

2024 CLIMATE BOND GRANT GUIDELINES
NOTICE OF PROPOSED EMERGENCY RULEMAKING ACTION
REGARDING
CALIFORNIA CODE OF REGULATIONS
TITLE 14. NATURAL RESOURCES
DIVISION 5.6. STATE COASTAL CONSERVANCY
CHAPTER 9. 2024 CLIMATE BOND GRANT GUIDELINES

Notice Published November 12, 2025

NOTICE IS HEREBY GIVEN that the State Coastal Conservancy (Conservancy) proposes to adopt emergency regulations necessary to provide program guidelines and selection criteria for implementation of the programs within the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (“2024 Climate Bond”), which is set forth at Public Resources Code, Division 50, sections 90000-95015. This action is being taken in accordance with Government Code sections 11346.1 and 11349.6 of the California Administrative Procedure Act.

These regulations will be submitted to the Office of Administrative Law (OAL) on November 24, 2025, with an intended effective date no later than December 4, 2025.

Government Code section 11346.1(a)(2) requires that, at least five working days prior to submission of the proposed emergency action to OAL, the adopting agency provide a notice of the proposed emergency action to every person who has filed a request for notice of regulatory action with the agency. After submission of the proposed emergency action to OAL, OAL shall post the notice of proposed emergency action on its website and allow interested persons five calendar days to submit comments on the proposed emergency regulations as set forth in Government Code section 11349.6.

PUBLIC COMMENT

If you wish to comment on the proposed emergency action, please submit your comment directly to both OAL and the Conservancy within five calendar days of OAL’s posting of the proposed emergency regulations on the OAL website. You may submit comments to OAL and the Conservancy at the following addresses:

OAL Reference Attorney
300 Capital Mall, Suite 1250
Sacramento, CA 95814
staff@oal.ca.gov

Evyan Sloane, Deputy Executive Officer
State Coastal Conservancy
1515 Clay Street, Suite 1000
Oakland, CA 94612
Evyan.sloane@scc.ca.gov

OAL will confirm that the Conservancy has received each comment before considering it. Pursuant to California Code of Regulations, title 1, section 55, subdivision (b)(1)through (4), the comment must state that it is about an emergency regulation currently under OAL review and must include the topic of the emergency.

Adoption of emergency regulations does not require response to submitted comments.

Where responses are issued by the Conservancy they will be submitted to OAL within eight calendar days following the date of submission of the proposed emergency regulations to OAL, unless specific exceptions are applicable.

FINDING OF EMERGENCY

Government Code section 11346.1, subdivision (b), allows a state agency to adopt emergency regulations if the agency makes a finding that the adoption of a regulation is necessary to address a situation calling for immediate action to avoid serious harm to the public peace, health, safety, or general welfare. The Conservancy finds that emergency adoption of the regulations proposed herein regarding implementation of the 2024 Climate Bond is necessary for immediate preservation of the public peace, health, safety, or general welfare.

Basis for the Finding of Emergency:

The 2024 Climate Bond at Division 50 of the Public Resources Code includes an express legislative declaration that adoption of regulations that provide guidelines and selection criteria to implement the programs of the law shall, for purposes of the Administrative Procedure Act, be considered an “emergency” necessary for the immediate preservation of public peace, health, and safety. Further, the Legislature authorized the Conservancy to employ emergency rulemaking procedures to address that need. The declaration and finding appear in Public Resources Code section 90135(e):

A regulation for the purpose of developing and adopting program guidelines and selection criteria needed to effectuate or implement the programs included in Chapter 2 (commencing with Section 91000) to Chapter 9 (commencing with Section 94500), inclusive, of this division may be adopted as an emergency regulation in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and for purposes of that chapter, including Section 11349.6 of the Government Code, the adoption of regulations is an emergency and shall be considered by Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare, and a state agency is hereby exempted from the requirement that it describe facts showing the need for immediate action.

AUTHORITY AND REFERENCE

Pursuant to the authority vested in the Conservancy by Division 21 of the Public Resources Code to undertake and award grants for projects and specifically by section 31102 authorizing the adoption of

regulations, and to implement provisions of the 2024 Climate Bond that allocate funds directly to the Conservancy at Public Resources Code sections 91032, 92010, 92015, and 92060, and provisions of the 2024 Climate Bond that could result in appropriations to the Conservancy, such as Public Resources Code sections 94020 and 94030, the Conservancy is proposing to adopt Chapter 9 of Division 5.6 of Title 14 of the California Code of Regulations consisting of subchapters 1-3, sections 13900-13911.

INFORMATIVE DIGEST/POLICY STATEMENT

Existing Law

The Conservancy is a non-regulatory state agency that has responsibility for protecting, restoring and enhancing natural resources along the coast and in coastal watersheds, protecting coastal agriculture, and providing public access to the coast. The Conservancy acts by undertaking projects or awarding grants for projects that help meet the purposes set forth in its enabling legislation at Division 21 of the Public Resources Code (“Division 21”). The Conservancy can implement Division 21 only to the extent the legislature appropriates funds to the Conservancy. The legislature appropriates funds from different statutory sources, most of which are bond acts approved by the voters. Each fund source may specify particular purposes within Division 21 for which the funds can be used.

On November 5, 2024, California voters approved the 2024 Climate Bond. The 2024 Climate Bond authorizes the sale of bonds, the proceeds of which may be used by specified state agencies for specified purposes. The 2024 Climate Bond allocates a total of approximately \$950 million that can be appropriated by the legislature to the Conservancy, most of which is for purposes of coastal resilience projects and coastal and combined flood management. When the legislature appropriates 2024 Climate Bond funds to the Conservancy, the Conservancy may disburse those funds consistent with its authority under Division 21 and for the purposes of the 2024 Climate Bond.

Objectives and Benefits of the Emergency Regulation

In this emergency action, the Conservancy proposes to set forth the procedures and selection criteria that it will use to select projects for which it will award grants using funds appropriated to it pursuant to the 2024 Climate Bond. The general topics of the regulations are (1) grant application process; (2) eligibility criteria; and (3) project selection criteria.

More specifically, the proposed language of the emergency regulations will accomplish the following:

Proposed Section 13900. “Scope.” This section describes and clarifies the intended function of all the regulations within the newly created Chapter 9. This section confirms that Chapter 9 does not apply to the Conservancy’s grant of funds for wildfire and forest resilience, which grants are exempt from rulemaking pursuant to Section 15(b) of the Budget Act of 2024, as amended by Chapter 2, Statutes of 2025, Section 24. This regulation is necessary to identify the scope of the regulations.

Proposed Section 13901. “Timing of Submittal of Applications.” This regulation specifies the Conservancy process for accepting grant applications. This regulation is necessary because it specifies the Conservancy’s procedures relating to awarding grants of funds pursuant to the 2024 Climate Bond.

Proposed Section 13902. “Technical Assistance.” This regulation informs potential grant applicants of the Conservancy staff’s availability to provide assistance with applications. This regulation is necessary

because it specifies the Conservancy's procedures relating to awarding grants of funds pursuant to the 2024 Climate Bond.

Proposed Sections 13903 and 13904. "Preapplication" and "Contents of Preapplication." These regulations specify the Conservancy's process of accepting a preapplication that provides less information than a full application so that potential grant applicants can avoid spending time on a full application for a project that does not meet the eligibility criteria. These regulations are necessary because they specify the Conservancy's procedures relating to awarding grants of funds pursuant to the 2024 Climate Bond.

Proposed Section 13905 and 13906. "Full Application" and "Contents of Grant Application." These regulations specify that grant applicants have the burden to demonstrate to the Conservancy that their project meets the eligibility criteria and is a priority for funding under the project selection criteria. These regulations specify what information can be submitted to make these demonstrations. These regulations are necessary because they specify the Conservancy's procedures relating to awarding grants of funds pursuant to the 2024 Climate Bond.

Proposed Section 13907. "Staff Recommendation." This regulation specifies the Conservancy's process of preparing a written staff recommendation for the Conservancy board that describes how a project meets the eligibility criteria and project selection criteria. This regulation is necessary because it specifies the Conservancy's procedures relating to awarding grants of funds pursuant to the 2024 Climate Bond.

Proposed Section 13908. "Conservancy Hearing and Authorization." This regulation specifies the Conservancy's process of scheduling grant applications for authorization by the Conservancy's board at a public meeting. This regulation is necessary because it specifies the Conservancy's procedures relating to awarding grants of funds pursuant to the 2024 Climate Bond.

Proposed Section 13909. "Eligibility Criteria." This section implements the 2024 Climate Bond by identifying the statutory requirements for a project to qualify for a grant under both the 2024 Climate Bond and Division 21 of the Public Resources Code and additional requirements that are implied in the statutes. This regulation is necessary to provide potential grant applicants with a clear understanding of what is necessary to qualify for a Conservancy grant funded pursuant to the 2024 Climate Bond.

Proposed Section 13910. "Project Selection Criteria." This section implements the 2024 Climate Bond by identifying the Conservancy's priorities for selecting among grant applications. The Conservancy's priorities are based on achieving the goals and objectives set forth in the Conservancy's Strategic Plan. The Conservancy updates its Strategic Plan every five years. This regulation is necessary to provide potential grant applicants with a clear understanding of the Conservancy's priorities for selecting among grant applications to be funded pursuant to the 2024 Climate Bond.

Proposed Section 13911. "Use of the 2024 Climate Bond for Projects Previously Authorized." This section implements the 2024 Climate Bond by identifying the circumstances under which the Conservancy could disburse funds pursuant to the 2024 Climate Bond for a project that was authorized by the Conservancy without having considered a grant application specifically for 2024 Climate Bond funds. This regulation is necessary because it specifies the Conservancy's procedures relating to awarding grants of funds pursuant to the 2024 Climate Bond.

CONSISTENCY WITH FEDERAL REGULATION OR STATUTE

The proposed regulations are the procedures and selection criteria for administering the Conservancy's grant program to implement the 2024 Climate Bond. The proposed regulations are not inconsistent or incompatible with federal statutes and regulations. No comparable federal regulations exist.

CONSISTENCY WITH EXISTING STATE REGULATIONS

The proposed regulations are the procedures and selection criteria for administering the Conservancy's grant process to implement the 2024 Climate Bond. The Conservancy must implement the 2024 Climate Bond through the authority provided to the Conservancy in its enabling legislation at Division 21 of the Public Resources Code. Division 21 authorizes the Conservancy to undertake and award grants for projects that achieve the goals set forth in Division 21. The 2024 Climate Bond allocates funding for the Conservancy to disburse through its Division 21 authority for specific Division 21 purposes that are identified in the 2024 Climate Bond. No other state agency implements Division 21. The Conservancy's proposed regulations are not inconsistent or incompatible with existing state regulations.

LOCAL MANDATE

The proposed regulations do not impose a mandate on local agencies or school districts.

COST OR SAVINGS TO STATE AGENCIES

Costs or Savings to State Agencies: Impacts on the Conservancy will be limited to costs associated with administration of its grant program.

Non-Discretionary Costs or Savings to Local Agencies, Including Costs to any Local Agency or School District Requiring Reimbursement Pursuant to Section 17500 et seq.: There will be no impact on local agencies.

Costs or Savings in Federal Funding to the State: There will be no impact on federal funding to the state.

DOCUMENTS INCORPORATED BY REFERENCE

No documents are incorporated by reference into the proposed regulations.

DOCUMENTS RELIED UPON

The Conservancy relied upon the following documents in proposing this rulemaking action:

None.

AVAILABILITY OF DOCUMENTS ON THE INTERNET

The proposed regulatory language for the emergency regulations can be accessed through the Conservancy's website at: <https://scc.ca.gov/2025/11/10/climate-bond-grant-guidelines/>

If you have questions regarding the process of the proposed emergency action, please contact Evyan Sloane, Deputy Executive Officer at (510) 286-4162 or evyan.sloane@scc.ca.gov.