

MINUTE ITEM

38. LONG BEACH UNIT; SENATE BILL 60 - L.B.W.O. 10,155; W.O. 4800.

Senate Bill 60 was discussed at length. Commissioner Anderson's views were that the bill should provide for:

1. Any boundary settlement to be removed from the legislation and left to the courts;
2. Long Beach to present a master plan for the development of the shoreline area to be approved by the Commission, and that expenditures from the trust be made from this master plan;
3. The prevention of monopoly; and the provision for a share of the oil to all companies;
4. The State to receive the largest share of the tideland oil revenues and Long Beach to receive all the money it needs for its shoreline development.

The Chairman replied that (in his capacity as Director of Finance and not as Chairman of the State Lands Commission), he felt:

1. The question of the boundary settlement could best be decided by legislation, since the litigation would be lengthy and tie up a good deal of high class legal talent;
2. It was impossible to work out the details of a master plan in time for this session of the Legislature, and therefore better to include general guidelines for the Commission;
3. The bill, in its present form, provides for adequate protection against monopoly by:
 - a. Permitting the Commission to lease the Alamitos State Park lands independently;
 - b. Providing for a 12 $\frac{1}{2}$ % sell-off from the 80% share of oil produced.

A further division of interests would result in a reduction of revenue to the State.