

An act to amend Sections 71.4 and 72.5 of the Harbors and Navigation Code, relating to boating and waterways.

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

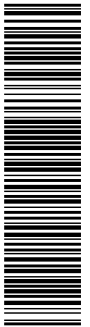
SECTION 1. Section 71.4 of the Harbors and Navigation Code is amended to read:

71.4. (a) (1) The division, subject to the approval of the Legislature in accordance with Section 85.2, may make loans to qualified cities, counties, or districts having power to acquire, construct, and operate small craft harbors, for the design, planning, acquisition, construction, improvement, maintenance, or operation of small craft harbors and facilities in connection with the harbors, and connecting waterways, if the division finds that the project is feasible.

(2) The minimum annual rate of interest charged by the division for a loan shall be set annually by the division and shall be based on the Pooled Money Investment Account interest rate.

(b) The division shall establish, by rules and regulations, policies and standards to be followed in making loans pursuant to this section so as to further the proper development and maintenance of a statewide system of small craft harbors and connecting waterways. To the greatest extent possible, the division shall adhere to customary commercial practices to ensure that loans made pursuant to this section are adequately secured and that the loans are repaid consistent with the terms of the loan agreement. Any rules and regulations shall include policies and standards for restrooms, vessel pumpout facilities, oil recycling facilities, and receptacles for the purpose of separating, reusing, or recycling all solid waste materials.

(c) The division shall develop weighing and ranking criteria to qualify and prioritize the public loans.



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(d) A loan under this section shall be repaid as provided in Section 70.

(e) Rates to be charged for the use of the boating facilities shall be established by the city, county, or district, subject to the approval of the division, in every loan contract. The division shall concern itself with the rates charged only as prescribed in Section 71.8. The rates set shall be based on a monthly berthing charge, and the division shall monitor these rates to ensure that the berthing charges are sufficient to ensure timely and complete repayment of the loan.

(f) ~~The division shall submit any project for which it recommends any loan be made to the Governor for inclusion in the Budget Bill.~~

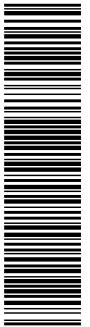
~~(g)~~

(f) The division may restate an existing loan under this article, upon written request by the borrower.

SEC. 2. Section 72.5 of the Harbors and Navigation Code is amended to read:

72.5. (a) ~~The department,~~ division, subject to the approval of the Legislature in accordance with Section 85.2, may grant funds to a county, city, district, or other public agency for the construction and development of small craft launching facilities and shall establish general policies for determining those projects for launching facilities ~~which the department~~ that the division will recommend to the Legislature for grants of Harbors and Watercraft Revolving Fund moneys on the basis of which facilities will serve the public recreational boating needs.

~~This~~



(b) This program is to build launching facilities in areas not normally considered by other state agencies as suitable to provide for conservation, propagation, and utilization of the fish and game resources of the state.

~~The department shall submit any project for which it recommends any grant be made to the Governor for inclusion in the Budget Bill.~~

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LEGISLATIVE COUNSEL'S DIGEST

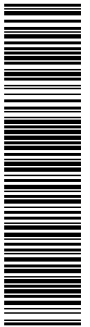
Bill No.

as introduced, _____.

General Subject: Small craft harbors and facilities: loans and grants.

Existing law authorizes the Division of Boating and Waterways in the Department of Parks and Recreation, subject to the approval of the Legislature in accordance with specified provisions of law, to make loans to qualified cities, counties, or districts having power to acquire, construct, and operate small craft harbors, for the design, planning, acquisition, construction, improvement, maintenance, or operation of small craft harbors and facilities in connection with the harbors, and connecting waterways, if the division finds that the project is feasible. Existing law requires the division to submit any project for which it recommends any loan to be made to the Governor for inclusion in the Budget Bill.

Existing law also authorizes the division, subject to the approval of the Legislature in accordance with specified provisions of law to grant funds to a county, city, district, or other public agency for the construction and development of small craft launching facilities and to establish general policies for determining those projects for launching facilities that the division will recommend to the Legislature for grants of Harbors and Watercraft Revolving Fund moneys on the basis of which facilities will serve the public recreational boating needs. Existing law requires the division to submit any project for



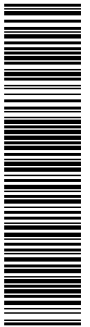
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which it recommends any grant to be made to the Governor for inclusion in the Budget Bill.

Existing law provides that the money in the Harbors and Watercraft Revolving Fund is available, upon appropriation by the Legislature, for expenditure by the department for boating facilities development and other purposes.

This bill would remove the requirement that the division submit any project for which it recommends any loan or grant be made to the Governor for inclusion in the Budget Bill.

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



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