



## June 1, 2016

Chairman Mark Leno Joint Budget Conference Committee State Capitol, Room 5019 Sacramento, CA 95814

Senator Ricardo Lara State Capitol, Room 5050 Sacramento, CA 95814

Senator Loni Hancock State Capitol, Room 2082 Sacramento. CA 95814

Senator Jim Nielsen State Capitol, Room 2068 Sacramento, CA 95814

Senator Patricia Bates State Capitol, Room 4036 Sacramento, CA 95814 Vice-Chair Philip Ting Joint Budget Conference Committee State Capitol, Room 6026 Sacramento, CA 95814

Assembly Member Lorena Gonzalez State Capitol, Room 6012 Sacramento, CA 95814

Assembly Member Richard Bloom State Capitol, Room 2003 Sacramento, CA 95814

Assembly Member Jay Obernolte State Capitol, Room 4116 Sacramento, CA 95814

Assembly Member Kristin Olsen State Capitol, Room 4144 Sacramento, CA 95814

## RE: California Endangered Species Act Permit Application Fees #802 - OPPOSE

## Dear Chairman Leno:

On behalf of the Rural County Representatives of California (RCRC) and the California State Association of Counties (CSAC), we write to express our opposition to the proposed application fees for permits required to comply with the California Endangered Species Act (CESA).

As you may know, counties are required to comply with CESA by obtaining incidental take permits for a number of county projects including land use, general planning, flood control, and water management activities. The proposed fees are brand new, not proposed for a phase-in, and would range in cost from \$7,500 to \$30,000.

The proposed fee also gives the Department of Fish and Wildlife (CDFW) the authority to charge an additional fee of up to \$10,000 if the original fees are deemed to be insufficient. This is an enormous amount of leeway to give an agency, especially since allowing CDFW the authority to ask for more money to complete their work does not exactly provide an incentive for an efficient permit review process. Most state fee structures do not include such a provision,

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and since the proposal also grants authority to CDFW to review and adjust the fee structure, we feel the additional charge is unnecessary and excessive.

While we understand the importance of local <u>and</u> state agencies having the ability to raise revenue to cover the costs of the services they provide, the fees proposed are excessive and could result in counties having to defer important public projects due to cost issues. Of particular concern is the impact on local projects that provide flood protection for people and property. Unfortunately, local flood control agencies have very limited funding options to pay for flood protection infrastructure repair, replacement and maintenance. Consequently, any new fees could significantly impact their ability to move forward with such work.

We are also concerned about the potential impact of these fees on rural counties, many of which have among the highest unemployment rates and lowest countywide median household incomes in the State. They too aren't in a position to raise their own fees in order to cover such a costly new state fee structure.

For the above reasons, RCRC and CSAC oppose the proposed CESA permit applications fees. We would welcome the opportunity to continue our dialogue with the Department of Fish and Game regarding an alternative approach. Should you have any questions about our position, please do not hesitate to contact Staci Heaton of RCRC at (916) 447-4806 or Karen Keene of CSAC at (916) 650-8181.

Sincerely,

STACI HEATON Regulatory Affairs Advocate

RCRC

KAREN KEENE Senior Legislative Representative CSAC

aren Keene

cc: The Honorable Edmund G. Brown Jr., Governor

Members of the California State Assembly

Members of the California State Senate

Martha Guzman-Aceves, Deputy Legislative Secretary, Office of Governor Brown Catherine Freeman, Consultant, Senate Budget and Fiscal Review Committee

Rocel Bettencourt, Senate Republican Consultant

Gabrielle Meindl, Consultant, Assembly Budget Committee

Daniel Ballon, Assembly Republican Consultant