native California trout, as defined in Section 7261, produced are sufficient to equal or exceed 25 percent of the numbers of trout produced by the state fish hatcheries to comply with paragraph (1). The native trout produced in accordance with this paragraph shall support department efforts to protect and restore cold water ecosystems, maintain biological diversity, and provide diverse angling opportunities. Coastal rainbow trout/steelhead produced for anadromous mitigation purposes shall be excluded from contributing to the native trout production goals required by this paragraph. Coastal rainbow trout/steelhead propagated for purposes other than anadromous mitigation and released into their source watersheds may be counted toward the 25 percent native trout production goal. Native trout produced shall be naturally indigenous stocks from their original source watersheds. The department may release native trout produced into watersheds other than their original source watershed only if the released trout will cause no harm to other native trout or other biota in their original watersheds.

(5) The department may hire additional staff for state fish hatcheries, in order to comply with this subdivision.

(c) The department may allocate any funds under this section, not necessary to maintain the minimums specified in paragraphs (1) and (4) of subdivision (b), and after the expenditure in paragraph (2) of subdivision (b), to the Fish and Game Preservation Fund.

(d) The department may utilize federal funds to meet the funding formula specified in subdivision (a) if those funds are otherwise legally available for this purpose.

(e) A portion of the moneys subject to appropriation pursuant to subdivision (a) may be used for the purpose of obtaining scientifically valid genetic determinations of California native trout stocks, consistent with the department's Strategic Plan for Trout Management.

(f) On an annual basis, the department shall invest in hatchery facility improvements and rehabilitation to ensure progress towards achievement of the hatchery fish production targets established pursuant to this section.

(g) Beginning January 1, 2015, the department may obtain hatchery-produced fish from any California-based hatchery if all of the following criteria are satisfied:

(1) The goal specified in subdivision (b) is unmet.

(2) The department, following an inspection, determines that the California hatchery is in compliance with operations, management, and monitoring standards that are as stringent as those in effect at state hatcheries, in order to minimize the risk of the spread of disease or invasive species into inland state waters and fisheries.

(3) The cost per fish or per pound of fish provided by the California hatchery shall not exceed the cost to the department of state hatchery fish calculated equivalently and including transportation costs.

(h) One million dollars (\$1,000,000) is hereby appropriated from the Hatchery and Inland

Fisheries Fund to the department for capital outlay expenditures necessary to improve state hatchery facility and system improvements to achieve hatchery fish production goals established pursuant to this section. The department shall prioritize capital outlay investments based on expected improvements in hatchery egg and fish production.

**SEC. 27.** Section 65042 of the Government Code is amended to read:

**65042.** Every officer, agency, department, or instrumentality of state government, including, but not limited to, all trustee agencies as defined in Section 21070 of the Public Resources Code, shall do all of the following:

(a) Cooperate in the preparation and maintenance of the State Environmental Goals and Policy Report.

(b) By January 1, 2005, ensure that their entity's functional plan is consistent with the state planning priorities specified pursuant to Section 65041.1 and annually demonstrate to the office, and to the Department of Finance when requesting infrastructure pursuant to subdivision (a) of Section 13102, how the plans are consistent with those priorities.

(c) Comply with any request for advice, assistance, information or other material.