

**CALIFORNIA STATE  
LANDS COMMISSION**

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**STATE LANDS COMMISSION VOTES TO OPPOSE ABOLISHMENT**

**SACRAMENTO** — The California State Lands Commission (CSLC) today voted to oppose a recommendation to abolish the State Lands Commission and distribute its functions among several newly created agencies.

The recommendation was part of the California Performance Review (CPR) report issued August 3.

“The Legislature created the Commission because California’s public lands were being managed behind closed doors and without public input,” said State Controller and Chair of the State Lands Commission Steve Westly. “For more than 60 years, the Commission has protected California’s coast. I intend to keep critical lands decisions open to the public.”

Lt. Gov. Cruz Bustamante, a Commission member, added that the Commission “has been an important force in halting the threat of off-shore oil and gas drilling, limiting over development on our coast, and otherwise protecting the public trust lands and waterways. “Significantly,” he continued, “the Commission had 242 staff positions in 1990. Today, it has 102 people doing the same work. The Commission is doing more with less and is still highly effective. The question is whether that staff can continue to maintain its highly effective operations when they are no longer part of an independent Commission. This is a classic case of trying to fix something that isn’t broken.”

The State Lands Commission is composed of the Lieutenant Governor, the State Controller, and the Governor’s Director of Finance. The Commission manages public trust lands of the state (the beds of all naturally navigable rivers, lakes, and streams, as well as the state’s tide and submerged lands along California’s more than 1,100 miles of coastline). It also manages lands, which are dedicated to provide revenue for California’s retired teachers. The Commission applies the public trust doctrine to ensure that the public trust lands are used for water-related purposes, including the protection of the environment, public recreation, and economic benefit to the citizens of California. The Commission generated almost

\$140 million in revenues to the state in FY 2003-2004. In all, the Commission manages and protects more than 4½ million acres of lands belonging to the people of California.

The CPR would distribute the functions of the State Lands Commission as follows:

- 1) Management of the surface uses of public trust lands – Department of Natural Resources
- 2) Management of the surface uses of school lands – Department of Infrastructure
- 3) Ballast Water Management – Department of Environmental Protection
- 4) Oil Spill Prevention and Response Program – Department of Environmental Protection
- 5) Mineral leasing of oil, gas, and geothermal resources on public trust and school lands – Department of Infrastructure
- 6) Mineral leasing of gold, potash and other hard rock minerals – Department of Natural Resources
- 7) Mineral leasing of gold, potash and other hard rock minerals on school lands – Department of Infrastructure

By splitting administration of public trust and school lands among several agencies, the CPR would create inefficiencies and add to the cost of land stewardship. These unique lands acquired at California's statehood must be administered pursuant to the public trust doctrine and the school land trust, both complex legal doctrines with extensive histories. The CPR would require redundant development of public trust and school land expertise in several agencies, which may lead to inconsistent policies and potentially allow activities that would be incompatible with one another.

The Commission currently brings together staff that has expertise on public trust policy, minerals management, management of 4,000 surface leases, and oversight of California's ports. Each of its existing functions is related to the others and benefits from having the same staff involved in the day-to-day administration. All of the work now performed by Commission staff would still have to be performed under the Reorganization Plan of the CPR. Splitting up divisions with related functions would require the hiring of duplicative staff to assure that the expertise now commonly available at the Commission would be available to the separated divisions and would reduce efficient coordination of related functions.

This Reorganization Plan replays previously rejected reorganization proposals. In 1995, Governor Wilson proposed in a Reorganization Plan to break off the State Lands Commission energy functions in a manner not unlike that proposed in the CPR. However, after hearings on Governor Wilson's plan before the Little Hoover Commission, the Governor deleted the State Lands Commission from the reorganization before resubmitting the rest of his plan regarding state management of energy issues. It is unfortunate that this year's CPR is revisiting proposals previously reviewed and rejected. In 1994, the Legislature rejected AB 2468 (Conroy), which also proposed to abolish the Commission and distribute its functions.

The Resolution adopted by the State Lands Commission opposing the abolition of the Commission and the staff report are attached.

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