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An act to amend Sections 5010.6 and 5010.7, and to repeal Section 5010.6.5, of the Public Resources Code, relating to state parks, and making an appropriation therefor, to take effect immediately, bill related to the budget.



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

SECTION 1. Section 5010.6 of the Public Resources Code is amended to read:  
5010.6. (a) For purposes of this section, "subaccount" means the State Parks Revenue Incentive Subaccount created pursuant to this section.

(b) The State Parks Revenue Incentive Subaccount is hereby created within the State Parks and Recreation Fund and the Controller shall annually transfer four million three hundred forty thousand dollars (\$4,340,000) from the State Parks and Recreation Fund to the subaccount. Fund.

(c) Notwithstanding Section 13340 of the Government Code, the funds in the subaccount are hereby continuously appropriated to the department for activities, programs, and projects, including, but not limited to, capital outlay projects, that are consistent with the mission of the department and that increase the department's capacity to generate revenue and to implement the revenue generation program developed pursuant to Section 5010.7. Expenditures from the subaccount may include expenditures for staffing entry points, including department employees, seasonal employees, state and local conservation corps, individuals qualified pursuant to Chapter 0908 of the Department Operations Manual, and employees of organizations with agreements with state parks pursuant to Sections 513, 5009.1, 5009.3, and 5080. Activities, programs, and projects funded by the subaccount shall each include all of the following:

(1) A clear description of the proposed use of funds.  
(2) A timeframe for implementation of the activity, program, or project.  
(3) A projection of revenues, including annual income, fees, and projected usage rates.

(4) A projection of costs, including, if appropriate, design, planning, construction, operation, staff, maintenance, marketing, and information technology.

(5) A market analysis demonstrating demand for the activity, project, or program.

(6) A projected rate of return on the investment.

(d) The Office of State Audits and Evaluations shall review the activities, programs, and projects funded from the subaccount pursuant to subdivision (c) to ensure appropriate internal controls are in place. The department shall reimburse the Office of State Audits and Evaluations from the subaccount for any costs related to the review.

(e) The revenue generated from activities, programs, and projects funded by the subaccount are continuously appropriated for expenditure by the department pursuant to subdivisions subdivision (c) and (d) of Section 5010.7.

~~(f) The funds in the subaccount shall be available for encumbrance and expenditure until June 30, 2019, and for liquidation until June 30, 2021.~~

~~(g) This section shall become inoperative on June 30, 2021, and, as of January 1, 2022, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2022, deletes or extends the dates on which it becomes inoperative and is repealed.~~

SEC. 2. Section 5010.6.5 of the Public Resources Code is repealed.

~~5010.6.5. On July 1, 2021, the Controller shall transfer any unexpended funds remaining in the State Parks Revenue Incentive Subaccount created pursuant to Section 5010.6 to the State Parks and Recreation Fund.~~

SEC. 3. Section 5010.7 of the Public Resources Code is amended to read:



5010.7. (a) The department shall develop a revenue generation program as an essential component of a long-term sustainable park funding strategy. On or before July 1, 2014, and annually thereafter, the department shall assign a revenue generation target to each district under the control of the department. The department shall develop guidelines for districts to report the use of funds generated by the revenue generation program, and shall post information and copies of the reports on its Internet Web site.

(b) The California State Park Enterprise Fund is hereby created in the State Treasury as a working capital fund, and the revenue shall be available to the department upon appropriation by the Legislature for capital outlay or support expenditures for revenue generating investments in state parks. These investments may include, but are not limited to, planning and implementation of a statewide electronic fee collection system that includes installation of modern fee collection equipment and technologies to enhance collection of state park users fees and that will enable park users to pay fees with commonly used forms of electronic fund transfers, including, but not limited to, credit and debit card transactions, and other park revenue generating projects, and shall be available for encumbrance and expenditure until June 30, ~~2019, 2021,~~ and for liquidation until June 30, ~~2021, 2023.~~

(1) The department shall prepare guidelines for districts to apply for funds for capital projects that are consistent with this subdivision.

(2) The guidelines prepared pursuant to this subdivision shall require all of the following:

(A) A clear description of the proposed use of funds.

(B) A timeframe of implementation of the capital project.

(C) A projection of revenue, including annual income, fees, and projected usage rates.

(D) A projection of costs, including design, planning, construction, operation, staff, maintenance, marketing, and information technology.

(E) A market analysis demonstrating demand for the project.

(F) A projected rate of return on the investment.

(c) The revenue generated by the revenue generation program developed pursuant to subdivision (a) shall be deposited into the State Parks and Recreation Fund. ~~Revenue~~ Except as provided in subdivision (h), all or a portion of the revenue identified as being in excess of the district revenue targets shall may be transferred to the State Parks Revenue Incentive Subaccount, established pursuant to Section 5010.6, on or before June 1, annually, as follows:

(d) ~~Monies transferred to the State Parks Revenue Incentive Subaccount pursuant to subdivision (c) shall be expended as follows:~~

(1) ~~(A) The department shall allocate 50 percent of the total amount of revenues deposited into the State Parks Revenue Incentive Subaccount pursuant to subdivision (c), generated by a park district to that district if the amount of revenues generated exceeds the targeted revenue amount prescribed in the revenue generation program. The revenues to be allocated to a park district that fails to achieve the revenue target shall remain in the subaccount.~~

(1) (A) Up to 50 percent may be transferred to the subaccount and allocated by the department to park districts that exceed their established revenue targets.

(B) With the approval of the director, each ~~Each~~ district shall use the funds it receives pursuant to this section to improve the parks in that district through revenue



generation programs and projects and other activities that will assist in the district's revenue generation activities, and the programs, projects, and other activities shall be consistent with the mission and purpose of each unit and with the plan developed for the unit pursuant to subdivision (a) of Section 5002.2.

(C) The department shall report to the Legislature, commencing on July 1, 2014, and annually on or before each December 31 thereafter, on the revenue distributed to each district pursuant to this section.

(2) ~~The department shall use~~ Up to 50 percent of the funds deposited into the State Parks Revenue Incentive Subaccount pursuant to subdivision (e) may be transferred to the subaccount and allocated by the department for the following purposes:

(A) To fund the capital costs of construction and installation of new revenue and fee collection equipment and technologies and other physical upgrades to existing state park system lands and facilities.

(B) For costs of restoration, rehabilitation, and improvement of the state park system and its natural, historical, and visitor-serving resources that enhance visitation and are designed to create opportunities to increase revenues.

(C) For costs to the department to implement the action plan required to be developed by the department pursuant to Section 5019.92.

(D) Pursuant to subdivision (c) of Section 5010.6, for expenditures to support revenue generation projects that include, but are not limited to, staffing kiosks, campgrounds, and parking lots.

~~(e)~~

~~(d)~~ The funds generated by the revenue generation program shall not be used by the department to expand the park system, unless there is significant revenue generation potential from such an expansion.

~~(f)~~

~~(e)~~ Notwithstanding Section 5009, moneys received by the department from private contributions and other public funding sources may also be deposited into the California State Park Enterprise Fund and the State Parks Revenue Incentive Subaccount for use for the purposes of subdivision ~~(e) and subdivision (d)~~. ~~(c)~~.

~~(g)~~

~~(f)~~ The department shall provide all relevant information on its Internet Web site concerning how funds in the State Parks and Recreation Revenue Incentive Subaccount and the California State Park Enterprise Fund are spent.

~~(h)~~

~~(g)~~ The department may recoup its costs for implementing and administering the working capital from the fund.

~~(h)~~ The department shall not transfer funds to the State Parks Revenue Incentive Subaccount pursuant to subdivision (c) if the statewide department revenue target is not met.

SEC. 4. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.



## LEGISLATIVE COUNSEL'S DIGEST

Bill No.  
as introduced, \_\_\_\_\_  
General Subject: State parks: funds: financing.

Existing law establishes the State Parks Revenue Incentive Subaccount in the State Parks and Recreation Fund, and continuously appropriates funds in the subaccount to the Department of Parks and Recreation for activities, programs, and projects that are consistent with the mission of the department and that increase the department's capacity to generate revenue and implement a revenue generating program. Existing law requires the Controller to annually transfer \$4,340,000 from the fund to the subaccount and, on July 1, 2021, to transfer any unexpended funds remaining in the subaccount to the fund. Existing law makes funds in the subaccount available for encumbrance and expenditure until June 30, 2019, and for liquidation until June 30, 2021. Existing law makes these provisions inoperative on June 30, 2021, and repeals them on January 1, 2022.

This bill would (1) remove the annual transfer of \$4,340,000 from the fund to the subaccount, (2) remove the inoperative and repeal dates for the subaccount and thereby extend these provisions indefinitely, and (3) make funds in the subaccount available indefinitely for encumbrance, expenditure, and liquidation. By extending operation of a continuously appropriated fund, this bill would make an appropriation.

Existing law establishes the California State Park Enterprise Fund in the State Treasury as a working capital fund, with money available to the department, upon appropriation by the Legislature, for capital outlay or support expenditures for revenue generating investments in state parks. Existing law makes these revenues available for encumbrance and expenditure until June 30, 2019, and for liquidation until June 30, 2021. Existing law requires the department to develop a revenue generation program as an essential component of a long-term sustainable park funding strategy. Existing law requires revenue generated by that program to be deposited into the State Parks and Recreation Fund and requires revenues identified as being in excess of specified revenue targets to be transferred annually, on or before June 1, to the subaccount. Existing law requires the department to allocate 50% of the total amount of revenues generated by a park district that exceed its revenue targets to that district, provides that revenues to be allocated to a park district that fails to achieve the revenue target shall remain in the subaccount, and requires the department to use 50% of the funds deposited



in the subaccount from revenues generated by the revenue generation program for specified purposes.

This bill would (1) instead authorize the department to transfer to the subaccount and allocate up to 50% of the total amount of revenues generated by park districts that exceed their revenue targets to these districts, and to transfer to the subaccount and allocate up to 50% of these excess revenues for specified purposes, (2) make the revenues in the California State Park Enterprise Fund available for encumbrance and expenditure until June 30, 2021, and for liquidation until June 30, 2023, and (3) make related changes.

This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.



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