



June 1, 2016

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

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

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

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

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

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

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

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

Senator Patricia Bates
State Capitol, Room 4036
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 and 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

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