PROPOSITION 4 EMERGENCY IMPLEMENTATION REGULATIONS NOTICE OF PROPOSED EMERGENCY RULEMAKING ACTION REGARDING

CALIFORNIA CODE OF REGULATIONS

TITLE 14. NATURAL RESOURCES

DIVISION 21. CALIFORNIA OCEAN PROTECTION COUNCIL

CHAPTER 1. PROPOSITION 4 COASTAL AND OCEAN RESILIENCE GRANT PROGRAM

PROPOSITION 4 SAFE DRINKING WATER, WILDFIRE PREVENTION, DROUGHT PREPAREDNESS, AND CLEAN AIR BOND ACT OF 2024

GRANT AWARDS PROCESS

Notice Published November 26, 2025

NOTICE IS HEREBY GIVEN that the California Ocean Protection Council (OPC) proposes to adopt emergency regulations necessary to protect public health, safety, and the environment, by ensuring the immediate implementation of Proposition 4's requirements that OPC issues grants for projects that increase coastal and ocean resilience from the impacts of climate change and for projects that implement the California Sea Level Rise Mitigation and Adaptation Act of 2021 (Public Resources Code section 30970 et seq.). This action is being taken in accordance with Government Code sections 11346.1 and 11349.6 of the California Administrative Procedure Act, and Public Resources Code sections 92020, 92030, 90135. It is authorized by Public Resources Code section 30973 and 90230.

Government Code section 11346.1, subdivision (a)(2), requires that, at least five working days prior to submission of a proposed emergency action to OAL, the adopting agency provide a notice of the proposed emergency action to every person who has filed a request for notice of regulatory action with the agency. After submission of the proposed emergency action to OAL, OAL shall post the notice of proposed emergency action on its website and allow interested persons five calendar days to submit comments on the proposed emergency regulations, as set forth in Government Code section 11349.6.

PUBLIC COMMENT

If you wish to comment on the proposed emergency action, please submit your comment directly to both OAL and the Department within five calendar days of OAL's posting of the

proposed emergency regulations on the OAL website. You may submit comments to OAL and the Department at the following addresses:

OAL Reference Attorney 300 Capital Mall, Suite 1250 Sacramento, CA 95814 staff@oal.ca.gov

California Ocean Protection Council 715 P Street, 20th Floor Sacramento, CA 95814

Attn: Proposition 4: Coastal and Ocean Resilience

OAL will confirm that the Department has received each comment before considering it. Pursuant to California Code of Regulations, title 1, section 55, subdivision (b)(1) through (4), the comment must state that it is about an emergency regulation currently under OAL review, and include the topic of the emergency.

Adoption of emergency regulations does not require response to submitted comments. Where responses are issued by the Department they will be submitted to OAL within eight calendar days following the date of submission of the proposed emergency regulations to OAL, unless specific exceptions are applicable.

FINDING OF EMERGENCY

This was deemed an emergency pursuant to Public Resources Code 90135, subdivision (e) which states the following:

- (1) A regulation for the purpose of developing and adopting program guidelines and selection criteria needed to effectuate or implement the programs included in Chapter 2 (commencing with Section 91000) to Chapter 9 (commencing with Section 94500), inclusive, of this division may be adopted as an emergency regulation in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and for purposes of that chapter, including Section 11349.6 of the Government Code, the adoption of regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare, and a state agency is hereby exempted from the requirement that it describe facts showing the need for immediate action.
- (2) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, an emergency regulation adopted pursuant to this

subdivision shall be filed with, but not be repealed by, the Office of Administrative Law, and shall remain in effect until repealed or amended by the adopting state agency.

AUTHORITY AND REFERENCE

Authority cited: Sections 35550, 35621, 35625, 35650, 90100, and 90135 of the Public Resources Code. Reference: Sections 30972, 30973, 90110, 90133, 90140, 92020, 92030, and 92050 of the Public Resources Code.

INFORMATIVE DIGEST / POLICY STATEMENT

Existing Law

OPC currently runs a grant program entitled the Senate Bill 1 Sea Level Rise Adaptation Planning Grant Program under authority in the California Sea Level Rise Mitigation and Adaptation Act of 2021, found in Article 8 (commencing with Section 30270) to Chapter 3 of Division 20 of, and Division 20.6.5 (commencing with Section 30970) of the Public Resources Code. OPC is further enabled and created by the Coastal and Ocean Protection Act (COPA) found in Public Resources Code section 3500 et seq.

Objectives and Benefits of the Emergency Regulations

This emergency rulemaking is intended to interpret and make specific certain provisions of Proposition 4 funding in Public Resources Code sections 92020, 92030, and 92050 so that grants can be issued for projects that increase coastal and ocean resilience from the impacts of climate change, and implement the California Sea Level Rise Mitigation and Adaptation Act of 2021 by providing local assistance to local and regional governments for sea level rise adaptation planning and projects to implement sea level rise adaptation plans.

Pursuant to these regulations, and subject to appropriation, the Council may be directed to distribute funds made available by Public Resources Code section 92050, which directs the California Natural Resources Agency and the Department of Fish and Wildlife to issue grants funds for fishery management. Pursuant to Public Resources Code 90115, the Legislature is authorized through Proposition 4 to enact legislation necessary to implement the program funding in the bond. OPC has received and expects that future budget allocations will include Legislative appropriations from section 92050 for it to distribute in the form of grants because it is administratively housed in the California Natural Resources Agency (CNRA). Importantly, OPC is an entity entirely existing with the CNRA and its Chair is also the Agency Secretary. (See, Public Resources Code section 95606.) Its Executive Director serves a dual role as well and is appointed as the Deputy Secretary for Ocean and Coastal Policy within CNRA. Given its administrative location in CNRA, OPC has received

an appropriation to distribute funds from section 92050 in the Budget Act of 2025 (see, Senate Bill 105, Chapter 104, Statutes of 2025) and expects the Legislature may allocate funds from section 92050 to OPC in future budgets. Section 92050 directs CNRA and the Department of Fish and Wildlife to work towards certain climate ready fishery management targets. As a result, these regulations also seek to implement that provision.

Non-Duplication Justification

Some of the proposed regulations duplicate state statutes. Where a state statute is duplicated, the duplication is necessary to satisfy the "clarity" standard of Government Code section 111349.1(a)(3). The duplication will benefit those affected by the regulations by concentrating applicable requirements, such as defined terms and eligibility requirements, in one location—specifically the proposed regulations.

More specifically, the proposed language of the emergency regulations will accomplish the following:

Proposed Section 42000. Applicability and Scope.

This section identifies that only Proposition 4 grants are encompassed by the emergency regulations.

Proposed Section 42001. Definitions.

This section provides definitions for those terms used in Proposition 4 and that were either defined throughout the bond, but difficult to locate. It is necessary to assist applicants in knowing the requirements of the bond and statutes governing the administration of the funding. Below are specific points regarding some of the defined terms.

- The definition of "Council" is derived from Public Resources Code Section 35600.
- The definition of "Disadvantaged Community" is derived from Public Resources Code section 90100(d).
- The definition of "environmental justice" is derived from Government Code 65040.12 and Public Resources Code Section 72000.
- The definition of "Grant" derived from the State Contracting Manual section 4.06.
- The definition of "Grant Agreement" is derived from the State Contracting Manual section 4.06.
- The definition of "Grantee" is derived from the State Contracting Manual section 4.06.
- The definition of "Joint Powers Authority" is derived from Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code.

- The definition of "Nonprofit Organization" is derived from Public Resources Code section 90100.
- The definition of "Secretary" is derived from Public Resources Code section 90100.
- The definition of "Severely Disadvantaged Community" is derived from Public Resources Code section 90100.
- The definition of "Tribe" is derived from Public Resources Code section 90100.
- The definition of "Vulnerable Population" is derived from Public Resources Code section 90100.

• Proposed Section 1002. Applicant Eligibility.

This section identifies the statutory requirements for applicant eligibility and is derived from Public Resources Code section 90110. It is necessary to assist potential applicants with understanding the statutory limitations relative to which entities are able to apply.

• Proposed Section 42003. Project Eligibility.

This section identifies what class of projects may be funded with Proposition 4 dollars by the Council and are based on the permissible use of funding in Public Resources Code section 92020, 92030, and 92050.

Proposed Section 42004. Letters of Intent and Request for Proposals.

This section specifies that the Council will ask for short form letters of intent so that it can provide an administrative review for project and applicant eligibility before it requests longer, more expensive requests for proposals. It is necessary to help applicants avoid the cost and administrative burden of submitting full applications on projects that may not be eligible for available funding. Letters of intent will undergo an administrative review to determine whether the applicant and project eligibility requirements are met to ensure that applicants or projects that are not legally eligible do not waste time applying on full submittals.

The phrase "at a minimum" in the provision permits applicants to supplement their materials with additional information beyond what is required in subsections (1)-(10) in subsection (a). The minimum information required is necessary to allow OPC to ascertain applicant and project eligibility, communicate with the applicant, and gain essential information about each applicant and the proposed project.

Proposed Section 42005. Applications and Proposals.

This section specifies how the Council will accept applications and the minimum information it will need in each proposal to be able to evaluate an application. The phrase "at a minimum" in this section permits an applicant to supplement their proposal with additional information beyond what is required in paragraphs (1)-(12) of subdivision (a).

It is necessary to assist applicants to identify those universal information requirements the Council and its staff needs to administer the program effectively, and consistently with the statutory requirements. The information required in subsections (1)-(12) of subsection (a) is necessary for OPC to evaluate each proposal, communicate with the applicant, and gain additional information about each applicant and proposed project beyond the basic information in 1004(a). This information is essential to the review committee's evalution of each proposal pursuant to 1006(b).

Proposed Section 42006. Evaluation of Proposals.

Pursuant to subjection (a) all proposals shall be reviewed by a review committee of state staff experts applicable to various grant applications that may be received. The state staff experts chosen will be based on the nature of future funding available, and the Council's priorities. If state staff with relevant experience are unavailable to participate pursuant to section (a)(1), the Council may invite non-state staff experts to participate in the review committee process. This will ensure there is adequate expertise to evaluate each proposal. Subsection (b)(2) is necessary to prevent self-dealing and ensure the awards are made on a fair and equal basis.

This section identifies what factors the Council via state staff or non-state experts will use to evaluate proposals. These factors are based on statutory requirements and program priorities, including alignment with Proposition 4 priorities to provide direct and meaningful benefits for Vulnerable Populations, alignment to meet program priorities consistent with the funding source, and technical factors that demonstrate project readiness. It is necessary to help applicants understand how the Council will set funding priorities, and to ensure that applicants know the statutory preferences the Council is obligated to consider. Program priorities identified in subsection (b)(2) are derived from Public Resources Code sections 92020, 92030, and 92050.

Proposed Section 42007. Grant Awards.

Proposition 4 authorizes the award of grants. Grants of the type being issued by the Council are not subject to the State Contracting process, and as such the Council must independently develop a process for their award. (See the State Contracting Manual

section 4.06.) Notice of the review committee's recommendations will be sent to each applicant and provides them with notice prior to the Council meeting to approve, modify, or deny these recommendations.

This section also explains how the Council will review and make award recommendations for the selection of grants funded by Proposition 4. This section also specifies how the Council's decision will be based on the information provided and the record before it.

A notice of intent to award for the full or partial amount requested will be based on the factors listed in paragraphs (1)-(4) of subsection (a). These factors were chosen because they further the direction provided in the bond while also allowing the Council to balance the needs of all eligible projects for funding.

Proposed Section 42008. Grant Agreements.

This section identifies those required terms and conditions all grants awarded by OPC shall contain regardless of project type or applicant and makes it clear that terms that protect the Council's fiduciary and legal obligations to the State will be included in those grants as necessary based on the unique projects before it. Because every project is different, this provision is necessary to allow the Council to craft agreements that allow disbursement of the funding while protecting the State bond funds at issue here.

Lastly, the phrase "but is not limited to" is included in the provision because each grant agreement will likely contain project-specific terms and conditions beyond what is listed in paragraphs (1)-(7) of subsection (a).

Evaluation of Inconstancy and Incompatibility

OPC has determined that these regulations are not inconsistent or incompatible with existing state or federal regulations. After conducting a review for any regulation s that relate to or affect the area. OPC has concluded that these are the only regulations in California concerning the issues presented. No comparable federal regulations exist.

Other Findings

- Mandate on Local Agencies or School Districts: None
- **Documents Relied Upon:** State Contracting Manual <u>SCM V1 Chapter 4 June 2025</u> Edition (2).pdf.
- Cost or Savings to Any State Agency: None
- Reimbursable Cost to Any Local Agency or School District: None
- Other Nondiscretionary Cost or Savings Imposed on Local Agencies: None
- Cost or Savings in Federal Funding to the State: None