

## LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, \_\_\_\_\_.

General Subject: Oil, Gas, and Geothermal Administrative Fund: permissible uses.

Existing law imposes, among other things, an annual charge upon each person operating or owning an interest in an oil or gas well, with respect to the production of the well, which charge is payable to the Treasurer for deposit into the Oil, Gas, and Geothermal Administrative Fund. Existing law requires that moneys from charges levied, assessed, and collected upon the properties of every person operating or owning an interest in the production of a well be used exclusively, upon appropriation, for the support and maintenance of the Department of Conservation, which is charged with the supervision of oil and gas operations, and for the support of the State Water Resources Control Board and the regional water quality control boards for their activities related to oil and gas operations that may affect water resources.

This bill would additionally authorize the use of those moneys for the support of the State Air Resources Board and the Office of Environmental Health Hazard



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Assessment for their activities related to oil and gas operations that may affect air quality, public health, or public safety.

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



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An act relating to oil and gas.



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

SECTION 1. Section 3401 of the Public Resources Code is amended to read:

3401. (a) The proceeds of charges levied, assessed, and collected pursuant to this article upon the properties of every person operating or owning an interest in the production of a well shall be used exclusively for the support and maintenance of the department charged with the supervision of oil and gas ~~operations and operations~~, for the State Water Resources Control Board and the regional water quality control boards for their activities related to oil and gas operations that may affect water ~~resources~~ resources, and for the support of the State Air Resources Board and the Office of Environmental Health Hazard Assessment for their activities related to oil and gas operations that may affect air quality, public health, or public safety.

(b) Notwithstanding subdivision (a), the proceeds of charges levied, assessed, and collected pursuant to this article upon the properties of every person operating or owning an interest in the production of a well undergoing a well stimulation treatment, may be used by public entities, subject to appropriation by the Legislature, for all costs associated with both of the following:

(1) Well stimulation treatments, including rulemaking and scientific studies required to evaluate the treatment, inspections, any air and water quality sampling, monitoring, and testing performed by public entities.

(2) The costs of the State Water Resources Control Board and the regional water quality control boards in carrying out their responsibilities pursuant to Section 3160 and Section 10783 of the Water Code.



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